

THE MARKETS ON FRIDAY

	Chg#
Sensex	27,590.9 ▼ 674.4
Nifty	8,083.8 ▼ 170.0
Nifty futures*	8,084.5 ▲ 0.7
Dollar	₹76.2 ₹75.6**
Euro	₹82.2 ₹82.8**
Brent crude (\$/bbl)**	28.4** 24.9**
Gold (10 gm)**	₹43,760.0 ₹460.0

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

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WEEKEND SEPARATE SECTION
SUPPLYING FOOD IN DISTRESSING TIMES

COMPANIES P2

SMALL, USED CARS MAY PICK UP PACE IN POST-CORONA WORLD



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CORONAVIRUS IMPACT

GLOBAL TALLY CROSSES 1 MILLION AS INDIA CASES GO PAST 2,500

Experts warned that the more than one million cases of Covid-19 confirmed globally were probably just a small proportion of total infections, even as the global death toll jumped to over 53,000. The US, Spain and Britain grappled with their highest tolls yet. Meanwhile, India's tally crossed the 2,500-mark. The active cases of people suffering from coronavirus rose to 2,322 in India, excluding 162 cured or discharged (and one migrated) and 62 dead, showed the health ministry data.

Fitch sees India GDP rise at slowest pace in 30 yrs

India may post in 2020-21 a gross domestic product growth rate of 2 per cent, the slowest since the economy was liberalised 30 years ago, Fitch Ratings said on Friday. Also, the Asian Development Bank said it saw India's economic growth slipping to 4 per cent in the current fiscal year ending March 31, 2021.

COMPANIES P2

M&M board rejects fund infusion in Ssangyong

Mahindra & Mahindra's (M&M's) board of directors have turned down a proposal to pump in fresh equity worth \$406 million in its South Korean subsidiary, SsangYong Motor (SYM). M&M said in a statement on Friday. "The magnitude of the ... crisis created by the Covid-19 virus has compelled us to take the difficult decision," it said.

ECONOMY & PUBLIC AFFAIRS P5

Stark pessimism in sentiment: RBI survey

The results of the Reserve Bank of India's surveys, conducted before the nation went into lockdown and released on Friday, show the general population remained pessimistic about economic and job prospects in the immediate future. Yet, they expected some improvement in the next year, showed the consumer confidence survey.

BigBasket, Grofers go on hiring spree

Online grocery start-ups BigBasket and Grofers have started hiring executives for their warehouses and delivery to clear backlogs and serve new orders. BigBasket will be hiring 10,000 people, while Grofers is looking to employ an additional 2,000 people.

BS ON SATURDAY SPECIALS

WEEKEND RUMINATIONS
Covid's progress and aftermath

The first half of the third decade, if not all of it, is likely to fare much worse than the last two decades. Do please light your lamps as the lights go out. **TN NINAN** writes

NATIONAL INTEREST
Modi and the politics of messaging

Modi knows who he needs to speak to, who he should toss, and who he can address in kind. So, poke fun at *taali*, *thaali*, *diya* and *mombatti*. He couldn't care less, writes **SHEKHAR GUPTA**

BS SURVEY

India Inc wants more to fight Covid impact

60% of CEOs surveyed say they will not implement salary or job cuts

SURAJEET DASGUPTA & DEV CHATTERJEE
New Delhi/Mumbai, 3 April

India Inc is near unanimous in its view that the relief measures announced by the Reserve Bank of India (RBI) and the government are not enough, even as it seeks a comprehensive stimulus package from the state to combat the adverse impact of Covid-19 on their businesses.

The finding is based on a quick survey of 25 CEOs representing big companies in areas ranging from financial services and banks to energy, automobiles, ports, consumer electronics, IT and internet, real estate companies and also large business conglomerates.

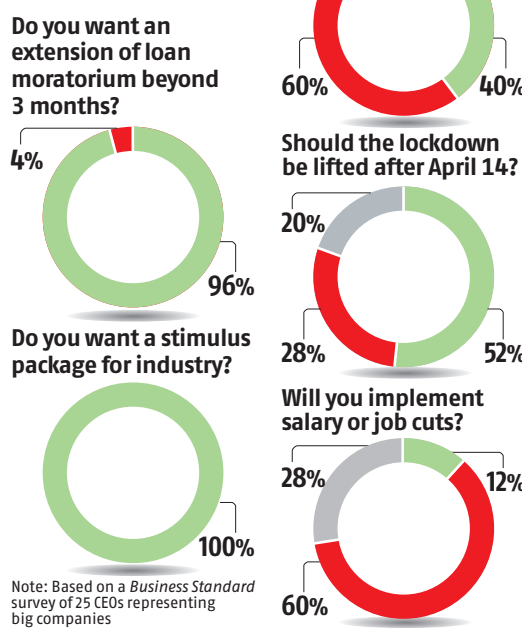
An overwhelming 96 per cent of the CEOs surveyed want the extension of the moratorium on loan payments to three months, which was announced by the RBI, to be further relaxed to at least a year to even two years. And, of course, all of them are pushing for a stimulus package from the government. Many also point out that the Insolvency and Bankruptcy Code (IBC) rules need to be made flexible — such as the deferment of proceedings for six months from the date on which the lockdown is lifted.

Says Venu Srinivasan, chairman of TVS group: "The moratorium on loan repayment should be extended. More importantly, NPA recognition norms should be relaxed as well. Otherwise, the NBFC industry will go bankrupt. Also, IBC proceedings should be deferred by six months for all micro, small and medium companies."



VIEWS FROM THE C-SUITE

Yes No Don't know



Note: Based on a Business Standard survey of 25 CEOs representing big companies



JOYDEEP GHOSH
New Delhi, 3 April
"THE MORATORIUM ON LOAN REPAYMENT SHOULD BE EXTENDED. NPA RECOGNITION NORMS SHOULD BE RELAXED AS WELL"



VENU SRINIVASAN
CMD, TVS Motor
"THE GOVERNMENT HAS TO PUMP IN MONEY TO REVIVE DEMAND. BUT INDUSTRY IS LOOKING FOR RELIEF IN THE PAYMENT OF TAXES AND STATUTORY DUES"



HARSH GOENKA
Chairman, RPG Enterprises

Corona pandemic, FII sell-off hit liquid funds hard

Bond yield spike led to redemption pressure; RBI's LTRO expected to calm investor nerves

JOYDEEP GHOSH
New Delhi, 3 April

Assets under management (AUM) of the ₹27-trillion mutual fund industry took a huge knock in March, largely because of withdrawals from the debt and arbitrage funds.

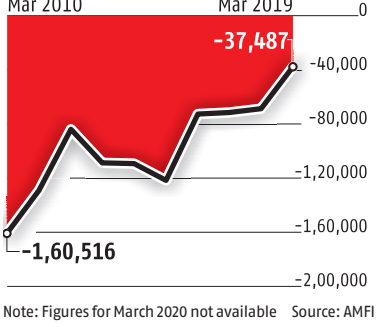
The outflow from mutual funds went up to ₹2.35 trillion till March 29, industry players said, quoting data. The net outflow in short-term funds, they said, was close to ₹1 trillion. Besides, some more selling took place in the last couple of days of the month.

Debt funds, especially liquid funds, were also impacted owing to a spike in bond yields. Industry players said several factors came into play simultaneously — aggressive selling from foreign institutional investors in the short-term bond market, inability of many brokers to trade actively, sales by companies for advance tax, and a huge expectation that the Reserve Bank of India (RBI) would cut rates and open a special window on March 20.

However, things turned worse as the RBI took no such decision on that date. Liquid fund yields spiked by 150-170 basis points and reduced the bond prices, leading to negative returns in liquid funds. Companies, which account for over 90 per cent of the ₹16-trillion liquid fund AUM, rushed to redeem. "In addition, there were worries about the Covid-19 crisis hurting finances, accentuating the selling pressure on liquid

WITHDRAWAL PAIN

Net March inflow/outflow in the case of liquid and income funds (in ₹ crore)



Note: Figures for March 2020 not available Source: AMFI

funds. We expect an additional ₹70,000 crore to ₹80,000 crore outflows due to this crisis — the worst in many years," said the CEO of a fund house.

Usually, there is a net outflow from liquid funds during the end of the year because companies withdraw money to pay advance taxes. However, industry experts like Dharendra Kumar, CEO, Value Research, explained that the pressure of paying advance taxes wasn't very high this year because of the tax relaxation given by the government last September.

With huge outflows, fund managers were forced to raise more cash to meet redemption pressure.

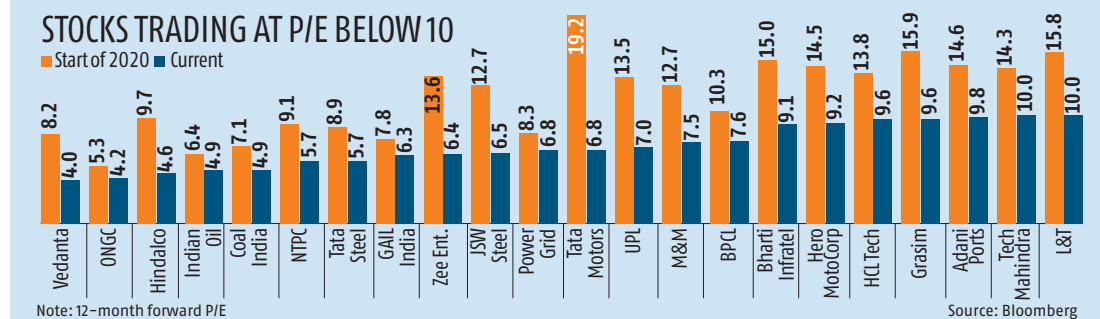
CORONAVIRUS EATS INTO STOCK VALUATIONS

The Indian stock market has plunged 34 per cent from its record high. As a result, the price-to-earnings (P/E) ratio for the Nifty50 index has declined to 12.3 from 18 at the start of the year. The Nifty's valuation is still slightly above the 2008-09 global financial crisis trough level, when it had fallen to 11. However, a record 50 per cent of the Nifty stocks are currently trading at a single-digit P/E ratio.

GOING CHEAP

Valuation band*	March 2009	Start of 2020#	Current	Key stocks**
Less than 10	45	19	50	Vedanta, Hindalco, M&M, Hero MotoCorp, L&T
Between 10 and 20	53	48	32	RIL, ITC, Infosys
Between 20 and 30	3	21	6	Dr Reddy's, Shree Cement
More than 30	0	13	12	Nestle, HUL, Asian Paints
Nifty P/E	11.3	18.1	12.3	

*12-month forward consolidated P/E; #Includes financials; **From current list; # As of Jan 1, 2020



TIMINGS FOR MONEY MARKETS CHANGED

The Reserve Bank of India on Friday said that the bond and currency markets would operate between 10 am and 2 pm, instead of the usual 9 am to 5 pm, from April 7 to 17, because of coronavirus-related dislocations. Market participants welcomed the move as even senior participants had to come to the trading floor.

HUL NOW 3RD MOST VALUED COMPANY

Hindustan Unilever (HUL), the country's most valuable consumer goods maker, has overtaken HDFC Bank to become India's third-most valuable firm in terms of market capitalisation. At Friday's closing price, HUL's market capitalisation was ₹4.66 trillion, against HDFC Bank's ₹4.46 trillion.

SENSEX FALLS 674 PTS; NIFTY BELOW 8,100

The Sensex tumbled 674 points on Friday, weighed down by losses in banking stocks. After hitting a low of 27,500.79 during the day, it ended 2.39 per cent lower at 27,590.95. The Nifty50 shed 170 points, or 2.06 per cent, to finish at 8,083.80.

Lights off for 9 min at 9 pm on Sunday: PM

Power sector on alert to manage any drastic drop in demand

SHREYA JAI
New Delhi, 3 April

Ending many hours of suspense, Prime Minister Narendra Modi addressed the nation through a video message at 9 am on Friday, urging the public to switch off the lights for 9 minutes at 9 pm on April 5 and light candles instead. If not candles, torches and mobile flashlights too can be used across balconies and gates to show solidarity in the fight against coronavirus.

Ever since the announcement Thursday evening about the PM's video message, speculation has been building up on whether he was going to talk about lifting the lockdown in phases or extending it. He did neither.

The PM said people should tell each other that even though they were at home, they were not alone. "This country's 1.3 billion people are together during this lockdown period. We have to dispel the darkness spread by coronavirus and give hope to the poor who are the most impacted by lockdown," he said. This is his second attempt at solidarity, after the call for Janata Curfew on March 22.

While the PM's appeal may have dashed many hopes, it sent the power ministry into a huddle as this could lead to a significant drop in electricity demand. However, the power ministry said the event would not impact the national power grid much and that planning would be done in advance. "Power Minister R K Singh has discussed the issue with Power Grid Corporation of India (PGCIL) and the grid operator Power System Operator Corporation (POSOCO) in today's meeting. They are up to the task and are confident of managing the grid stability for the event," said a ministry spokesperson. Another official pointed out the extent of fluctuation expected would be minimal. "But we have asked all state and regional load dispatch centres to be prepared."

The mass switch-off event comes at a time when the country has witnessed an unprecedented fall in power demand over the past two weeks of lockdown. Following the announcement of a 21-day lockdown due to the corona pandemic, power demand has fallen by close to 30 per cent during March.



While the PM's appeal may have dashed many hopes, it sent the power ministry into a huddle as this could lead to significant drop in demand

Centre defines grocery for states, eases rules for trucks

NIVEDITA MOOKERJI
New Delhi, 3 April

The Union government on Friday asked states to take immediate measures to ensure a free flow of essential items and keep the supply chain going. In a letter to chief secretaries of all states, Home Secretary Ajay Bhalla clarified what constituted food and grocery and the exemptions during the nationwide lockdown, while easing the norms for issuing curfew passes and truck movement to help remove the supply chain hurdles. The objective was to clear the ambiguities at the ground level, an official said. In another letter, Bhalla reiterated that exceptions allowed for the agriculture sector must be communicated to all field agencies for smooth harvesting and sowing operations.

"At the ground level, different interpretations are being made on the items given exceptions, which hinder a smooth flow of supply chain of these essential items," Bhalla said in the letter reviewed by Business Standard. Referring to queries received by the government on what constitutes food and



Food, groceries, vegetables, milk products, meat, agriculture produce, fertiliser, and drugs are among exempted items

grocery, he said, "since it is neither feasible nor desirable to mention each item of food and grocery in the guidelines, the state/union territory governments are advised to interpret these terms to mean all items of food and grocery that are usually consumed by people on day to day basis."

STATES HASTEN EFFORTS TO CREATE HOSPITAL INFRA

Given that the government infrastructure is inadequate to treat the influx of coronavirus patients, state governments are scrambling to create the space for it by "taking over" private hospitals. In the past one week, several states have issued orders to take over private hospitals in some districts.

face the hurdle of making a distinction between what's essential and what's not.

On the difficulty faced by businesses in getting curfew passes despite production, warehousing and transport of essential goods being in the "exception" list, states/UTs have now been told to give out authorisation letters to companies/organisations having nationwide supply chains. This is expected to help these businesses get regional passes for easy movement of critical staff and workers to maintain their national supply chain. "The number of such authorisation should be kept to bare minimum," according to the letter. Currently, companies including e-commerce firms have to follow different rules for each state and even city, making it tough to do business efficiently.

As cargo movement by railways, airports and seaports is also not easy during the lockdown period, the Centre has asked "designated authorities under railways, ports and airports to issue passes for a critical mass of staff and contractual labour" essential for such operations.

IN BRIEF

Air India stops taking domestic flight bookings till April 30

Air India has stopped taking bookings for domestic flights till April 30 as the government considers phase-wise opening of air services. Domestic and international flights are suspended till April 14. A phase-wise opening is being considered for domestic routes, like it has been done for international flights. A senior Air India executive said suspending domestic network booking was an internal decision. Booking on international routes are already suspended. The executive explained that airline may even operate on a truncated schedule to begin with and there could even be some state-specific restrictions. Meanwhile, the airline's pilot unions opposed the 10 per cent cut in employees' allowances. **ANEESH PHADNIS.**

Revv offers free car rides to healthcare workers in 5 cities

Self-drive mobility start-up Revv on Friday said it will offer cars at zero fee to assist healthcare workers amid the coronavirus outbreak. The service is now functional in five cities — Delhi, Bengaluru, Mumbai, Chennai and Pune — and overall, Revv expects to mobilise over 1,000 cars to help healthcare workers commute to hospitals, a statement said. Companies across the country — right from start-ups to the giants — have come forward to contribute in the fight against the Covid-19. **PTI.**

S&P downgrades Tata Motors ratings, outlook stable

S&P Global Ratings has downgraded Tata Motors to non-payment grade 'B' citing weaker-than-expected credit metrics owing to the Covid-19 disruptions. The rating agency, which had earlier rated Tata Motors B+, has, however, kept the outlook stable. **PTI.**

CRISIL revises rating outlook on Vedanta to negative

CRISIL has revised its rating outlook on non-convertible debentures and long-term bank facilities of Vedanta to 'Negative' from 'Stable'. The revision factors in the risk of sharply lower commodity prices of Brent crude, zinc and aluminium in FY21 in the wake of Covid-19. **BS REPORTER.**

Indian smartphone industry may take \$2-bn hit: Research

The smartphone industry in India could take a \$2-billion hit on account of coronavirus as shipments declined significantly in March and April, according to Counterpoint Research. It expected a decline of 3 per cent in shipments in 2020 to 153 million units compared to 158 million units last year. **PTI.**

Aditya Birla Group commits ₹500 crore for corona fight

The Aditya Birla Group on Friday committed ₹500 crore towards Covid-19 relief measures, of which ₹400 crore will go to the PM-CARES Fund. This is one of the highest contributions from a corporate entity. Apart from PM-CARES Fund, the Kumar Mangalam Birla-led group will contribute ₹50 crore to FICCI-Aditya Birla CSR Centre for Excellence and ₹50 crore to supply ventilators and masks. **PTI.**

Small, used cars may see post-Covid surge

SHALLY SETH MOHILE
Mumbai, 3 April

Automakers are bracing for a rough ride ahead. Auto sales, already in reverse gear in India owing to tepid sentiment and a slowing economy, got dented badly in March, with sales at top companies declining by more than 64 per cent over the year-ago period.

But amid the lockdown, announced by the government to contain the spread of the coronavirus disease (Covid-19), there is a silver lining. Once the 21-day lockdown is lifted, which may happen in phases, those who have been contemplating purchasing a car may actually do it, said analysts.

Thanks to social distancing norms and rising hygiene awareness, daily commuters may ditch public transport and shared mobility solutions like Ola and Uber. Many are likely to prefer the confines of a car over roughing it up in crowded public transport services such as a metro, local sub-urban trains and buses, they said.

The trend may particularly boost entry-level and compact cars in the sub-₹10 lakh category. "While it's a dark picture right now, there is a silver lining. You will see some pent-up demand, especially for entry-level cars. It's an opportunity for all the automakers that play in the segment to gear up for it," says Rajeev Pratap Singh, auto sector head at Deloitte.

Many people who do not have a car are already actively considering buying one and with this, used cars will also get a boost, he added.

"The risk of shared transport is very high and there will be a dip in demand for such services and shared mobility platforms," said Singh.

Rahul Mishra, principal and lead - automotive at Kearney, agrees. "The whole social distancing that we are practising is going to fundamentally alter some of the traditional ways of doing things. One such thing could be a preference for private mode of transport — owning a vehicle instead of using shared public transport," said Mishra.

Millennials, who never thought of investing in cars as they preferred



■ **Social distancing norms and rising hygiene awareness may prompt people to buy cars**
 ■ **Millennials may actively consider owning a vehicle over shared mobility**
 ■ **Auto companies will need to offer attractive deals on finance to stimulate demand**
 ■ **Auto sales in March collapsed by more than 64 per cent**

Supply chain shock for parts firms: ICRA

Rating agency ICRA on Friday said the supply chain shock due to coronavirus will have negative impact for Indian auto component industry. The Covid-19 supply chain disruptions will manifest into a demand shock lasting multiple quarters for the domestic industry, ICRA said in a statement. The rating agency, which undertook an extensive survey across key auto component importers and exporters to understand

the impact of disruptions in the global auto component supply chain because of the pandemic, said it expects a significant scale down in exports over the next two quarters. "Though most respondents felt that India stood to gain when global OEMs eventually re-source their requirements, there were reservations that competition from other countries would make this difficult," it said. **PTI**

an Ola or Uber, may now think of owning a car. He also felt choices may be skewed towards small and compact cars.

Automakers, that have their hands full dealing with the current crisis, are wary of any forecasts. R C Bhargava, chairman at car market leader Maruti Suzuki India, said: "We will have to see how the demand pans out after the lockdown is lifted. With no prior experience, saying anything will be highly speculative," said Bhargava.

A top executive at another passenger vehicles firm echoed similar sentiments. "At this point, making any such prediction on a trend will be premature. We would rather do our bit by helping our channel and vendor partners. I am not sure if car purchase will top the priority of an average salaried class under the current circumstances."

Deloitte's Singh said the challenge for automakers will be to manage the customer wisely. They will need to identify those who are looking to buy an additional car for the family. Given that the liquidity crunch will remain in the foreseeable future, companies will have to offer retail finance, he said.



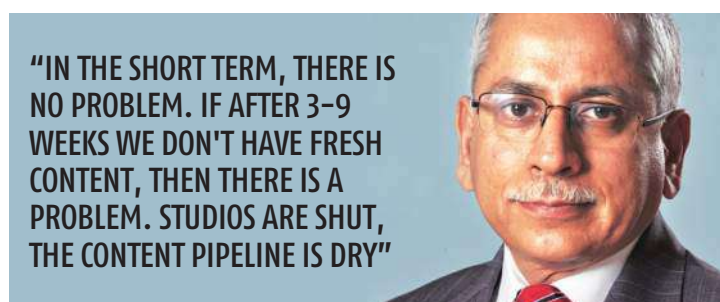
CORONAVIRUS PANDEMIC

'We are fortunate because our goods and services are virtual'

Tata Sky, one of India's largest DTH operators with 18 million subscribers, is battling the restrictions of a lockdown with a surge in TV consumption. Vanita Kohli-Khandekar spoke to **HARIT NAGPAL**, managing director and CEO, on the challenges. Edited excerpts:

How are you dealing with this crisis?
 On March 7 we had discussed the possibility of a lockdown and how would we ensure continuity of service to 18 million subscribers. The daily sales and the 4,000-5,000 repairs we do every day are not as important as the continuity of service to our subscribers. Therefore, we identified a few people who will be locked into offices just to maintain operations. Over two days, we identified 72 people primarily from Information Technology (IT). They have been there since the night of the Janata curfew, 35 people have been living and sleeping at the uplink centre in Chhatrapur (New Delhi) and 15 at our IT hub in Bengaluru. Our call centres are shut. But we

identified agents who can attend the diverted calls from home on their laptop. Currently, we can attend to only 30 per cent of the calls. (The Tata Sky call centre gets about a lakh calls every day). The aim is to take this to 50-60 per cent. We have added 14 services like choosing or dropping a channel to those which can be managed via WhatsApp. A bunch of field service guys were identified to look after repairs only for older people. They have to wear gloves, foot covers, mask and carry a disinfectant with them. We are still managing 700-800 repairs a day only for senior citizens. A few days ago we started offering eleven of our services, education, fitness, cooking, free for a month. They are usually priced at



₹60 a month. So all work is being done, even our year closing is happening.

You are a large company and can, therefore, weather this one better
 We are fortunate because our goods and services are virtual and we can be paid virtually. If we physically delivered products, things would have been difficult. Since many partners may not be able to send bills, we are paying them according to the February bill. These are our security

suppliers, the 2,500 repairs and installation partners we have who in turn have 25,000 people on their rolls. So they can pay their people.

What is the short and long term impact this could have?
 The best processes are created when your back is against the wall. Now for every new process, we are asking "what if this happens?" and we design an even more efficient and reliable process. We are moving things as much online as possible. We have 3-4

months of stock of set-top-boxes and we are not acquiring any new customers because we cannot install. The topline will be flat, but we will cut costs to maintain bottom-line.

What is your learning from managing this situation?
 If I can work under these circumstances, then why not during a normal situation. My home office is fine, I can work from there and can go to the office for two days instead of five. Why do I need to travel to Bengaluru and Delhi for half-hour meetings? This is a paradigm shift. It will reduce costs and wastage of time.

Any challenges you might face?
 In the short-term, there is no problem. If after 3-9 weeks we don't have fresh content, then there is a problem. Studios are shut, the content pipeline is dry. After re-runs why would a customer want to watch the same stuff again? How long will you do that?

No lay-offs or salary cuts, Flipkart CEO tells staff

PEERZADA ABRAR
Bengaluru, 3 April

At a time when companies are bracing for tough measures to mitigate the impact of losses due to the lockdown, Flipkart Group CEO Kalyan Krishnamurthy has assured employees that there will be no salary cuts or lay-offs.

Krishnamurthy, who held a first-of-its-kind virtual town hall meeting with over 8,000 employees on Friday, also said incentives would be given as decided and there wouldn't be any impact on them. He emphasised that the company is honouring all jobs offered, including the internships.

"A crisis is a great time to show your statesmanship, commitment, and character. I look up to each one of you to think long-term. What we do now will build us for the future. We are honouring all commitments, campus placements, and looking at innovative ways of virtual inductions and on-



"WE ARE HONOURING ALL COMMITMENTS, CAMPUS PLACEMENTS, AND LOOKING AT INNOVATIVE WAYS OF VIRTUAL INDUCTIONS AND ON-BOARDING"
KALYAN KRISHNAMURTHY
 CEO, Flipkart Group

boarding," Krishnamurthy told the employees. He told them the key is for all employees to remain safe and healthy, and urged them to be more responsible. "Don't be opportunistic. Don't short-change your partners and vendors. They are key to the progress of e-commerce, and

trust is critical. This is the time to contribute to nation-building," said Krishnamurthy.

One employee also asked whether the company should continue with plans for the festive sale event in May, to which the CEO replied that employees should work with category leaders to prioritise what is important. "If there is an opportunity to serve consumers and offer them value, then we must. However, I don't want to be in a celebratory mood because after the lockdown it won't be the same," said Krishnamurthy.

Flipkart competes with Amazon and JioMart to tap the online commerce market, which is expected to touch \$200 billion by 2028 from \$30 billion in 2018. India seems to have entered Stage-3 of the outbreak. Until March 16, consumer retail sales and walk-ins did not see much dip compared to last year, which could have been due to festive shopping, according to a study by Capillary Technologies.

Ventilator tycoon adds \$3.7 billion to wealth

BLOOMBERG
3 April

As the coronavirus pandemic wrecks economies, markets and fortunes, three founders of a company that makes ventilators have added a combined \$7.3 billion to their wealth this year.

Shenzhen Mindray Bio-Medical Electronics shares have climbed 41 per cent, fuelled by a surge in demand for the life-saving devices. Covid-19, the disease caused by the virus, has flooded hospitals worldwide with patients struggling to breathe.

Chairman Li Xiting, a Singapore citizen and the city-state's richest man, has added \$3.7 billion to his net worth this year and has a \$12.7 billion fortune, according to the Bloomberg Billionaires Index. That puts him among the top-five gainers in the world. Jeff Bezos is up \$3.4 billion, while Bill Gates is down \$15.3 billion.

The global health crisis has exposed a shortage of ventilators. While companies from Ford Motor to General Motors rush in to help ramp up production, Mindray's board secretary Li Wenmei said that global demand is at least 10 times what's available at hospitals. New York is just a few days away from exhausting its

supply, according to state Governor Andrew Cuomo.

The death toll worldwide has exceeded 53,000 while infections have topped 1 million. Italy and Spain are the most impacted in Europe, but the disease has also spread rapidly across the US, where President Donald Trump warned of 100,000 deaths or more. The Society of Critical Care Medicine estimates that 960,000 patients would need ventilator support in the US, but the nation only has about 200,000 such machines. In Italy, the country with the most number of fatalities, a severe ventilator shortage has forced doctors to triage patients.

Until late last month, Mindray's ventilators didn't have approvals in the US market but the Food and Drug Administration (FDA) authorised their use under an emergency rule designed to help ease the shortage. That move has also boosted the prospects of Mindray.

That authorisation is "providing opportunities for Chinese ventilator products to enter the US market quickly," analysts at Citic Securities wrote.

Mindray, which makes 3,000 ventilators a month, isn't the only manufacturer

of the machine in China. Beijing Aeonmed also got FDA authorisation last month, according to the regulator's website. Shares of Jiangsu Yuyue Medical Equipment & Supply, another maker, have rallied 98 per cent this year in Shenzhen, boosting its market value to \$5.7 billion.

Giant rivals

Though Mindray, with a market capitalisation of \$44 billion, is dwarfed by medical-device giants like Dublin-based Medtronic, the Chinese firm has the potential to expand its market share, said Nikkie Lu, an analyst with Bloomberg Intelligence. "It's had a very good track record,"



with its products able to enter markets like Europe and Hong Kong, she said.

In an earnings filing this week, Mindray said orders from Europe especially have increased dramatically, with Italy purchasing the first batch of almost 10,000 pieces of equipment including ventilators and monitors.

The company, which has 17 subsidiaries in China and operations in 30 countries, makes health monitoring systems, ventilators, defibrillators, anesthesia machines and infusion systems. The firm has a direct sales team in the US.

Not forever

The boost to the wealth of Mindray Chairman Li, who founded the firm in 1991 along with Xu and Cheng, contrasts with the erosion in net worth of his peers in Asia. Li Ka-shing, Hong Kong's richest man, has lost \$7.1 billion this year as the city fights a recession from the double-whammy of the pandemic and last year's political protests. Singapore reported the biggest economic contraction in a decade in the first quarter, and expects a severe recession for the year. "Sales will definitely drop after the outbreak."

E-COMMERCE SUPPLY CHAIN BACK ON TRACK

BigBasket, Grofers go on hiring spree to meet lockdown load

Both firms are under-staffed amid crisis that has disrupted supply chain

SAMREEN AHMAD
Bengaluru, 3 April

Online grocery start-ups BigBasket and Grofers have launched campaigns to hire executives for their warehouses and last-mile delivery to clear backlogs and serve new orders.

While Bengaluru-based BigBasket is looking to hire 10,000 staff, Gurugram-based Grofers is looking to employ an additional 2,000 people from the industries that have been deeply impacted by the coronavirus disease (Covid-19) crisis such as textile, manufacturing, and services. The hiring by BigBasket will be done across 26 cities where the company delivers.

Since the nationwide lockdown to check the spread of the Covid-19 was announced, BigBasket has seen around 50 per cent shortage of delivery and warehouse staff, most of whom preferred to stay indoors initially because of police high-handedness and fearing for their safety.

"With many workers staying home or going back to their villages and towns, we now require people to service this demand. This is why we are hiring delivery and warehouse personnel, and this will work two ways. We will be able to service more customers and also provide employment to those who need it the most at the moment," said Tanuja Tewari,



BIGBASKET: CURRENT SITUATION	75,000	40%	50%	50%	7-9 days
	orders fulfilled everyday	current operating capacity	shortage of staff	current server capacity	Cancellation refund time

vice-president of Human Resources at BigBasket.

For Grofers, currently 65 per cent of its warehouse staff is operational. "To address the issue of lack of public transport for our warehouse staff, we have sought permission from authorities to start our own bus service for our workforce, wherever required. Buses are sanitized every day and utmost hygiene standards are followed for the staff," said Rohit Sharma, head

of supply chain, Grofers. The start-up said it is collaborating with other platforms such as Zomato to get their delivery fleet on board.

BigBasket is promising attractive salaries and benefits like health insurance, assurance of safe working environment, including disinfecting and sanitizing warehouses, delivery crates, and other equipment on a regular basis, apart from the provi-

sion of gloves and masks, and regular thermal scanning.

It has been working with cab aggregators, retailers and restaurant associations for hiring to increase delivery frequency. It has already partnered with Uber India to deliver essentials to customers at their doorsteps. In this partnership, Uber's driver partners will help BigBasket with last-mile delivery in four cities — Bengaluru, Hyderabad, Chandigarh and Noida.

Amazon Pantry resumes services in select cities

Amazon Pantry, the company's daily essentials store for Prime members, is back online and accepting orders in a few cities after temporarily shutting down last week.

It's now open in Bengaluru, Hyderabad, and Pune for select pin codes. It offers essentials including food, beverages, household supplies, health, and beauty products at discounted rates.

"We are prioritising deliveries of existing orders. Deliveries of new orders could take 7-10 days," said the firm.

Amazon Pantry was delivering essentials in over 100 cities before suspending services temporarily when the country entered the lockdown. Earlier, it had temporarily suspended new orders and disabled shipment for lower-priority products. Amazon India is now delivering existing orders of essential products that were purchased using prepaid payment methods.

"We are single-mindedly focused on getting essentials to you. We continue to work with state governments to get clearance and with district authorities to get curfew passes," said Amit Agarwal, country head of Amazon India, on Twitter.

SAMREEN AHMAD

Residential bookings in Mumbai region fall 78% in Feb-Mar: Report

PRESS TRUST OF INDIA
Mumbai, 3 April

Residential bookings witnessed a 78 per cent fall in the Mumbai Metropolitan Region between February and March as compared to January this year, owing to the adverse impact of the coronavirus outbreak on the real estate sector, says a report.

According to a report by real estate developers' association Credai-MCHI, as compared to January 2020, bookings of residential units have fallen by 78 per cent in 30 days from February 2020 last week to March third week.

The report, which has been conducted with insights from over 100 Mumbai Metropolitan Region (MMR) developer members to ascertain impact of Covid-19 on MMR Real Estate, further said there has been a 250 per cent drop in home loan collection in March as compared to January this year.

"Residential real estate has already been under an enormous pressure due to the prevailing liquidity crunch, subdued demand and unaffordable prices. Due to Covid-19 and the subsequent lockdown, the Indian real estate industry, along with its allied industries, are experiencing a substantial slowdown in activities," Credai-MCHI President Nayan Shah said.



Other than pre-commitments, demand for office is likely to be postponed to H2 2020 or H1 2021. Existing tenants might delay lease renewals to H2 2020 and will renegotiate rent free periods until lockdown

The report noted that RBI's three month moratorium on term loan instalments is expected to release some pressure off the developers.

"Developer cashflows will be adversely affected due to the lockdown. While cash outflows in the short term will be negated due to stalled construction projects, the overall moderation in the long term will depend upon developer's ability to sustain collections," it said.

Due to the lockdown, all construction activities across the country have come to a standstill.

"Stalled projects will decrease the demand for construction finance and increase liabilities on bank, hence the cost of finance is expected to

increase," the report added.

Meanwhile, Maharashtra real estate regulator MahaRERA has allowed three months extension to all registered projects where completion date, revised completion date or extended completion date expires on or after March 15, 2020.

The report further stated that pre-commitments will form a significant part of leasing of commercial office spaces in the first half of 2020.

"Other than pre-commitments, demand for office is likely to be postponed to H2 2020 or H1 2021. Existing tenants might delay lease renewals to H2 2020 and will renegotiate rent free periods until lockdown," it said.

SBI warns employees of action over social media posts against bank

PRESS TRUST OF INDIA
Kolkata, 3 April

The State Bank of India has warned its employees against posting content on social media that is critical of the country's largest lender over its functioning in the wake of the coronavirus outbreak.

In a recent letter to chief general managers of all circles, SBI also said action will be taken against employees who take to social media platforms to write messages disparaging the bank, its management and policies, sources said on Friday.

"We have seen a spurt in social media posts pertaining to functioning of the bank's branches and offices... There have been many such posts critical of the bank not closing

down operations in context of the COVID-19 outbreak, little appreciating the role of the bank at such a critical time," the sources said, quoting a circular.

The lender has already initiated action against two of its employees based in West Bengal for "offensive" posts against the bank and a senior management official, they said.

The move has met with criticism by a large section of SBI employees, who called it an attempt to muzzle free speech and expression.

"Being a citizen of a democratic country, we have a broader right to express our views on social media about the situations that affect our day lives, without divulging details of our organisation or using derogatory language...

this circular is an attempt to curb our rights enshrined in Article 19 of the Constitution," said an SBI employee, who preferred not to be named.

A senior United Forum of Bank Unions (UFBU) official told PTI that SBI is the only bank to have come out with such a circular amid the coronavirus crisis.

An official of the All India Bank Officers Confederation (AIBOC) said the state-run lender's circular on social media posts of its employees is "definitely" a breach of their democratic rights.

"Indecent language in social media against banks is not encouraged, but employees are well within rights to flag concerns through their posts," he said.

When contacted, SBI Chief General Manager, Kolkata Circle, Ranjan Kumar Mishra, said the bank has a social media policy in place which every employee is expected to adhere to, failing which action could be initiated.

"Everybody is free to express themselves on social media regarding COVID-19 or any other subject, but if such posts tarnish the image of the bank and is violative of the set code of conduct, then disciplinary action might be taken after investigation," Mishra told PTI.

On reports that some of its employees are placed under suspension over recent social media posts, he said such steps are "regular internal matters of the bank".

Microsoft powers Gaia in fight against Covid-19

PEERZADA ABRAR
Bengaluru, 3 April

Microsoft is providing support to Gaia Smart Cities, an Internet of Things (IoT) start-up, to help citizens assess their coronavirus-related health risk.

Gaia has built a platform, using Microsoft's cloud computing service Azure, that enables citizens to provide information about their health risk and help city administration track responses by pincodes. The platform includes an app.

The data that the citizens feed about their symptoms, travel and contact history is stored in Azure, which then provides a real-time report about the daily situation as well as trends observed in the city.

The Mumbai-based firm's technology has been successfully tested in Agra, and Gaia plans to take the platform to other cities.

Arun Prakash, CEO of Agra Smart City, said this app will help cities identify high-risk individuals, get health teams to them with their permission, and through data analytics, see emerging location-based spread trends, if any, to be able to take prompt response action.

"The Agra smart city control and command room has been converted into a war room in our fight against coronavirus in Agra district. This app helps cit-

"Our Agra smart city programme management team is working on the frontline alongside the Agra district administration to organise response measures, create food and supplies distribution linkages, enable digital medical centres and citizen helplines, and spread necessary information to citizens"

AMRITA CHOWDHURY,
Director, Gaia



izens understand the critical symptoms and their risk factor, so that they can take preventive care or connect with medical practitioners as needed," said Prakash.

Amrita Chowdhury, Director at Gaia, said the company repurposed its smart feedback software platform to build a "citizen home delivery locator platform, citizen covid-19 risk self-assessment app", and other digital enablers.

She said these software-as-a-service (SaaS) solutions, powered by Azure, are scalable, transportable, and rapidly deployable. These solutions leverage pincode-based data so that targeted micro-location specific information can be collated or disseminated to best benefit citizens.

"As a start-up, we are hum-

bled to be able to contribute to the fight against coronavirus. Our Agra smart city programme management team is working on the frontline alongside the Agra district administration to organise response measures, create food and supplies distribution linkages, enable digital medical centres and citizen helplines, and spread necessary information to citizens," said Chowdhury.

"It would be our privilege to extend this contribution to support other cities as well."

Sangeeta Bavi, Director - Startups, Microsoft India, said: "Our trusted and scalable cloud platform and technologies present a transformative opportunity for start-ups to innovate and build ground-breaking solutions that are helping the citizens of our country," said Bavi.



Bond market disappointed with borrowing plan of Centre, states

Dealers say the huge supply is a concern at a time when volumes have thinned because of Covid

ANUP ROY
Mumbai, 3 April

Bond yields shot up on Friday as dealers expressed disappointment on heavy weekly borrowing numbers, while there was no news on private placement with the Reserve Bank of India (RBI).

Despite the government and the RBI earmarking five specified securities for foreign portfolio investors (FPI), it will take quite time for FPIs to return and collect interest on Indian papers. In financial 2019-20 (FY20), FPIs sold ₹48,710 crore worth of debt till February, and ₹62,000 crore in March alone.

The 10-year bond yield closed at 6.31 per cent, up from its previous close of 6.14 per cent. The rupee closed at 76.13 a dollar, compared to its FY20 close of 75.6 a dollar. The markets were closed for two days after the end of the previous fiscal.

What has complicated matters is that states have also piled up with borrowing in the thin market. According to the latest calendar, while the



ILLUSTRATION BY AJAY MOHANTY

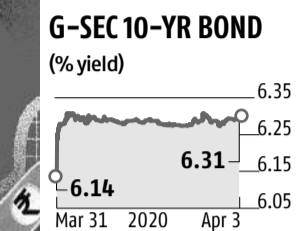
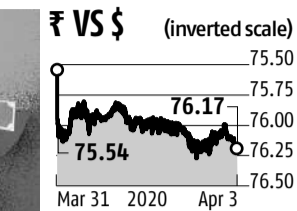
Centre will borrow ₹4.88 trillion in the first half, states will borrow about ₹1.27 trillion in the first quarter itself. States had borrowed ₹81,523 crore in the first quarter of the previous fiscal, said CARE Ratings in a note.

Therefore, the Centre's borrowing will be about ₹20,000 crore every week, and on top of that, states will issue around ₹10,500 crore of high-grade bonds on average every week.

"In the first auction of state loans in the current fiscal, the

amount to be raised is ₹36,000 crore, which is the highest ever," said Avnish Jain, head of fixed income at Canara Robeco Asset Management. "There has been no G-Sec supply since February because of which the market has been steady. However, now that borrowings of both the Centre and states will start in earnest, demand might not keep up with supply," Jain said.

Bond dealers say the huge supply is a concern at a time when volumes have thinned because of the impact of the



coronavirus disease (Covid-19) outbreak and nobody knows when the uncertainty would end. That has also nullified the impact of small savings rate cut. "The market was also expecting some OMO (open market operations) support. That has not come. There is so much supply of bonds at a time when FPIs are withdrawing. There is clearly a demand-supply mismatch," said Devendra Dash, head of assets and liability management (ALM) at AU Small Finance Bank.

Soumya Kanti Ghosh, State Bank of India group's chief economic advisor, sees the extra support as an inevitability. "Given at least 4 per cent slippage in gross domestic product estimated, or ₹8 lakh crore, we expect the Centre and states could borrow conservatively close to ₹20 lakh crore (trillion) in FY21. Thus, it is a must that RBI monetises the deficit, using the national calamity clause given the stressed market absorption capacity," Ghosh wrote in a paper.

According to Jain, FPIs are unlikely to return till the pandemic is controlled. The impact on government revenues could be severe and the combined government deficit (Centre and states) might rise. The government has already announced a relief package of ₹1.7 trillion for the weaker sections of society, and there could be more to come. "Higher government deficit will likely lead to higher government bond rates in FY21," Jain said.

Crop harvest takes centre stage in plans for lifting lockdown

ARCHIS MOHAN
New Delhi, 3 April

The Centre is brainstorming with states before it goes ahead with its plan to undertake a staggered lifting of the 21-day lockdown from April 15. Some of the issues that are likely to be taken up are crop harvest, procurement of grains by government agencies, and restoring inter-state supply chains.

A day after Prime Minister Narendra Modi sought suggestions on staggered lifting of the lockdown, some states stressed the need to restore supply chains. They also said the Centre wants them to identify hotspots of the virus, which could help in enforcing a limited lockdown in urban areas.

Experts, however, believe this will be temporary. A longer lockdown to contain the spread of coronavirus disease (Covid-19) would be needed, with the number of cases and deaths from it spiking every passing day.

In his talks with chief ministers, Modi also spoke of a possible second wave of the virus in some countries.

According to sources in some states, they are working on a strategy for a renewed lockdown after a gap of some days to facilitate the procurement of grains.

The Centre also needs to ensure higher production of medical supplies, particularly personal protective equipment and ventilators to supply to states. Assam Chief Minister Sarbananda Sonowal, Rajasthan CM Ashok Gehlot and some others have specifically demanded resumption of supply chains, while Bihar CM Nitish Kumar has asked the Centre for urgent medical supplies.

However, at the current juncture, states as well as the Centre are concerned about the lockdown disrupting the harvest of crops.

On Friday, Union Home Secretary Ajay Kumar Bhalla shot off a letter to state chief secretaries to allow harvesting and sowing operations.

After the PM announced the lockdown on March 24, farm outfits approached the Centre asking it to relax restrictions on harvesting of standing crops.

The Centre issued an advisory on March 27, exempting harvest operations, but the message has not reached the ground.

In his letter, the home secretary said lockdown exemptions to farming operations, procurement of agricultural products, operation of mandis as well as movement of harvesting and sowing machinery should be communicated to all field agencies.

At a meeting with state governors and administrators, Vice-President M Venkaiah Naidu urged them to advise the state agencies to ensure the smooth movement of farm machinery so that farmers do not face any hardship.



Farmers harvest crops in Jabalpur on Friday. Union home secretary has written to states to allow harvesting and sowing

According to a statement by the Rajya Sabha secretariat, Naidu also wanted them "to ensure 100 per cent procurement of the produce". "That is the need of the hour," the vice-president said.

Experts in India believe the time to assess the impact of the lockdown is the third week of April, since cases recorded now are of those infected before the lockdown started.

RK Misra, a non-resident scholar at Carnegie India, tweeted of a four-week lockdown lifting process. "During our discussion in various groups (with industry/political leaders, thinkers and policymakers), following is emerging as the four-week staggered lockdown lifting process for various industries and institutions. For IT, financial services and BPO companies – only 25 per cent in the first week, 50 per cent in the second week, 75 per cent in the third and 100 per cent in the fourth week attend office and be seated accordingly, ensuring social distancing. Remaining work from home in respective weeks," Misra added.

"Industries and factories – food and essential goods – immediately open to full production in the first week if they are not running already," he said.

The Confederation of All India Traders has also asked for easing of the lockdown, or making the process of getting passes simpler, to ensure smoother supply chains. It said traders have stocks of 15-20 days, but may need to replenish if the lockdown is extended or reinforced later.

ONLY CONSUMER GOODS MAY SEE GREEN SHOOTS

The Covid-19 impact on various sectors of the Indian economy would depend on the longevity of the outbreak and the lockdown. Except for essentials in the consumer goods, most sectors would be impacted one way or the other, finds consultancy firm Dun & Bradstreet.

COMPILED BY INDIVIAL DHASMANA

- AVIATION:** The ensuing cash flow disruption could possibly lead to breach of debt covenants if the outbreak escalates and results in a prolonged near-zero revenue situation.
- SHIPPING:** Container terminals at the major ports in India have already reported a few blank sailings or cancellation of port calls. This could intensify in the coming weeks depending upon the level of outbreak in India's major trading partner countries.
- TOURISM:** The travel bans in place translate to a foregone revenue of around US\$ 5 bn for the industry from foreign tourists alone. The magnitude of the impact would be much larger when foregone revenue from domestic tourists is also accounted for.
- RETAIL:** While textile, footwear, fashion accessories, furniture, and other household appliances will have revenue losses, food and other FMCG essential services segments will likely face a surge in sales driven by panic buying and hoarding.
- LIVESTOCK:** Given that the average farm size in India is 8,000 birds with a 40-day production cycle, a typical poultry farmer would lose around ₹10 lakh. Losses of this magnitude with no signs of price recovery are expected to drive many players out of business.
- MSMEs:** Only 53% of large companies in India pay their suppliers on time. Slowdown may force large firms to scale down production. The ensuing cash flow disruptions will lead to delayed payments to MSMEs, triggering credit defaults and permanent business closures of highly leveraged MSMEs, and rendering many people jobless.
- GEMS & JEWELLERY:** With the growing number of Covid-19 cases, revival of the sector does not appear imminent. Given that the gems & jewellery contribute to 12% of India's merchandise exports, the impact of the slowdown in global demand is expected to pull down India's overall exports very steeply.
- ELECTRONIC GOODS:** High level of dependency on imports makes the sector highly vulnerable to foreign exchange risk coupled with fear of supply constraint. Of the total demand for electronics in India, about 50-60% of the products and 70-80% of the components are imported.
- AUTOMOTIVE:** Normally, auto companies maintain a one-month or two-month inventory, however if the supply chain remains disrupted for next two months, the Indian auto industry may face significant revenue loss.
- DRUGS & PHARMA:** The impact of COVID-19 outbreak on the drugs and pharmaceuticals sector is expected to be moderate. The sector contributes to 1.2% of India's gross value added and 7% of manufacturing value added.
- TEXTILES:** The Covid impact on the textile sector is expected to be moderate in the coming weeks. However, if the outbreak remains prolonged then the impact is expected to be high.

Lockdown helps faster delivery of foodgrain by FCI

In 11 days, corporation moved three times more grain than the same period last year

SANJEEB MUKHERJEE
New Delhi, 3 April

Since a day before the nationwide lockdown, the Food Corporation of India (FCI) has delivered 1.16 million tonnes (mt) foodgrain to several states, including Uttar Pradesh, Bihar, and West Bengal. According to a senior FCI official, this is nearly three times what the corporation had delivered during the corresponding period last year.



DELIVERED

Movement from producing states since March 24 (mn tonnes)

Punjab	0.62	
Haryana	0.26	Total*
Telangana	0.14	1.33

Grains reached the designated states (mn tonnes)

Bihar	0.17	
Uttar Pradesh	0.16	Total*
West Bengal	0.14	1.16

NOTE: Total might not match as all states haven't been included; *The difference is goods in transit. Source: FCI and Government Statement

The FCI is also looking at moving 6 mt foodgrain this month alone, nearly 2.5 times what it had delivered in April last year, the official said. Since March 24, a day before the 21-day lockdown was imposed, around 1.33 mt of wheat and rice were loaded from producing states, such as Punjab and Haryana, of which around 1.16 mt have reached designated states until Friday. The remaining is in transit. A near-absence of passenger traffic on the railway network through which more than 85 per cent of the foodgrain is moved out annually from producing states and easy availability of rakes facilitated this movement of foodgrain. "Goods trains are mainly carrying FCI's foodgrain," the official said.

The FCI's responsibility is to deliver the goods at its designated depots within a state, and thereafter it is the state's responsibility to transport it further right up to ration shops. Identification of beneficiaries, issuance of ration cards, and supervision and monitoring of ration shops — all fall within the purview of the state administration. "We are planning to move out around 6 mt of foodgrain this month from producing states. In April last year, we had moved around 2.6 mt," the FCI official said.

The movement of such a large quantity is necessitated as the Centre has decided to give 5 kg of wheat and rice extra to all the beneficiaries (around 820 million people) under the National Food Security Act. As of April

1, the FCI had a foodgrain stock of 56.24 mt, of which rice was 31.64 mt and wheat 24.60 mt.

Besides, helping the distribution of foodgrain through ration, the FCI is offloading surplus stock to bulk users under the open market sales scheme (OMSS) through e-auction. This will enable private flour millers to process the same into *atta* and other eatables ahead of the arrival of the new crop.

So far, the FCI has received bids for the purchase of 0.14 mt of wheat and 77,000 tonnes of rice from private traders and food processing companies. Because of the Covid-19 pandemic, the FCI has allowed states to lift a fixed quota of grain at a reserve price under the OMSS, without participating in the e-auction.

FinMin transfers ₹17K cr to states to deal with crisis

ARUP ROYCHOUDHURY
New Delhi, 3 April

The Centre on Friday released ₹17,287.08 crore to states in revenue deficit grants and state disaster response mitigation fund (SDRMF) for 2020-21, to help them deal with the Covid-19 crisis.

This comes a day after Prime Minister Narendra Modi held a videoconference with chief ministers on ways to tackle the escalating

number of cases in the country. The amount released by the finance ministry is a fraction of what states have been demanding, in financial support as well as clearance of pending dues. Central government officials say there is understandably a resource crunch, but more will be given.

"The Finance Ministry released ₹17,287.08 crore to different states to enhance their financial resources during the crisis. This includes

₹6,195.08 crore on account of 'revenue deficit grants' under 15th Finance Commission recommendations to 14 states," Finance Minister Nirmala Sitharaman said on one of her two official Twitter accounts. "These states are Andhra Pradesh, Assam, Himachal Pradesh, Kerala, Manipur, Meghalaya, Mizoram, Nagaland, Punjab, Sikkim, Tamil Nadu, Tripura, Uttarakhand, and West Bengal. The remaining ₹11,092 crore is to all states as advance payment of the Central share of first instalment of SDRMF," she said.

Chief ministers and state finance ministers have written to

the Centre seeking funds to deal with the pandemic as well as pending amounts, whether under devolution, grants, share of central schemes or GST compensation

Maharashtra had sought a special package worth ₹25,000 crore from the Centre and asked it to release pending dues worth ₹16,654 crore under various heads by March 31, to fight the economic crisis stemming from the Covid-19 outbreak. Tamil Nadu has sought a special assistance of ₹4,000 crore and other financial support. West Bengal has asked for a package of ₹25,000 crore and clearance of dues worth ₹36,000 crore.



FM Nirmala Sitharaman said the amount would boost financial resources of states

Military to deploy more units to battle virus

AJAI SHUKLA
New Delhi, 3 April

With the national effort against the coronavirus disease (Covid-19) pandemic being increasingly enunciated in the rhetoric of a "war", the Ministry of Defence (MoD) announced on Friday the deployment of additional military medical and logistics resources to aid government health authorities.

The MoD said that, in addition to six quarantine facilities the armed forces have already established at Mumbai, Jaipur, Jodhpur, Hindon, Manesar and Chennai, the military will make available "high dependency unit" and "intensive care unit" beds in 51 armed forces hospitals across the country. "Some of these facilities are located at Kolkata, Visakhapatnam, Kochi, Dundigal near Hyderabad, Bengaluru, Kanpur, Jaisalmer, Jorhat and Gorakhpur," said a MoD release on Friday.

In addition, 15 other facilities are being kept ready as standby for use, if required," stated the defence ministry on Friday. Together, these have beds for about 15,000 Covid-19 patients. Army chief, General MM Naravane, has offered more than 8,500 doctors and support staff to assist the anti-Covid-19 effort.

As Coronavirus testing picks up momentum, five viral testing labs at armed forces hospitals, which are equipped to carry out Covid-19 testing, have been made part of the national grid. "These include Army Hospital (Research & Referral), Delhi Cantt; Air Force Command Hospital, Bangalore; Armed Forces Medical College, Pune; Command Hospital, Lucknow and



Defence Minister Rajnath Singh chairs a Group of Ministers' meeting to review measures to fight the Covid-19 pandemic, in New Delhi on Friday

Command Hospital, Udhampur. Six more hospitals are being equipped shortly with the resources to begin Covid-19 testing," stated the ministry.

The armed forces have already handled 1,737 patients at the quarantine centres already functioning. Of these, 403 have been released, while three positive Covid-19 cases — two from Hindon and one from Manesar — were referred to Safdarjung Hospital in New Delhi for further treatment.

Besides the military's primary function to safeguard India's territorial integrity, it also has a secondary role "in aid to the civil authority." Besides restoring law and order and civilian control in flashpoints like Jammu & Kashmir, this requires the military to assist in controlling natural

disasters and pandemics, when called upon by the government.

The military is totally prepared to stand up to the demands made by government and the people," stated Chief of Defence Staff, General Bipin Rawat, to the media.

Rawat has also offered to allow the use of military school premises — currently closed due to the lockdown, and subsequently the summer vacation — as quarantine centres for persons who have been exposed to the virus. The Indian Air Force (IAF) has mobilised its aircraft fleet for transporting essential supplies, medicines and medical equipment.

"So far, approximately 60 tonnes of stores have been airlifted to various parts of the country. 28 fixed wing aircraft and 21 helicopters are on standby at various

locations across the country," said the defence ministry.

Meanwhile, special IAF flights have evacuated Indian citizens and transported over 25 tonnes of medical supplies. "A C-17 Globemaster III comprising of crew, medical team and support staff has carried 15 tonnes of medical supplies to China and airlifted 125 persons, comprising Indian nationals and few citizens from friendly countries on its return," said the ministry.

An IAF C-17 Globemaster III has also flown to Iran and brought back 58 stranded Indians, along with 529 samples for Covid-19 testing.

Continuing India's tradition of assisting small Indian Ocean countries, a C-130J Super Hercules aircraft flew to the Maldives with 6.2 tonnes of medicines.

"An Army Medical Corps team consisted of five doctors, two nursing officers and seven paramedics was deployed in Maldives for capacity building measures and assistance and in setting up their own testing, treatment and quarantine facilities between March 13-21," said the defence ministry.

The navy has readied six warships for assisting littoral neighbours. In addition, five naval medical teams are on standby for deployment in Maldives, Sri Lanka, Bangladesh, Nepal, Bhutan and Afghanistan.

Meanwhile, the Defence R&D Organisation (DRDO) has developed a five-layered nanotechnology face mask (called N99) and is ramping up per day production to 20,000 masks. DRDO is also engaged in modifying ventilators so that one machine can support four patients at the same time.

Firms see 'stark pessimism' in sentiment: RBI survey

ANUP ROY
Mumbai, 3 April

The Reserve Bank of India (RBI) on Friday released the results of a couple of its surveys, conducted before the nation went into lockdown. These show that the general population remains pessimistic about economic and job prospects in the immediate future, even as they expect some improvement in the next year, going by the consumer confidence survey.

However, a separate 'industrial outlook survey' was repeated a fortnight after the original survey, to capture a possible impact of coronavirus disease (Covid-19). The survey, repeated with 48 companies as against 860 in the original, showed "very sharp deterioration in sentiment across all sectors for Q4FY20, and stark pessimism for Q1FY21, com-



CORONAVIRUS
PANDEMIC

pared to the assessment in the initial round of the survey," the RBI said.

In that survey, conducted from March 18-20, the central bank had found companies to have assessed a deterioration in demand conditions for the manufacturing sector, which also translated into pessimism about the overall business situation for Q4FY20.

Other than the industrial outlook survey, other surveys were not able to capture the economic impact caused by the coronavirus scare, considering that the crucial surveys had ended by March 7. Till March 13, the government didn't see the epidemic as a health emergency, but went on a lockdown the following week.

The March round of the Consumer Confidence Survey, conducted between February 27 and March 7 across 13 major cities, indicated that confidence "remained broadly close to the all-time

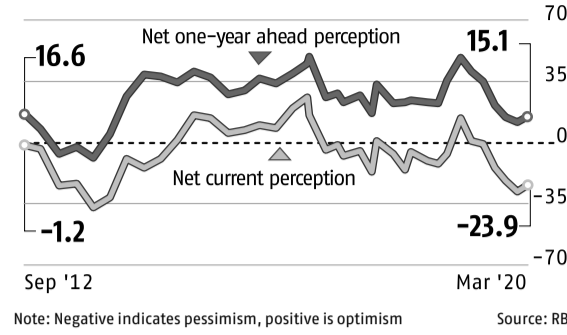


low, which was recorded in the previous survey round".

Expectations for the year ahead, as gauged by the future expectations index, were largely unchanged from the

VIEWS AND PERCEPTIONS

Expectations on the general economic situation brought to light by the household survey



The consumer confidence survey was conducted on 5,365 households in Ahmedabad, Bengaluru, Bhopal, Chennai, Delhi, Guwahati, Hyderabad, Jaipur, Kolkata, Lucknow, Mumbai, Patna, and Thiruvananthapuram.

Similarly, in the Inflation Expectations Survey of Households — conducted in 18 major cities among 5,912 urban households — the three-month and one-year median inflation expectations declined by 10 bps and 20 bps, respectively. However, the share of households expecting general inflation to rise in the next three months and one year also declined noticeably, compared to the January 2020 round, the RBI said.

In the Order Books, Inventories and Capacity Utilisation Survey (OBICUS) survey for the December quarter 2019 — covering 704 manufacturing companies — the RBI found that capacity utilisation declined to 68.6 per cent in the Q3FY20, from 69.1 per cent in the previous quarter.

As gas prices crash, ships turn into floating storage

ANNA SHIRYAEVSKAYA & NAUREEN S MALIK
3 April

Liquefied natural gas (LNG) traders are following the latest trend in the oil market by storing huge amounts of the commodity on tankers, hoping prices will rise before the ship docks.

But while crude can sit for months or even years in a tank, super-chilled LNG tends to evaporate even in the specialised vessels that handle it.

That limits the amount of time "floating storage" is feasible.

"Keeping gas frozen is extremely expensive because of the energy cost to maintain the ultra-low minus-265-degree Fahrenheit temperature," said Francisco Blanch, head of global commodities and derivative research for Bank of America in New York.

The number of vessels used for floating storage was at 17 late last month, but has now eased to 13 after some unloaded their cargoes in India, according to data intelligence company Kpler. Three vessels have been idle for more than 10 days, Kyriakos Mezopoulos, director for LNG at Affinity, said in a note.

More ships acting like storage tanks might also be a sign the LNG industry is poised to cut production. They're reacting to a crash in prices as demand slowed, the result of two warm winters in a row and the coronavirus, which has shut huge parts of the global economy.

US LNG producer Cheniere Energy is already sourcing cargoes in Europe, with some traders and analysts speculating that this could be ahead of temporary production cuts.

Spot LNG in Asia, the biggest consuming region, slumped to a record this week, and prices in Europe are also testing all-time lows. And unlike in oil, where markets indicate a rebound in prices in the months ahead, a surge in forward rates for LNG is too far off to matter.



The number of vessels used for floating storage was 17 late last month, but has now eased to 13
PHOTO: REUTERS

"We clearly see floating storage as a safety valve in the next couple of weeks and even in the next couple of months," Jefferson Clarke, managing director for LNG at shipbroker Poten & Partners, said at the webinar.

In the crude oil market, plunging prices triggered a huge contango, where traders anticipate gains in future months and have an incentive to put the commodity into storage for months or years. They've hired tankers because storage sites on land are almost full.

Oil tanker rates in prolonged rally as excess oil seeks storage

The dynamics are different in the gas industry, where gas storage sites on land that should be near empty still have fuel from last year. Also, the "boil-off" rate is a factor for LNG. Between 0.07 per cent to 0.15 per cent on average evaporates from LNG tankers per day for the majority of the global fleet. That means over a 75-day voyage, about 5 per cent to 11 per cent of the original cargo could be lost.

Last fall, some traders loaded cargoes at low prices in August and

discharged in early November when rates were rising. A typical journey from Qatar to the UK via Suez Canal, for example, takes about two weeks.

While new vessels have better technology that limits the evaporation rate — Flex LNG has three ships for delivery later this year with a boil-off of about 0.035 per cent — the difficulty containing the gas over long periods means using tankers as storage has a physical limit.

"Floating storage is less about stockpiling, but more about slow-steaming until hopefully the rates pick up," Iain Ross, chief executive officer of shipowner Golar LNG, said at the webinar organized by Capital Link and Citigroup.

While benchmark Asian LNG has lost about half its value this year, the storage trade is a bright spot for vessel owners. They can charge more than 40 per cent more per day for a typical tanker in the Atlantic than at the same time a year ago, according to data from shipbroker Fearnleys.

Unusual trend

The latest trend is unusual for this

time of year, said Oystein Kalleklev, chief executive officer of Flex LNG. The company now has six vessels that it rents out. Unlike oil, LNG demand is largely seasonal, with a peak in winter when heating is in demand and another smaller lift in the summer for cooling.

More floating storage may appear in September and October, when tanks on land are full and winter chills have yet to arrive, while price bottom out right before seasonal advances. Demand for vessels later this year is already rising, said Mark Kremin, CEO of shipowner Teekay Gas Group.

Vessels with a very low boil-off make them "perfect" for floating storage play in the second half of the year, and Flex has fixed one of its upcoming vessels with trading house Gunvor Group, Kalleklev said on Friday.

In part, floating storage in LNG now is a result of quarantines, Kalleklev and his peer from Hoegh LNG Holdings, Sveinung Stohle, said in interviews. Other reasons are cargo deferrals and diversions, as the virus-hit demand and delayed unloading, the shipping executives said at the webinar.

Loadings at plants have also slowed because global inventories are so full, Kalleklev said. Also, as the Covid-19 situation eased in China and South Korea, ships are sailing from Europe to Asia, naturally extending voyages and shrinking availability of vessels in the Atlantic, he said.

Indian buyers calling force majeure on cargoes last week has meant volumes needed to find other homes in an oversupplied market, so this involuntary floating storage came amid what looks like distressed cargoes, said Trevor Sikorski, an analyst at Energy Aspects.

"We will see increased inefficiencies with regards to discharge and possible ships having to wait 14 days from loading to discharge," Kalleklev said in an emailed response to questions. **BLOOMBERG**

Demand, price volatility impacting Indian OMCs

AMRITHA PILLAY
Mumbai, 3 April

Volatility in crude oil prices and uncertain petroleum demand over the past fortnight have come as a cause for concern for oil marketing companies (OMCs).

"Crude prices had rallied 25 per cent on Thursday after Saudi Arabia called an 'urgent meeting' of the OPEC+ alliance and other producers to negotiate an output cut deal. NYMEX front-month crude settled at \$25.32 per barrel, up \$5.01," S&P Platts noted in a report on Friday.

US President Donald Trump had on Thursday indicated a production cut agreement of 10 million barrel per day to 15 million barrel per day. "Despite the sudden jump in crude price on Thursday, after Trump's tweets, oil prices are expected to remain depressed, which works fine for OMCs," said Debasish Mishra, partner at consultancy Deloitte Touche Tohmatsu.

An output cut, at best, will put a floor to the falling crude prices, but it may not stabilise demand-supply dynamics.

"Demand is falling at a faster rate," said an analyst with a domestic brokerage firm. Executives from OMCs have raised similar worries. So far, Indian Oil Corporation (IOC) has already slashed refinery throughput by up to 30 per cent. Bharat Petroleum Corporation (BPCL) has cut throughput by 20 per cent.

Both moves are to align with the falling product demand in the country's market. Executives said if the April 15 deadline for the



An output cut will put a floor to the falling crude prices, but it may not stabilise demand-supply dynamics

lockdown is extended, refineries may need to take steeper cuts.

"OMCs are used to volatility in crude oil prices. One day's spike or fall does not worry us. If the prices remain steady, we will have to worry about inventory loss or gain. So far, diesel margins are looking better in comparison to other products. In addition, a steady high price will also impact working capital," said an executive with one of the state-run oil companies. Analysts have already factored in huge inventory losses for the March quarter.

"The impact of the current volatility on inventory will reflect in the June quarter numbers," added the analyst. He said OMCs have so far maintained product prices in the marketing segment, which may act as a buffer for any increase in crude oil prices.

Owing to the fall in demand, reports suggest that companies like IOC and HPCL have issued force majeure notices to certain suppliers. Not everyone, however, is convinced the move will help

significantly. "The method has its own positives and negatives. It is yet to be legally established if it is an act of god. One needs to weigh if the cost of arbitration is higher than the cost of demurrage for floating your cargo," the oil executive had earlier added.

"In the current volatile price scenario, the force majeure clause will help only to the extent of holding lower inventories for the June quarter and avoiding any inventory loss in the event of prices staying high in April," the analyst had added.

Others are confident of the medium-to-long term prospects for Indian refiners. Vikas Halan, senior vice-president, corporate finance group, Moody's Investors Service, said: "We view the current situation as temporary. The medium-to-long term growth expectation of petroleum product demand in India remains intact and could possibly improve if oil prices remain low. The aviation fuel demand, however, will take longer time to recover."

CERC reduces late payment surcharge on power discoms

SHREYA JAI
New Delhi, 3 April

Central Electricity Regulatory Commission (CERC) reduced the late payment surcharge levied on power distribution companies (discoms) for delayed payment to power generators and transmission companies (transcos).

In an order issued on Friday, CERC lowered the surcharge to 1 per cent per month from 1.5 per cent per month for 45 days till June 30. "The generating companies whose tariff has been determined under Section 63 of the Act by this Commission, relief on the late payment surcharge for payment which became delayed

beyond 45 days (from the date of presentation of the bill) during the period from (March 24) to (June 30) may be claimed in terms of the force majeure provisions of the respective power purchase agreements (PPAs)," said the order. It gave similar relief for the payments to be made to transmission companies.

Fitch slashes India growth forecast to 30-year low

Fitch Ratings on Friday said it had slashed India's growth forecast for this fiscal year to a 30-year low of 2 per cent, from 5.1 per cent projected earlier, as economic recession gripped global economy following the lockdown because of the Covid-19 pandemic.

"The initial disruptions to regional manufacturing supply chains from a lockdown in China as the coronavirus spread have now broadened to include local discretionary spending and exports even as parts of China return to work. Fitch now

expects a global recession this year and recently cut our GDP growth forecast for India to 2 per cent for the fiscal year ending March 2021 after lowering it to 5.1 per cent previously, which would make it the slowest growth in India over the past 30 years," Fitch said.

On March 20, Fitch had projected India's GDP growth for 2020-21 at 5.1 per cent, lower than 5.6 per cent estimated in December 2019. Last week, Moody's sharply cut India's growth forecast for calendar 2020 to 2.5 per cent from 5.3 per cent. **PTI**

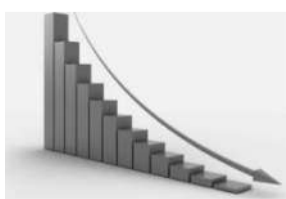
India's GDP to slip to 4% in FY21: ADB

The Asian Development Bank (ADB) on Friday said India's economic growth rate will slip to 4 per cent in this fiscal on account of the global health emergency created by the Covid-19 pandemic. At the same time, the multilateral lending agency in its flagship publication Asian Development Outlook (ADO) 2020 said that India will stage a strong recovery in the next financial year on the back of its sound macroeconomic fundamentals. **PTI**

IndusInd's rating on review for downgrade

Moody's has put private sector lender IndusInd Bank's domestic and foreign currency issuer ratings at "Baa3/P-3", under review for downgrade. It also placed the bank's baseline credit assessment (BCA) at "ba1" and adjusted BCA under review for downgrade.

These rating actions come in the backdrop of downgrading the outlook on the Indian banking system from "stable" to "negative", following which bank shares tanked. This change in outlook is because of the adverse fallout of the



coronavirus outbreak and rise in defaults, which add to the risks of banking entities. At the same time, the outlook for ICICI and Axis have been revised to negative from stable, and for IDBI to stable from positive, Moody's said. It has affirmed the deposit rat-

ings of ICICI Bank and Axis Bank at 'Baa3', and of IDBI Bank at 'Ba2'. Moody's affirmed the BCA and adjusted BCA of ICICI and Axis at ba1. The BCA and adjusted BCA of IDBI has also been affirmed at b2. On Thursday, Moody's had said that disruptions to economic activity from the pandemic will exacerbate a slowdown in India's economic growth. Banks' asset quality will deteriorate across the corporate, SME and retail segments, leading to pressure on profitability. **ABHIJIT LELE**

Indian expats with expired visas on sticky wicket

SUBHAYAN CHAKRABORTY & NEHA ALAWADHI
New Delhi, 3 April

Indian expatriates in the US and other countries, who have lost their jobs or have a work permit that has expired, may not be able to return before the current ban on international flights is lifted, in view of the virus outbreak.

Senior government officials have confirmed that no evacuation flights to the US are on the radar, given the surge in cases to above 245,000 (as of Friday), in the country.

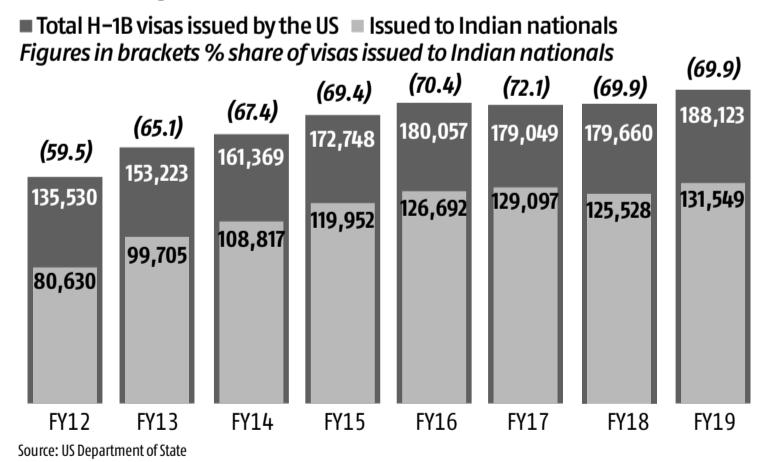
"For all jurisdictions, our first priority is students, tourists, and those on short-term visas. However, India's six diplomatic missions across the US are in touch with affected citizens and preparing a tentative list of possible evacuees once and if evacuations do start," said a senior official in the Ministry of External Affairs.

The ministry's stance is based on the argument that "Indians currently abroad on employment visas like H-1B work in multinational firms, draw significant wages, and in many cases have retrenchment benefits". People in the know said no meetings were scheduled with the US State Department regarding the matter.

On the other hand, those stuck in the US also face no official legal guidance as the US Citizenship and Immigration Services (USCIS) has temporarily suspended routine in-



IN LIMBO



person services since March 18. The USCIS plans to re-open offices on April 7.

The IT sector, a big beneficiary of H-1B visas, has been trying to sort out the issue with US authorities for some time now.

"In the US, we have requested the Departments of Homeland Service, Labor and U.S. Citizenship & Immigration Services for a 90-day grace period for professionals to depart the US following expiry of their H-1B/L-1 visas. Additionally, we have sought ease of Labor Condition Application (LCA) norms to allow for 'work from home'," said Shivendra Singh, vice-president and head

(global trade development) of Nasscom. The UK has announced visa extensions until May 31 for all foreign nationals, while France has also extended visas for three months.

"Many IT professionals in the US are at the risk of being laid off because their employers have lost end-client contracts. Such individuals can remain in the US for up to 60 days, during which they can look for a new job with an employer who can file a new H-1B petition for them. If there is no job in sight, the worker should leave to avoid running the risk of accruing unlawful presence," said Poorvi Chothani, managing partner of LawQuest.

Nasscom's Singh said people leading the MEA's Covid-19 efforts have confirmed they have advised Indian Ambassadors to take this up with foreign governments.

There have been reports of thousands of Indians under similar visa regimes being stuck in Japan, Australia, New Zealand, the UK, South Africa, and the UAE, among other areas.

At present, there is no standard operating procedure in place for airlifting stranded citizens from corona-hit nations, with the External Affairs ministry identifying particularly hit areas such as Iran, China, and South Korea.

Covid-19: Ending the tyranny of scale?



MARGINAL UTILITY
TCA SRINIVASA-RAGHAVAN

Whereas China's other exports had kept the global economy running for two decades, the virus it exported last December has stopped it dead in its tracks. Such a "sudden stop" has never happened before on such a scale, if ever. Usually, it is either aggregate demand or aggregate supply that fall off the cliff. This time, thanks to China, both have.

Of the many views that have emerged about the post-China-virus global economy, two deserve attention. This is because they have a special bearing on the way economic theory has evolved over the last 200 years.

One view says this is the end of globalisation. The other says it is not. There is a lot of evidence to suggest that the former group could well be right because of the supply chains argument. But there is an equally compelling case to suggest the opposite also.

I suspect, though, that technology will play a huge role in determining the final outcome. What could happen is the death of scale. Let me explain.

The technology-driven industrial revolution started in the mid-18th century. After that, scale became pretty much both the necessary and the sufficient condition for economic success. The yardstick has been steady annual increases in industrial output and employment.

Scale became critical because of steadily increasing capital intensity that the new technologies engendered. Technology led to scale, which led to search for bigger markets, which eventually led to globalisation as we know it.

So economic theories of the last 200 years — classical, neo-classical and Marxist — have analysed economic outcomes by simply assuming scale. No one has ever questioned it, and with good reason: So far, it has always delivered economic success by lowering the unit cost of production.

Indeed, Karl Marx wrote his three volumes of *Das Kapital* based on this. Joseph Schumpeter wrote one equally influential book arguing the opposite.

Marx said constant technological progress would eventually leave everyone worse off. Schumpeter said everyone would be better off. Both turned out to be somewhat right.

But in the case of economic theories, unlike in the case of the physical sciences, much depends on the length of time a theory approximates reality. This, in turn, depends on whether new technologies make the current reality obsolete.

Is scale invertible?

Hence my question: Does there, or could there, exist a new technology that makes scale obsolete? Or, can increasing returns to scale be reversed so that we get increasing returns to de-scaling?

Increasing returns to scale means that if all inputs are increased in the same proportion, output increases by more than that proportion. Put simply, if all factors of production are doubled, output will more than double.

The key lies in what happens to the marginal cost of production, which declines if you have increasing returns to scale. This means that every additional unit of output costs less to produce than the previous one. But can new technology change this 250-year old paradigm?

Or, if you like, think of inverses in mathematics. Very crudely stated, an inverse reverses something that's already there, like X and -X.

However, not everything can be inverted. But things that can be, are called invertible. The issue is: Is scale invertible?

Let me ask this differently. Can local, national or small regional markets — think South Asia, Europe, the Americas, Australasia — have increasing returns without global scale?

I know it sounds very counter-intuitive but if it can be made to happen, it will yield huge positive externalities. One of the main beneficiaries will be the environment, not to mention teaching China a lesson.

Not quite old wine

It is tempting to think of this as the old small-is-beautiful, appropriate-technologies argument and, in some ways, it is indeed that. But one reason why that argument didn't capture the imagination was that it regarded modern technology as inherently undesirable and even attributed an implicit, ethical dimension to it and scale.

Leaving ethics aside, we still need to know if scale is intrinsic to declining marginal cost. Perhaps it is not, because if you look around, most of the new businesses in the services industry tend to be scale-neutral which, I should add straightaway, is not the same as the concept of "constant returns to scale".

Can such scale neutrality happen in manufacturing also? If so, what would make it happen?

To find out, read my next column in this space.

Why KCR has started sounding desperate

All states face the problem of reordering their finances. But Telangana more than others because it has committed itself to a path from which it cannot swerve



PLAIN POLITICS
ADITI PHADNIS

Welfare initiatives by the K Chandrasekhar Rao (KCR)-led Telangana Rashtra Samiti (TRS) ensured his government's return to power in 2018. It was a bumper harvest. The party got almost 47 per cent of the vote, an increase of a whopping 12.6 per cent in vote share over its performance in 2014. The number of its seats went up by 25. Opponents, especially the Congress, gnashed their teeth and tore out their hair, but to no avail — the Congress's vote share went up but the

number of seats, the party won fell (21 to 19). The BJP could win only one seat — even the state president lost the election. In Hyderabad's old city, considered the bastion of the Majlis-e-Ittehadul Muslimeen (MIM), the party suffered a shock: the MIM managed to retain its seven seats but its vote share went down relative to 2014.

The short point here is that welfarism won the day for KCR. But now, as the bills start coming in and the revenues start falling, alarm bells have begun to ring.

All the chief ministers flagged the issue of more funds when they held an extensive videoconferencing with the Prime Minister on April 2. But KCR's tone sounded shrill and desperate. He argued that not only should the Centre pay what Telangana was owed, but more, as the state had lost a lot after the Finance Commission cut the share of states in the divisible pool of central taxes from 42 to 41 per cent. Moreover, as Telangana was managing its finances prudently, the centre should also pay what it owed in central taxes, State Disaster Relief Fund, local body fund grants and others... and Goods and Services Tax (GST) compensation.

Otherwise, KCR warned, the state

would be staring at a shortfall to fund its welfare policies.

The fact is that between 2010 and 2015, the total releases to Telangana from the Centre amounted to ₹46,740 crore. During the next five years (2015-20), which includes the rest of this fiscal, this will be ₹1.06 trillion. This represents an increase of 128 per cent.

What about the GST compensation? The GST compensation was supposed to be released to states every two months from the GST cess. Since there was a shortfall in GST cess, the compensation was released only till October. Finance Minister Nirmala Sitharaman explained this (not just in English in the Lok Sabha but also in Telugu at a press conference in Hyderabad after the Union Budget) adding that the centre was not discriminating against Telangana — other states had the same complaint.

On March 8, Telangana Finance Minister Harish Rao presented the state Budget for 2020-21. Capital expenditure in 2020-21 was ₹44,245 crore, a 41.2 per cent increase over the Revised Estimates of 2019-20. Capital outlay for 2020-21 was ₹22,061 crore, 67.6 per cent higher than the Revised Estimate of 2019-20. And why? Because of an increase of ₹10,161

crore (2,067 per cent) in the outlay towards water supply, sanitation, housing, and urban development: in other words, more welfare measures that would have to be paid for.

Possibly no state in India has the welfare obligations of the Telangana government. During the Covid-19 crisis, for instance, not only were Below Poverty Line (BPL) families given 12 kg rice and ₹1,500 cash relief, but migrant labourers too were provided 12 kg of rice and ₹500 cash. This was in addition to the support to farmers with small holdings (₹10,000 per acre per year) and many other promises made to people during the election campaign.

Because of Covid-19, the registration of sale of land is down to zero. Cinema halls are closed so there is no revenue from entertainment tax. Ditto for excise from liquor sales. The Budget says in 2020-21 the state will generate ₹16,000 crore from state excise duty (an increase of 27 per cent from the Revised Estimates of 2019-20), and ₹10,000 crore from stamp duty and registration fees (an increase of 55 per cent from the Revised Estimate of 2019-20). Post Covid-19, no one knows when... or even if.

All states have this problem of having to reorder their finances. But Telangana more than others because it has committed itself to a path from which it cannot swerve — for doing so would cost it, politically. KCR and team will need financial magic to get out of this jam.

COFFEE WITH BS ▶ STEPHEN A SCHWARZMAN | CHAIRMAN, CO-FOUNDER AND CEO, BLACKSTONE GROUP

Feet on the ground

Schwarzman talks to Pavan Lall about lessons from India, how he catches up on lost sleep and his formula to stay ahead of competition

Barely seven minutes have passed before Stephen Schwarzman, chairman and chief executive officer of the world's largest private equity company, the Blackstone Group, arrives for our scheduled meeting at his office in Mumbai. We proceed towards the boardroom on the fifth floor of the iconic Express Towers which, incidentally, Blackstone bought out for ₹900 crore in 2014. At 73, Schwarzman, dressed in a blue suit, white shirt and sporting a silk tie, is bright-eyed and energetic.

I step forward expecting a handshake, but am surprised by the perfectly executed *namaste*, which reminds me that we are in the midst of a pandemic. I reciprocate and we get seated. Schwarzman's two American associates sit at the far end of the table, at a safe distance.

The in-house waiter arrives, and I order a cappuccino while Schwarzman sticks to the bottle of Evian (mineral water) that has already been placed next to him.

My first and obvious question is how long he thinks it would take to create a vaccine for Covid-19. "Based on what we hear from various sources, we think it would take about a year," he says, with an air of certainty that comes from the experience of running a life sciences business with a team of 15 doctors whose very job is to fund clinical trials for vital drugs.

Amongst other things, Schwarzman is in town to promote his biography titled *What It Takes: Lessons in The Pursuit Of Excellence* and has a flurry of speaking engagements at colleges, editor lunches and even a fireside chat at the home of India's richest man, Mukesh Ambani. Is this the billionaire's latest pursuit — authorship — and will there be a sequel?

"No, it's the first and the last," is the prompt rejoinder. What next? A prelude to life at the White House? "I'm not running for anything. I have turned down government appointments, but I like being someone who can help the country, which is easy in the United States of America, but impossible in many other countries."

What's unusual are his frequent jaunts to India. Blackstone manages over \$600 billion in assets so its investment in India is relatively small compared to, say, what it might be investing just in the state of Texas. In part, that is because he seems to identify with India's democratic streak, the widespread usage of English and its geographic diversity. "I like India because it is highly unusual. Topographically, you go from deserts to the

mountains of the Himalayas, then south where it is almost like a jungle," he explains. "I bring my wife with me on my trips sometimes and she enjoys coming to India," he adds. His family includes two children from his first marriage and a stepson from the present one.

While he tends to play down the tough choices he made to get to where he is, he admits that on many occasions he would be sitting on a beach towel and conducting business via phone while his kids played sports at school. "I was there. They could see me and I could see them," he explains and admits when pushed that success and sacrifice go hand in hand.

The India experience for Blackstone began in 2006 and Schwarzman has, to date, invested around \$15 billion in the country. And that's now worth a lot more, he says with visible joy. When it started out, Blackstone didn't make minority investments "but invested alongside people called promoters which in the West is a negative word because a promoter is trying to take your money and put it in his pocket", Schwarzman says, adding that he was told that was not how India worked. But soon he found that his original instinct was correct and then on Blackstone decided to do control deals and buy assets.

My coffee arrives. Schwarzman hasn't touched his water. I ask, "You seem to have an uncanny ability to make your investments at the right time and before anyone else is able to... How..." Schwarzman completes my question: "...does that work?" I nod, and the silver-haired investor explains: "First, make all knowledge available to many people at the firm. When all of them know a lot, it's better than one person trying to figure it out," he explains. Schwarzman also understands what a network of networks is. From being an alumnus of Yale University and Harvard University to donating funds to Oxford University and MIT and more, there aren't many key decision-makers that he doesn't know. "I have a varied group of inputs from people who are heads of universities, senior people with government insights worldwide and the remarkable network we have created at Blackstone"

He says an investor will hear about exceptions that don't happen every day. "When there are meetings every week with business units and you just listen to what's going on, you can start to see exactly when things change. Once changes occur, the way the world works is that it is going to evolve and



ILLUSTRATION: BINAY SINHA

will impact an industry or geography," he says. Simplistic, as that may sound, Schwarzman says how a real estate boom in India around a decade or so ago seemed to have led the trend worldwide. As one of the largest corporate landlords in the world, real estate is intrinsic to Schwarzman's strategy. After achieving what most investors would do anything for, Schwarzman has also been getting more involved in academic philanthropy sharply focused on artificial intelli-

gence while ever aware that his time is limited and precious.

A believer in fitness and a one-time sprinter, Schwarzman still works out every day but lets out that he's skipped that in India. He also eats very little and seldom consumes meat. At a later date, I watch him address a closed-door meeting and stick to tandoori roti and *paneer masala*, but take just one bite during a 90-minute meeting. He enjoys non-work reading a lot, prefers warm weather and over the years has started to notice that he sleeps less than before. "So, you cheat and make up for it during the weekends," he smiles. Schwarzman also collects art like many blue-blooded architects of American capitalism.

Is the PE world going through a paradigm shift? Schwarzman nods. "In the 1980's, one just had to buy something, lever it and the multiples were sufficient. And we loved that we could make acceptable returns. But by the late 1990s we had to bring in real value by way of operating improvements. The entire industry has moved because of higher and higher creation prices and the necessity of delivering more and more operating returns and growth."

The man, who bought ailing hotel chain Hilton in 2007 and made \$14 billion in profit after 11 years, explains that "today when you buy something, you have to have a total plan of what you will do. It's not an adventure, and you have to work with managements and see where you can accelerate growth. So the best way is to take assets and not only improve growth, but also the rate of profit because people pay you a higher multiple for each additional dollar of profit."

Schwarzman writes in his book that he still feels he is in his 30s and while that's reassuring for his investors, I ask him how he has changed over the years. "If you carry an iPhone you're plugged in all the time and you are like an emergency doctor on call because we are so large that we have something big going on somewhere at any given time." But of course, Schwarzman delegates efficiently and has no shortage of smart accomplices to fill in the blanks.

I'm done with my coffee and realise it's time to call it a wrap.

Schwarzman leans back in his chair and for the first time I spot his watch. For someone worth billions he isn't sporting a gold Rolex or a Patek Philippe or even an Apple iWatch. On his wrist is a battery-operated, plastic 30-dollar, 2004-model Swatch called the Cite Corsaire with the image of a Church in St Tropez on the dial. He doesn't say it in his book but perhaps that is the sort of grounded, value-driven focus that you need to drive the best returns.

What will happen to Laddu Mahto?



PEOPLE LIKE THEM
GEETANJALI KRISHNA

In the last 10 days, the country has been forced to become aware of the plight of thousands of migrant, daily-wage labourers during the lockdown in the country's metros. However, as a lifelong supporter of India's craft sector, I have been equally concerned about the plight of craftspeople across the country during this time. For craft is largely a rural livelihood; craftspeople have limited direct access to market and most of them live off only what they can make and sell. Small, mostly self-employed and dependent on seasonal exhibitions in cities or larger companies for orders, craftspeople have received a huge blow during this ongoing lockdown. Yet, in spite of being a sector that supports so

many sustainable rural livelihoods, the government has made few provisions for craftspeople to help them tide over the Covid-19 pandemic. I had the opportunity to speak to 28-year-old Laddu Mahto of Bihar's Darbhanga district, who weaves hand-knotted carpets in a village at Mirzapur in Uttar Pradesh.

"I have been weaving carpets here for the last five years and earn on a piece-rate basis," he told me. "All the money I earn is sent back to support my family back home." Before the lockdown, he'd notch up about ₹6,000 per month, sometimes more, depending on how productive he was. Mahto is the only wage earner in his family comprising his wife and four school-going children. "So far, my wife is somehow making ends meet from the money I'd last been able to send her a month ago," he said. How long did he estimate he could manage like this, I asked. "I guess I'll survive for a month, but worry about what will happen if the lockdown isn't eased after that," Mahto said. The day he spoke, the company he weaves carpets for, sent him a food packet that he reckons would sustain him for a month. But Mahto was worried about what would happen if the lockdown is extended and he's unable to earn any money. "What will happen to my family back home?" he said. "As I don't have

any savings and neither do I have any land to sell... I don't think they will survive for long if I don't earn."

Mahto was one of the few migrant weavers who decided to stay in Mirzapur when the lockdown was declared. Many others have returned to their villages and the fear in the carpet industry is that they might not return once things normalise. In fact, craft sector activists fear that across India, craftspeople are going to be forced into other occupations to tide over the huge financial crisis created by the lockdown. Demonetisation, Goods and Services Tax (GST) and now this pandemic have demonstrated the lack of economic security provided by the government to this sector. For years, the crafts lobby has been advocating that the government help vulnerable craftspeople by enabling them to practise their craft under its employment guarantee schemes and also enable them to gain direct access to the urban markets. Since the implementation of the new GST regime, they have further argued for the urgent need for the craft sector to be made tax-free. Perhaps this is the last window of opportunity for the government to take measures to aid this beleaguered sector. Else much of India's rich and diverse craft tradition could join the Covid-19 pandemic's growing list of casualties.

Chronicles from the lockdown



PEOPLE LIKE US
KISHORE SINGH

The family that occupies the house next door has all four members currently in residence, but none of its staff. It has caused our cook no little mirth that *sahib*, who heads a factory with several hundred, or thousand, workers, can be spotted doing *jharopocha* from her kitchen window. Her belly rolls as she tells me this. Never have I been more grateful for our resident staff, even though they are away from their families during this emotionally-draining crisis.

Our children don't know how to cook (unless you count dissolving packets of Maggi in hot water), I'm not great at running the washing machine, I can't see my daughter-in-law doing the *bartans*,

and as for sweeping and swabbing, the less said the better. Having help has left us free to work from home and offered the freedom to catch up with long-pending tasks, even though we talk more about the things we ought to be doing than doing them. I'm supposed to organise the library, but suffer from book-dust allergy (at least that's what I've told the family); my son is supposed to inventory our collection of antiques and art, but hasn't got around to it because he's used to a phalanx of assistants. At office, he grumbles, he would not have to do such menial tasks as entering data. That's one chore that won't get started, leave alone finished.

Our friends, on the other hand, are showing remarkable zeal. Some are organising food kitchens for the poor; others for strays and other animals. They're setting up collecting points for medicines and clothes; organising deliveries or cooked food for elderly neighbours; and generally being sanctimonious to a fault. Some have managed to catch up with filing photographs chronologically. Others are shooting videos on how to do yoga, stay fit, stitch, knit or cook, sharing them liberally over social platforms. It's enough to make you sick and unlike them.

My wife has decided to devote her

waking hours to growing houseplants. She pots, prunes, repots, trims, binds; roots are cleaned, leaves washed, seeds planted, soil fertilised; there's a constant transferring from small pot to medium pot to large pot; alongside the compost are bottles full of enzyme that we're in fear of mistaking for a soft drink and draining at our peril. It wouldn't matter if she confined her activity to the part of the house where you're supposed to keep plants, but there are allegedly edible stems and leaves occupying pots and pans in the kitchen, flowers in various stages of decay in the living room, micro-greens in the dining room, and oxygen-producing plants in the bedrooms. You can't walk around without tripping over gardening paraphernalia on the floor. It's spring, so everything is in leaf and flower, making it impossible to impose a lockdown and throw it all away.

When this is past, everyone says, we must remember the cleaner air, the bluer sky, the birdsong, the empty roads on which we take the dog for walks without fear of being run over. Yet, when the cook summoned me to the kitchen to point to the *sahib* next door scrubbing floors, I took vicarious pleasure in creating my own memories. The surreptitiously shot video will go a long way in easing the inevitable, eventual strain of traffic jams.

Covid's progress & aftermath

There are three phases on a standard growth curve, like one that plots the progress of Covid-19. The first is when the number of new cases increases every day at a steady or accelerating rate. The second is when the rate of growth declines; the total number of cases continues to increase, but the curve flattens. The third phase is when the tally of new cases daily stops increasing altogether and begins to decline. Seven of the top 10 countries that account for 80 per cent of the million cases so far are into the second or the third phase. The exceptions are the US, Britain, and Turkey. The world as a whole seems to be at the fag end of the first phase of the curve.

India is at the same spot, or would have been without the contribution of the Tablighi Jamaat. If we follow the norm, which is to track proliferation from the day the country notched up 100 cases (March 14), it took nine days to quintuple to 500. In the first 10 days of the subsequent lockdown, the number has quintupled again to over 2,500. If we quintuple again in the 11 remaining days of the lockdown, the total would get to about 12,000 by mid-April. If we have not moved decisively into the second phase by then, despite the lockdown, it would be really bad news. No wonder the prime minister has suggested only a phased ending of the lockdown.

Fortunately, we may never reach the cases-to-population ratio seen in Western Europe. Cases numbering 100,000 for populations of 50-60 million in Europe would translate pro rata in India into a peak of well over 2 million — whereas the world as a whole has just reached a million cases. Still, the limitations of India's medicare infrastructure could soon be in evidence.

The government's response has been a combination of maximalism (for you and me) and minimalism for itself (the rate of testing and size of relief package). Instead, a maximal lockdown (closure of factories, loss of incomes, crisis for migrants, etc) should have been accompanied by more generous, universal payouts, starting immediately and not a week later. The lack of forethought is becoming a habit: Demonetisation in 2016 saw a shortage of new currency notes, made worse because they were issued in a different size that necessitated re-calibrating cash-dispensing machines.

What is the impact on the economy? The early numbers show severe effects during the last month, and reflect also the earlier slowdown: 50 per cent fall in automobile sales, 20 per cent shortfall in revenue from goods and services tax, 20 per cent drop in petrol/diesel consumption, a reported 30 per cent drop in power consumption, and so on. Direct tax revenue for the full year is where it was two years earlier, when the economy was 15 per cent smaller in nominal terms. Some of the numbers would be worse than in the 2008 financial crisis.

The fiscal stress will increase as revenue shrinks and crisis-driven expenditure goes up. We may therefore have moved back three decades on the fiscal situation. The finance minister had a cushion then: He could squeeze capital expenditure in the Budget. Since that is now a much smaller fraction of GDP, the cushion no longer exists.

One should expect a quarter or two when the economy shrinks, and after that a slow recovery. Slow, because of the time needed by closed firms to start up again, tight fiscal constraints, an unfriendly trade environment, lower consumption as household budgets reflect lay-offs and pay cuts, and therefore an investment famine. There will also be renewed life for the twin-deficit problem: Amid falling demand that has already provoked a commodity price crash averaging 25-30 per cent, heavy corporate debt could morph into stressed assets for the financial sector.

The first decade of the new century ended in crisis. The second has done the same in an environment of sharply slowing growth. The first half of the third decade, if not all of it, is likely to fare much worse than the last two decades. Do please light your lamps as the lights go out.

Modi and his politics of messaging

Modi knows who he needs to speak to, who he should toss, and who he can address in kind. So, poke fun at *taali, thaali, diya* and *mombatti*. He couldn't care less

The wretched coronavirus story overshadows everything else in the news environment and it is not about to go away any time soon.

But you know what, I am done with it. At least for this week. Give me my old-fashioned politics any time. But then, much of politics, barring the odd barb traded here and there is also under suspended animation.

Therefore, we seek refuge in politics with a touch of coronavirus. On how Narendra Modi has handled the messaging on the biggest challenge of his public life. Let us begin with the messenger in him.

He has a gift none of his eight predecessors, from Manmohan Singh to Rajiv Gandhi, had: Being able to speak directly and convincingly to a large enough section of Indians who will take his word for gospel and his order like a papal bull.

He is more than a worthy rival to Indira on his ability to read the popular mind, especially that of his voters. No surprise that he has chosen to do all the messaging of his government by himself. He makes a bunch of statements, some platitudes, some shrewd nudges, and the rest then dutifully take over.

Within the hour of his finishing a speech, or even a half-speech like this Friday morning for the Sunday, "9 minutes at 9 pm" event, his entire cabinet, top party functionaries, social media warriors, RSS and BJP-linked intellectuals all start tweeting passages from it.

In fact, after each of his four speeches to us in the coronavirus season, you could collate almost the entire text by just adding up the tweets of these key handlers. When he speaks, they echo him, and nothing else. It ensures the "purity" of the message. Everybody speaks in his voice.

That sorted, we come to the message itself, and how it has kept its central thread but changed in nuance. Helped along, of course, by his belief that no matter what he says or does, a critical mass of his people, and his core voters — which is a lot of voters — will believe him anyway. And even if he messes up, as with demonetisation, they will forgive him. Imagine what effect would it have when he went on air with his Mann Ki Baat last Sunday and apologised to the country's poor for "inconveniencing them". Millions of hearts would have melted immediately.

Next, he will almost never say what he is going to do for you. Run your mind over his most significant speeches, and definitely the last four: Two

addresses to the nation, and then Mann Ki Baat and Friday morning's short "Diya Jalao" message. Instead of telling people what he will do for them, he tells them what he wants them to do for themselves, and him.

From Swachh Bharat to withdrawal of LPG subsidy to the better-off, to demonetisation and now Covid-19, through all the other initiatives he has unveiled, he has invariably asked people to do something. Immediately, it makes them feel wanted, and responsible. Who doesn't enjoy being taken seriously, and that too by such a powerful leader? He's got the gift of seeking a sacrifice from people and pleasing them instead of dispensing favours.

In these coronavirus speeches, he has done exactly this. In the first one, he said that he was going to ask them for a few weeks of their lives, but left it there. It was like a little inoculation to sensitise public opinion for what was coming.

He asked for a day's Janata Curfew, which some of us had not even immediately was like a dry-run for a longer lockdown. He also asked for clapping and cheering for doctors, medical personnel, police and others providing essential services. He spiced it up with the idea of ringing of bells and clanging of *thalis*. You can laugh at this as much as you wish.

Can you, at the same time, discount that tens of millions across the country did exactly that and ended up grateful for it. If at all, too many of them overdid it, for loudness as well as time, scaring poor birds and animals. The virus, in any case, isn't even a fully live being so can't be bothered with noise. Mr Modi had neither promised, nor delivered anything. The people, if anything, had over-delivered on his call.

There is a pattern to Mr Modi's "apologies" too. There was one in a speech in Goa when demonetisation had thrown the country into chaos, in suitably choked voice, that said, give me 50 days. Just 50 days. If any fault is found in my intentions or my actions, I am willing to suffer any punishment given by the country. Of course, who would punish a leader for such "humility".

Demonetisation was a blunder comparable with Mao's assault on China's sparrows. But here was such a powerful prime minister taking such a big risk — obviously with good intentions — and asking you to endure a little bit of suffering for his and the nation's sake.

The Mann Ki Baat apology on coronavirus was



NATIONAL INTEREST
SHEKHAR GUPTA

Halted lives, postponed futures



AL FRESCO
SUNIL SETHI

comfort," reports a correspondent, "that this time around wealthy [Nigerians] cannot flee to London and Delhi for medical treatment, as they did during the 2014 Ebola outbreak."

Specialists in communicable diseases such as Dr N Devadasan have argued, backed by comparative country-wise data, that one reason India has not seen a dramatic surge in cases is because Indians "have an innate immunity to the virus, thanks to unhygienic conditions". Another is that India has a relatively young population as compared to, say, Italy, where most of the deaths have occurred in the 70-plus age group.

Even so, the good doctor is cautious to add that his simulations are speculative. The situation is liable to sudden change as in the unforeseen explosion of cases in the Tablighi Jamaat cluster. And we have scant idea of what is happening in remote towns and villages of the hinterland.

A striking example of unpredictability is the shifting use of terminology in official reporting on Covid-19. Till a couple of weeks ago, Union health ministry spokesperson Lav Agarwal was saying that the infection was "local" (therefore containable) rather than community-based. But what is Delhi's Nizamuddin or Mumbai's Dharavi except densely packed communities? So the word "community" has been dropped. We are now told the problem is "national".

Both hotspots are textbook examples of abject failure in disaster management. The six-storeyed Tablighi building stands cheek-by-jowl with Nizamuddin police station so its 2,500 occupants since early March should have been evacuated long ago — by diktat, if not by persuasion. The horrible postscript (with communal overtones) to this horrible story is an ugly confrontation between Delhi police and government, and Tablighi leaders.

Similarly, Dharavi, with its 1 million population (70 per cent of whom use community toilets), may be parodied as a tourist attraction as the largest slum in Asia, but like thousands of its lesser counterparts in the country, it is a potentially volcanic super-spreader.

Many heads of government are prone to bouts of myopia and grave miscalculation at moments of national crisis. Beating Donald Trump, Boris Johnson and Imran Khan in the race, a cringeworthy standout example is Brazil's Jair Bolsonaro. He initially described coronavirus as just "a little flu". After repeated tests, he refuses to make the results public, claiming they are a state secret. His country is home to 13.5 million urban settlers living in *favelas*, the equivalent of our slums. Despite being politically isolated, he is hanging on. "God is Brazilian," he says. "The cure is right there."

Prime Minister Narendra Modi is not quite so far gone. *Thali*-banging and *diya*-

lighting on Sunday evenings may be his idea of rallying the nation but it is likely to be construed by some as a spiritual nomen for deliverance. (And perhaps as a boredom-alleviating exercise for kiddies.) In his TV addresses and radio chats, Mr Modi doesn't miss a beat at projecting himself as an amalgam of Supreme Leader and saviour.

But when posterity records Mr Modi's biggest failures, the most glaring lack of preparedness after demonetisation, would be to discount the tragedy of the country's millions of informal workers, left homeless and hungry after the kneejerk lockdown on March 24. According to the government's own figures, some 600,000 lives (and livelihoods) were abruptly halted as those with neither security of income nor tenure fled the cities. Their futures now stand indefinitely postponed. How far government bailouts will save them will depend how intense or long-drawn out the health emergency is.

The bleak choice the poor face at a time of life-threatening illness is whether they will perish from disease or hunger. In a *New York Times* dispatch from the Afghanistan-Iran border this week is a poignant quote from a 19-year-old Afghan woman health worker, Roya Mohammadi, helping to screen thousands of Afghan migrant labour fleeing coronavirus-convulsed Iran. Some already had Covid-19 but she needed the income to support her family in Herat. "I'm afraid of getting sick, of course," Ms Mohammadi is reported as saying. "But I prefer to die with a full stomach rather than die of hunger."

Covid-19: Testing more patients

EYE CULTURE
ATANU BISWAS

We have a simple message to all countries — test, test, test," this is what World Health Organization Director General Tedros Adhanom Ghebreyesus told the world. Certainly, this is a must in the fight against the Covid-19 pandemic. "All countries should be able to test all suspected cases, they cannot fight this pandemic blindfolded," he added. One of the major factors behind South Korea's success in fighting Covid-19 is the high rate of testing — South Korea has already tested 440,000 individuals at a rate of 8,572 individuals per million. However, there is huge scarcity of test kits almost everywhere in the world, forcing fewer tests.

The Covid-19 testing statistics show a varying proportion of "positive" cases in different countries. Quite naturally, this proportion would increase if the pandemic becomes severe, and decrease if the concerned country conducts tests aggressively. For example, this percentage is quite low (0.8 per cent) in Hong Kong due to a large number of tests (90,000 tests as of March 30), but Italy has a large percentage of "positive" test reports (19.8 per cent) despite more than 580,000 tests as of April 2.

Amid the shortage of test kits for Covid-19, I was thinking whether some simple statistical technique can be useful. Can we test more individuals with fewer kits? I find that the Covid-19 RT-PCR test is a real-time reverse transcription polymerase chain reaction (RT-PCR) test for the qualitative detection of nucleic acid from SARS-CoV-2 in upper and lower respiratory specimens (such as nasopharyngeal or oropharyngeal swabs, sputum, bronchoalveolar lavage, and nasopharyngeal wash/aspirate or nasal aspirate) collected from individuals suspected of Covid-19 by their health care provider (<https://www.fda.gov/media/136151/download>). I was wondering whether the tests can be conducted for a group of individuals together or not. The procedure could be as follows.

Suppose 100 individuals are to be tested. Let's first arrange them in 20 groups of five each. Now, instead of testing swab of one suspect with a kit, swabs of all five individuals in a group are mixed, and then the mixed swab is tested. Such a test is applicable only if the test is such that all the five individuals can be declared "negative" if the outcome of testing the mixed swab is "negative". On the other hand, if the test outcome is "positive", at least one of the five individuals is Covid-19 "positive". In that case, all five individuals

are tested separately.

The percentage of "positive" in India out of the tested cases was 3.4 per cent as of April 1. There were 1,637 Covid-19 "positive" cases out of 47,951 tests. Thus, if we carry out the testing in groups of size five each, we may need one test or 1+5=6 tests for any group, depending on whether the combined test is "negative" or "positive". Given that a person has a 3.4 per cent chance of being diagnosed "positive" (which means that the probability of "negative" diagnosis for an individual is 0.966), the probability that the additional five tests are needed for a particular group is the probability that at least one of them is "positive", which is $1-0.966^5 = 15.9$ per cent. Following this procedure, on an average, less than 36 tests will be needed to screen 100 individuals in 20 groups of five each.

Using simple calculation, I find that the optimal group size is six (i.e., swabs of six suspects can be mixed and tested together to minimise the number of tests). And, by this approach, about 354 test kits are needed to test 1,000 individuals!

The procedure will, however, be less effective if the probability of a "positive" diagnosis is higher. If about 10 per cent cases are "positive", an optimal strategy of testing a group of four individuals together would enable testing 100 individuals by about 60 kits. And, if we are able to test more individuals, the chance of a "positive" diagnosis would decrease in any case, making the "group test procedure" more effective.

This approach can be extended a bit more — maybe up to the second stage. A relatively larger group of individuals (15 or so) can be tested first. If the test result is "positive", the samples can be divided into smaller groups, say of five each. And then a smaller "positive" group may be tested for each individual separately. The concerned physicians can construct the groups judiciously to make this procedure more effective.

Statistically, it's a slight. But, let me put a caveat: I maybe missing something from the medical perspective. This procedure is not applicable if the swab of some Covid-19 "negative" individuals mixed with a Covid-19 "positive" one results in a "negative" testing result — a possibility which I cannot comment on as a statistician.

Certainly, a race to develop antibody tests using a few drops of blood is going on in labs around the world, and are expected to be available soon. Such serological tests will provide quicker results and might become instrumental in the fight against the Covid-19 pandemic.

The writer is a professor of statistics at Indian Statistical Institute, Kolkata

Why will it still be 'Tokyo 2020' in 2021?



YES, BUT...
SANDEEP GOYAL

has kind of become synonymous with the event. A more persuasive argument also is that the Tokyo 2020 branding has already been emblazoned on merchandise everywhere, and official stores have been retailing the stuff since 2018, including a \$15,000 gold bar. A changeover would be costly, and would really serve no purpose. Unofficial estimates put the value of IOC/TOCOG merchandise at \$200 million, which would have to be junked in case the branding became Tokyo 2021. And this does not include goods specially branded by Olympic sponsors already in stores, or waiting to be shipped from warehouses, the value of which could be at least 10 times more.

The Tokyo 2020 name has also been carved onto the Olympic relay torch, and the logo shouts at you from all over Japan, from its billboards and transport system to commercials and digital clocks around the nation. The winner medals have been cast and readied... it is best therefore to look at the postponement as just a time leap, nothing more.

Most importantly, Prof Yuji Kawakami, economics professor at Tokyo's Teikyo University has pointed out the "Tokyo 2021" branding has already been copyrighted by a major art event slated to be held next year. If the IOC were to switch to Tokyo 2021 branding, it would most likely result in a copyright clash, which may not have any quick or easy resolution.

Tokyo Governor Yuriko Koike also has an interesting perspective to share. She has mentioned in media interviews that the Olympics have always been held in years with even numbers. "An odd number is out of the question," she emphasised. Hmmm! Interesting.

Not everyone though agrees with this as-is-where-is approach. Marketing gurus feel that leaving the logo as-is could feel like a "shrug"; as if worldwide consumers are supposed to just kind of accept the brand as a global misprint, due to circumstances the world is still grappling with. They would prefer a "refresh" even if it means some cosmetic additions or changes are made to Tokyo 2020 just to signal that the scourge of the pandemic is long past and the Games represent a new today, and a newer tomorrow. That of course, given that the Covid-19 is still raging unabated in most world geographies, is wishful thinking at least for now.

Design experts too are of the view that an unchanged logo would seem to convey a status quo which is actually not the case with the Olympics. The world in 2021 would hopefully be a better place, rid of disease and rid of fear, that has defined 2020. So, symbolically a rebranding would, and should, convey new hopes and new happiness. The most obvious suggestion is to add an element to Tokyo 2020 even if the overall branding remains untouched. Suggestions have come forth on adding a "plus" sign

after 2020 to symbolise a step forward. Others have suggested a change of the colour of the logo for differentiation from the past. Someone has come up with a 2020 rendition with sun rays shining through the zeros, symbolising both the land of the rising sun, and a happier Olympics for both athletes and the spectators. Each of these is a valid suggestion.

There is yet also the contra school of thought that believes that in design terms sticking to the Tokyo 2020 branding shows steadfastness, grit and resolve in the face of adversity, disease and death. It kind of reiterates a commitment to history, and underlines that the spirit of the Olympics can overcome just about anything in terms of challenges and headwinds. So, sticking to Tokyo 2020 is a tribute to the thousands that have perished in the current pandemic. The Olympics nevertheless continue to stand proud; stand true to their motto... *Citius, Altius, Fortius*... faster, higher, stronger. Especially stronger.

The branding or rebranding of the Summer Olympics is an interesting case study for marketing folks. It has almost no precedents. In fact, the retention of the Tokyo 2020 branding as-is will in itself become a guiding example for future brand thinkers. For Japan though, just the holding of the Olympics is more important than any branding debate, and Tokyo 2020 will remain "United by Emotion", the theme of the games.

The writer is an advertising and media veteran

HUL pips HDFC Bank to 3rd spot in m-cap

FMCG major down 4.2% since Feb 20, against HDFC Bank's 33% decline

KRISHNA KANT
Mumbai, 3 April

Hindustan Unilever (HUL), the country's most valuable consumer goods maker, has overtaken HDFC Bank to become India's third-most valuable firm in terms of market capitalisation. At Friday's closing price, HUL's market capitalisation was ₹4.66 trillion, as against HDFC Bank's ₹4.46 trillion.

Reliance Industries and Tata Consultancy Services remained at the top with market capitalisation of ₹6.83 trillion and ₹6.21 trillion, respectively. The Indian subsidiary of UK's Unilever has been one of the top performing stocks during the sell-off triggered by the global spread of the coronavirus disease (Covid-19). The firm's market capitalisation had declined just 4.2 per cent since February 20, when the broader markets began to fall over fears of economic disruption. In comparison, HDFC Bank was down 33.1 per cent during the period, while the combined market capitalisation of Nifty50 stocks was down 31.2 per cent. The combined market capitalisation of Nifty50 stocks was ₹62.44 trillion

RIL, TCS MAINTAIN LEAD AT THE TOP

Indexstock	Current m-cap (₹ trn)	Chg since Feb 20 (%)
Reliance Industries	6.8	-27.4
TCS	6.2	-23.3
Hindustan Unilever	4.7	-4.2
HDFC Bank	4.5	-33.1
HDFC	2.6	-36.6
Infosys	2.5	-26.5
Bharti Airtel	2.3	-22.3
ITC	2.2	-14.3
Kotak Mahindra Bank	2.2	-32.4
ICI Bank	1.8	-47.6
All Nifty50 stocks	6.2	-31.2

Compiled by BS Research Bureau Source: Capitaline



on Friday, down from ₹90.77 trillion at the end of trading on February 20.

Economic turmoil arising from Covid-19's spread has upset the market capitalisation league on Dalal Street. Lenders yielded space to consumer and pharmaceutical stocks on the indices. As of Friday, there were two consumer companies, HUL and ITC, in the top-10 companies in terms of market capitalisation,

as against one on February 20. Retail lender Bajaj Finance has dropped off the list and its market capitalisation was lower than Nestlé and Asian Paints.

Analysts say this is because Covid-19's impact was more on banks, compared with a mild impact on debt-free and staple goods manufacturers like HUL. "HUL has a business that offers steady growth and few downsides,

thanks to its debt-free and cash-rich balance sheet. In contrast, lenders including HDFC Bank, face the risk of a spike in bad loans as the lockdown dries up cash flows of individuals and businesses across sectors," says Dhyananjay Sinha, head research & equity strategist at Systematix Group.

Sinha expects the trend to continue in the near- to mid-term. "The market expects a fiscal stimulus or big ramp-up in public spending, which will boost consumer spending at the lower end, benefitting companies such as HUL," he added. Lenders, including private sector banks, have been the worst performers since a nationwide lockdown was announced, followed by metal and mining companies and automakers.

In contrast, pharmaceutical firms such as Cipla, Dr Reddy's Labs, and Sun Pharmaceuticals, and food and personal care products makers such as HUL, Nestlé, ITC and Britannia have outperformed the broader markets by a wide margin. Cipla — the market leader in medicines for respiratory diseases — has been the top performer and its market capitalisation has risen 3.1 per cent since February 20. This is because Covid-19 largely affects the lungs and respiratory tract, and investors expect a surge in demand for Cipla's medicines and inhalers. It was followed by Dr Reddy's, which was down 3.4 per cent, and HUL, which made up the top three performers.

SBI MF EDGES PAST HDFC MF TO TOP SPOT

SBI Mutual Fund (MF) has emerged as the largest fund house in the country with average assets of ₹3.74 trillion in the March quarter, rising 6 per cent from the previous quarter



The SBI MF has dislodged HDFC MF from the top spot. HDFC MF has seen its asset base shrink from ₹3.83 trillion in the previous quarter to ₹3.7 trillion in the March quarter. "Process-driven fund management, flows from the Employee Provident Fund Organisation, and wide distribution network has helped the fund house

reach top spot," said Kaustubh Belapurkar, director (fund research), Morningstar India. Among other leading fund houses, ICICI MF saw its asset size shrink from

₹3.62 trillion to ₹3.51 trillion in March quarter, slipping from second to third spot. Both HDFC MF and ICICI MF, saw dips of over 3 per cent in their respective asset base. Aditya Birla Sun Life MF maintained its fourth spot, with average assets declining marginally from ₹2.5 trillion to ₹2.48 trillion in March quarter. Nippon India MF also saw marginal growth, while keeping its fifth spot. The overall growth for industry assets couldn't be ascertained, with data of several other fund houses yet to be included in the data set published by the Association of Mutual Funds in India, at the time of going to press.

JASH KRIPLANI

BATTLE ROYALE

Fund house	Quarterly avg assets (₹ trillion)		Rank move
	December	March	
SBI MF	3.53	3.74	From 3rd to 1st
HDFC MF	3.83	3.7	From 1st to 2nd
ICICI MF	3.62	3.51	From 2nd to 3rd
Birla Sun Life MF	2.5	2.48	Holding 4th spot
Nippon India MF	2.04	2.05	Holding 5th spot

Source: Amfi

Nifty posts 6.7% weekly drop

SUNDAR SETHURAMAN
Mumbai, 3 April

The Indian markets declined more than 2 per cent on Friday as investors continued to fret over the corporate and economic impact of the Covid-19 pandemic, which has now infected more than a million people globally. Investors were left disappointed after Prime Minister Narendra Modi in his video message refrained from offering any measure to help repair the economy.

The Sensex closed at 27,591, down 674 points, or 2.4 per cent. The Nifty fell 170 points, or 2.06 per cent, to end at 8,084. The Nifty index fell 6.7 per cent during the week, while the Sensex fell 7.5 per cent. Both indices have declined in three of the last four weeks. Market experts said investors were hoping that the PM would announce concrete steps to contain the spread of Covid-19 or any update on whether the 21-day lockdown would be extended. While the government and the Reserve Bank of India (RBI) have provided relief packages, experts say more needs to be done as the shock because of the sudden stoppage of economic activities is huge. The United Nations Department of Economic and Social Affairs this week said global economic growth could shrink to 1 per cent, reversing its earlier forecast of 2.5 per cent growth. The agency said growth could contract further if restrictions on economic activities are extended without further stimulus.

"The bigger concern is the economic fallout of the Covid-19 pandemic. We were under the impression that things will be back to normal once the lockdown is over,



but it now seems there will be a lot of restrictions even after the lockdown is lifted and this is adding to the panic," said G Chokkalingam, founder, Equinomics.

Oil prices fluctuated after soaring 22 per cent on Thursday. Analysts said investors were sceptical of the Saudi Arabia-Russia deal to cut oil production. Also, fresh restrictions announced in Singapore weighed on sentiment.

"Lack of clarity regarding talks between Russia and Saudi Arabia affected sentiment. The news that there will be tighter measures imposed in Singapore for a month added to the nervousness, as a lot of foreign investors are based there," said Siddhartha Khemka, head of retail research, Motilal Oswal Financial Services. Barring six, all the sectoral indices of the BSE ended the sessions with losses. Banking and finance stocks fell the most, with their gauges falling 5.4 per cent and 4.4 per cent, respectively. On the other hand, shares of pharmaceutical companies surged, with the BSE Healthcare index, gaining nearly 4 per cent.

FPI investment limits rise in several stocks

The investment legroom for foreign portfolio investors (FPIs) has risen in several companies. This is after the government's decision to treat sectoral limits as the FPI investment limit came into effect from April 1. On Friday, depository firms NSDL and CDSL released a list of firms in which additional shares are available for FPIs. Market players said the higher limits have a potential to attract billions in overseas flows, but the same may not play out immediately. "While the raising of FPI limits for stocks to their respective sectoral caps is a welcome move, the current FPI sentiment is not conducive enough to attract flows, just on the basis of this relaxation," said Deepak Jasani, head (retail research), HDFC Securities. Markets players said the sudden spike in shares of Kotak Mahindra Bank and Larsen & Toubro was on account of the list issued by NSDL and CDSL. "Few heavyweights like Kotak Bank and L&T recouped some losses on account of the expected MSCI changes," said S Ranganathan, head (research), L&P Securities. He said the index provider would now be able to increase the weight of domestic stocks. "MSCI will wait for practical implementation of these changes and systematic publication of the new sectoral limits, applicable to Indian securities, before making any changes to the MSCI Indexes," it had said in a release.

BS REPORTER

Crude oil jumps 26% on MCX as tensions ease

HOW THEY FARED

Particulars	Current price	1-day change (%)
Crude oil (Apr futures, ₹/barrel)	2,043	26.0
Gold (Jun futures, ₹/10g)	43,722	1.1
Spot gold (₹/10g)	43,760	1.0
Silver (May futures, ₹/kg)	41,227	3.4
Spot silver (₹/kg)	40,310	2.0
Copper (Apr futures, ₹/kg)	380	0.9
Zinc mini (Apr futures, ₹/kg)	147	0.8

Source: MCX, IBJA

DILIP KUMAR JHA
Mumbai, 3 April

Crude oil prices jumped 26 per cent in late afternoon trade on the Multi Commodity Exchange (MCX), on Friday. This followed the move in global markets on hopes of an end to the price war between Russia and Saudi Arabia with their agreement on an output cut. The countries are scheduled to meet next week.

The benchmark crude oil futures for delivery in April hit several upper circuits, to trade with an overall gain of 26.03 per cent at ₹2,043 a barrel on Friday. With almost similar gains, Brent crude surged to trade at \$30 a barrel in the international markets, on an improvement in overall sentiment after US President Donald Trump tweeted on Thursday that he had spoken to authorities in both Saudi Arabia and Russia about an output cut.

The fight between the two crude oil-rich nations has resulted in a two-third decline in prices over the last three months, to hit the lowest level since 2016.

Along with crude oil, bul-

lion and base metals also rose, albeit marginally. Gold for delivery in June jumped 1.11 per cent to trade at ₹43,722 per 10g, while silver futures for May delivery surged 3.4 per cent to ₹41,227 a kg. Copper, zinc and other base metals futures for near-month delivery rose by almost 1 per cent, amid global demand woes.

MCX iComdex composite jumped 3.9 per cent to 8,549.27 points in late afternoon trade on Friday.

"Crude oil prices led the jump in bullion and base metals on Friday, amid hope for an agreement between Saudi Arabia and Russia. Gold is getting some investor interest, as global central banks continue to add gold to their existing holdings as a hedge against economic uncertainty. Silver and base metals have risen on short covering," said Gnanasekar Thiagarajan, director of CommTrendz.

"Crude oil demand has declined by nearly a third in the last one month. Global markets are flushed with supply of around 30 million barrels," said Kishore Narne, associate director, at Motilal Oswal Financial Services.

FROM PAGE 1

India Inc wants more to fight Covid impact

Harsh Goenka, chairman of RPG Enterprises, expresses a similar view: "The government has to pump in money to revive demand. But industry is looking for relief in the payment of taxes, statutory dues like PF and ESIC (three months' payment to be deferred without interest and penalty), as well as employment relief (like reimbursement of minimum wages to companies which have paid contract workers) and increase in working capital limits from 10 per cent to 25 per cent."

Clearly, industry is pushing for a much bigger package than what is being considered by many in the government. The managing director of a leading diversified conglomerate says: "The total package should be US \$100 billion, first for the poor, then the self-employed, micro, small and medium sector, in that order." A CEO of a leading ports company suggests that 10 per cent to 15 per cent of the GDP should be given as relief "to all those contributing to the GDP."

The CEOs are divided on whether the country will go into a recession, though all agree that there will be a slowdown. While 40 per cent of the respondents say that recession is inescapable, the rest are more positive and believe that there will be some growth, ranging from 1 per cent to 3 per cent.

And though about 60 per cent of the respondents said that they would not cut pay or sack their employees, about 12 per cent said they have no option but to do so. The rest said that they did not know yet what they would do, and that decisions would be taken only in the future.

There is, however, a consensus amongst more than half (52 per cent) of the respondents that the lockdown should be partially lifted after 14 April. The discussions between Prime Minister Narendra Modi and some chief ministers on Thursday suggest that this might happen in a staggered manner. But others say that life is more important than business — 28 per cent of the CEOs feel that the lockdown should continue for another 15 days.

"I am surprised that in many of the CEO forums on video, corporates are keen to start business rather than concentrate on the risks to health," says the CEO of a leading internet company. Those favouring a partial lifting of the ban have suggested different models for a staggered reopening. Says the CEO of a financial services company: "There should be transport across city lines and state lines so that migrants can go home. Secondly, large industrial outfits should be opened, and also infra projects which generate employment to wage earners and small shops — but not malls."

Others have suggested opening up in clusters in cities. "The government should identify red hotspots and seal them, identify orange hotspots and open them partially and identify green spots and open them liberally," says a Mumbai based CEO.

(With inputs from TE Narasimhan, Shine Jacob, Shreya Jai, Avisek Rakshit, Samie Modak, Rajesh Bhayani, Aditi Divekar, and Namrata Acharya)

Covid pandemic, FII sell-off hit...



"It has been a tough couple of weeks because we've had to convince investors not to withdraw or constantly raise money to meet the pressure," said an industry CEO.

While the mutual fund industry through its industry body, the Association of Mutual Funds in India, approached the RBI, seeking a special window, as it was done in 2009 and 2013, the central bank did not do so. Instead, it announced the long-term repo operations, or LTRO, of ₹1 trillion on March 27. With the RBI lending at 4.4 per cent, and existing commercial paper and certificate of deposits going at 6 per cent, banks will be encouraged to invest in them. This will ease pressure on mutual funds that need money to redeem.

Things were quite bad before the rate cut was announced. Banks were lending to the RBI at 5.14 per cent (reverse repo), but unwilling to invest in certificate of deposits or commercial papers of well-known banks at even 9-10 per cent.

"After the RBI policy announcement, negative returns in fixed income instruments are not a concern, especially in liquid and short-duration schemes. Short-term rates will remain low now, given high liquidity and also deposit rate cuts by banks," said A Balasubramanian, CEO, Birla Sun Life Mutual Fund.

Agreed K Harihar, treasurer at FirstRand Bank: "Inflation seems to have peaked and there is around ₹4 trillion liquidity overhang in the system. This should keep rates under control unless the government overshoots the borrowing programme significantly."

Though equity inflows were positive during the month, the bloodbath in the markets hit the overall AUM by almost 25 per cent. Industry players say the AUM of equities stood at around ₹8 trillion, down from ₹11.45 trillion.

But one category — arbitrage funds — took a serious knock. The panic was caused in the third week of the month when arbitrage funds saw heavy redemptions due to the absence of any opportunity in the market. Nilesh Shah, managing director, Kotak Mutual Fund, said: "There was an unusual spike in arbitrage fund redemptions as some fund managers gave a call looking at negative spread in the third week of March." Consequently, there was panic-selling among investors to the tune of over ₹30,000 crore, reducing the AUM by almost 50 per cent. "Fortunately in the fourth week, spreads turned positive, allowing us to deploy our funds at good spreads. Arbitrage funds provide an attractive opportunity to invest, as daily volatility in many stocks is more than what an arbitrageur will pay in carry cost over a year," he added.

Lights off for 9 min at 9 pm on Sunday: PM

The lockdown is till April 14. Anticipating drastic fall in demand and generation capacity shut, power sector stakeholders have been on contingency mode for the past fortnight. This includes power generators (gencos), suppliers and grid operators. However, for the lights-off event on Sunday, POSOCO will manage the stability of the power grid.

Senior executives said POSOCO had informed its regional and state load dispatch centres to be ready for any drastic fall in the electricity load and sudden spurt in a matter of minutes on Sunday.

The load dispatch centres, across five locations, monitor, schedule and forecast supply of power in their respective regions. Officials said out of the current peak demand of around 120-125 GW, household lighting load was close to 12-15 GW. Any fluctuation would be in the same range (12-15GW), which is 10 per cent of the current peak load.

Some states have also started preparing for the Sunday lights-off event. Uttar Pradesh has asked all generating stations to be ready to generate power. It has also asked all the hydro units to reduce their generation based on require-

THE COMPASS

Malaysia plant boosts Biocon's prospects

Firm seen benefiting from operating leverage, biologic sales by FY22

UJJVAL JAUHARI

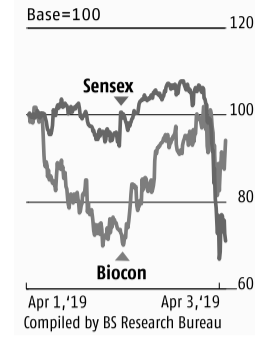
Even as the benchmark indices declined 6.4 per cent over two sessions, the Biocon stock jumped 8 per cent during this period. The gains came after the company received a go-ahead (EIR) from the US drug regulator, following an inspection of its insulin manufacturing facility in Malaysia.

EIR refers to establishment inspection report, granted by the US FDA upon closure of its inspection. This paves the way for approval (to launch) and commercialisation of insulin (Glargine) in the US. The company, along with its partner, had already won a patent litigation for insulin Glargine in the US and had, thereafter, filed for the launch of the drug.

However, analysts had remained watchful on developments pertaining to the Malaysia plant. The clearance will boost its growth prospects in the US and other key markets.

Regulatory challenges have eased with the company receiving an EIR for its small molecules facility in Bengaluru, recently. This means growth momentum in the small molecules business, too, will sustain.

Meanwhile, Mylan and Biocon have also filed for the biosimilar of another oncology drug AVASTIN (Bevacizumab), with the US FDA. The application review is scheduled to be completed by the end of 2020. Analysts feel this could be the third oncol-



ogy biosimilar of Biocon in the US. Given the global market size of the drug at \$7 billion, this is a huge opportunity for Biocon.

Biocon had already commercialised Ogivri — a biosimilar for oncology drug Trastuzumab — in the US some time back. This is in addition to the launch of oncology biosimilar (Pegfilgrastim).

Additional approval granted to the company's new manufacturing facility in Bengaluru for the manufacture of Pegfilgrastim will help Biocon address the growing market opportunities in the US and other global markets.

Hence, analysts remain positive on its prospects and anticipate strong earnings growth. Analysts at PhillipCapital India expect 32 per cent annual growth in earnings during FY19-22, as they expect Biocon to benefit from significant operating leverage and improved biologic sales by FY22, with the visible cumulative benefit of expanded Pegfilgrastim, Trastuzumab and Glargine sales.

Rana Kapoor's bail plea rejected

A Mumbai court on Friday rejected the Interim bail plea of YES Bank founder Rana Kapoor, who is currently under judicial custody on money-laundering charges registered by the Enforcement Directorate. Kapoor, 62, had sought bail claiming that his prevailing medical condition puts him at the risk of contracting coronavirus infection in jail. He said he was suffering from chronic immune deficiency syndrome, which causes recurrent lung, sinus and skin infections. He claimed to be suffering from "severe hypertension, anxiety and depression", and this, combined with his history of bronchial asthma, which requires inhalers puts him at a high risk of severe lung infection which can lead to death, the bail plea said.

ment. Instruction has also gone out that load shedding (power cut) should be strictly done between 8 and 9 pm on Sunday to prevent failure of power supply system in the state.

Though there was panic in social media with some anticipating grid disturbance due to this mass switch-off event, senior executives at POSOCO and Power Grid Corporation, which is the national power transmission company, said the event would have no bearing on the grid.

"The grid is built to handle disruptions on a daily basis. The good thing is power demand is low these days, so it's easier to manage. However, we are on alert at all our sites," said a senior executive.

POSOCO has a contingency plan in place in the wake of Corona pandemic and demand fall. It listed out a 15-point agenda for "ensuring power supply and grid security in the wake of COVID-19 pandemic outbreak". This included having reserve manpower in case of any emergency and setting up temporary control rooms in the regional centres.

To ensure steady availability of power, hydro and gas run power stations have been asked to be readily available. Unlike coal, solar and wind stations, hydro and gas can be switched off and on instantly.

All transmission line licences including Power Grid and private players such as Sterlite Grid, Adani Transmission etc have been advised to avoid planned shutdown and execute any instruction from the POSOCO promptly.

Power Grid, which owns 95 per cent of the country's transmission network, has shifted to remote monitoring after the nationwide lockdown.

Centre tells states what's grocery, eases...

Addressing the issue of trucks full of essential goods being stuck on highways because of administrative issues, the Centre has clarified that "inter-state and intra-state movement of all trucks and other goods/carrier vehicles with one driver and one additional person is allowed as long as the driver is carrying a valid driver's licence". Also, if the truck/vehicle is travelling empty, invoice and way-bill etc must be carried by the drivers for delivery or pick up of goods. Movement of driver and another person from the same place should also be facilitated by local authorities, the letter has said.

The list of exempted items include food, groceries, fruit, vegetable, dairy, milk products, meat, fish, seeds, fertiliser, pesticides, agriculture produce, drugs, pharmaceuticals and medical devices.

India tally jumps to 2,547 with 478 new cases



A worker sanitizes the hands of police personnel in Amritsar

PHOTO: PTI

PRESS TRUST OF INDIA
New Delhi, 3 April

The number of Covid-19 cases climbed to 2,547 in the country on Friday while the death toll rose to 62, registering a jump of 478 cases, according to Union health ministry data.

The number of active cases stands at 2,322, while 162 people were either cured or discharged and one had migrated, the ministry stated.

In an updated data at 6 pm, six fresh deaths were reported. Four were from Telangana and one each from Gujarat and Punjab.

Maharashtra has reported the most number of deaths (16), followed by Gujarat (8), Telangana (7), Madhya Pradesh (6), Punjab (5), Delhi (4), Karnataka (3), West Bengal (3), Jammu & Kashmir (2), Uttar Pradesh (2), and Kerala (2). Tamil Nadu, Andhra Pradesh, Bihar and Himachal Pradesh have reported a death each.

The Indian Council of Medical Research (ICMR) said a total of 69,245 samples have been tested as on April 3 (9 pm) and 2,653 individuals have confirmed positive among suspected cases and contacts of known positive cases in India.

According to the health ministry data, the 2,547 figure includes 55 foreign nationals.

Generally there is a lag between the ministry data and the figures reported by different states due to some procedural delays in assigning individual figures to states.

According to the health ministry, the highest number of confirmed cases of the coronavirus infection was reported from Maharashtra at 335 followed by Tamil Nadu with 309 infections and Kerala with 286 cases. The number of cases in Delhi has gone up to 219, in Uttar Pradesh to 172, in Rajasthan to 167, in Telangana 158 and Andhra Pradesh to 132.

States scramble to create hospital infra

SOHINI DAS, VINAY UMARJI & GIRESH BABU
Mumbai/Ahmedabad/Chennai, 3 April

Given that the government infrastructure is inadequate to treat the influx of coronavirus patients from growing hotspots, state governments are scrambling to create the space for it by "taking over" private hospitals. In the past one week, Rajasthan, Madhya Pradesh, Chhattisgarh, and Andhra Pradesh have issued orders to take over private hospitals in some districts.

Hospitals that are built in public-private partnership mode in key cities, such as the Indraprastha Apollo in Delhi, have been told to be ready to be converted into a Covid-19 facility. This could not be independently verified from Apollo.

In Mumbai, the 500-bed Seven Hills Hospital in Andheri has been converted into a dedicated coronavirus treatment set-up. Reliance Industries is managing 100 beds in this hospital. "We are helping the government to set up the infrastructure for 100 beds in this hospital and also provide manpower," said a group spokesperson. Reliance Industries has earmarked its smaller facility on an old Pune-Mumbai highway for a dedicated Covid-19 facility.

The crisis is deeper in districts where hotspots are likely to emerge once migrants returning home start showing symptoms. It is estimated that three of every 10 migrants who are going back to villages may be carrying the virus.

Maharashtra has more than 400 cases. As the city's largest slum reports patients (including a death), the local administration is on an overdrive to contain community spread in this place of around 800,000 people.

Apart from three government hospitals in Mumbai, the Seven Hills and Covid wards in some private hospitals, Maharashtra is roping in district hospitals now. "The plan is to have over 2,000



With many states facing the prospect of running out of hospital beds if Covid-19 cases spike, they have started taking over a section of private hospitals

FACTFILE

739,024 Number of hospital beds in public facilities
34,520 Beds in defence hospitals
13,748 Beds in railway hospitals
2 mn: Estimated number of private hospital beds in India

dedicated beds in 30-odd government hospitals of Thane, Vashi, Kalyan-Dombivali, etc. We are working to create the necessary infrastructure in these hospitals," said a senior state government official.

While no private hospitals have been "taken over" by the Gujarat government, around 131 of them have been asked to remain on standby. "When needed, we can either fully or partially take over these hospitals. For now, the government hospitals have enough isolation beds even as more are being readied in cities like Ahmedabad, Vadodara, Surat, and Rajkot," said a health department official.

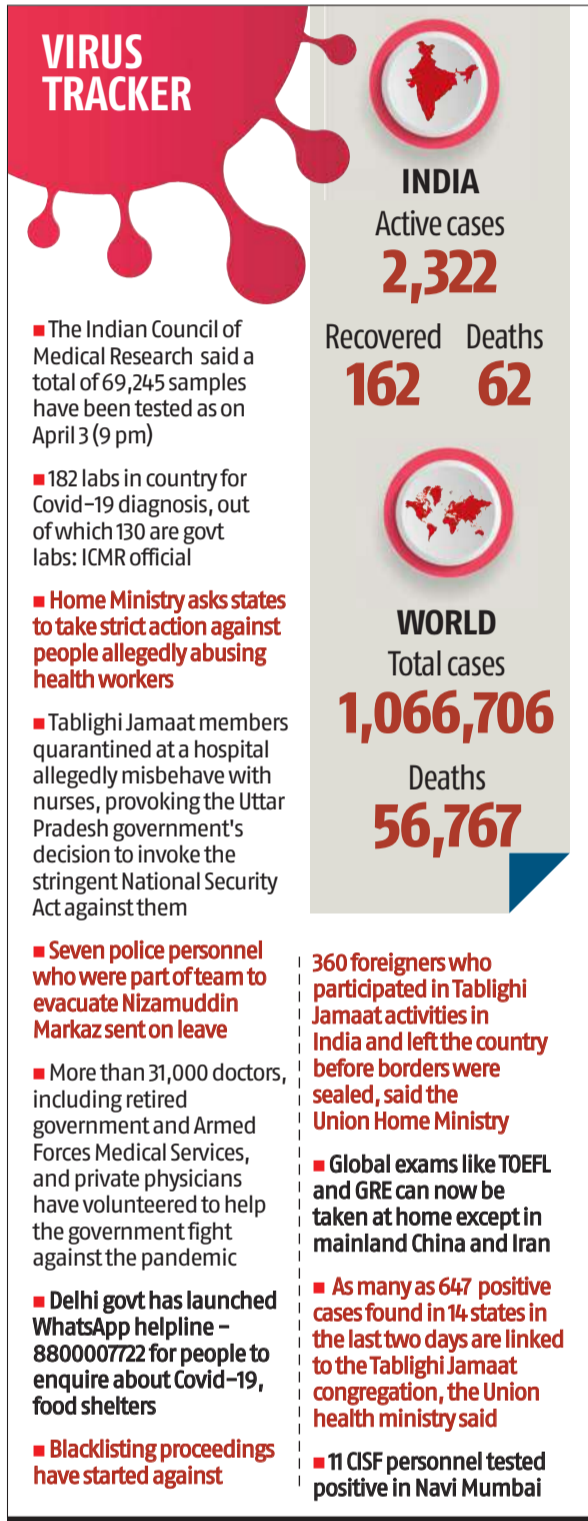
There are roughly 4,600 isolation beds available at public hospitals while the government is building the capacity for an additional 2,700. In addition, 1,000 isolation beds across the 131 private hospitals have been identified for immediate future requirement. Similarly, while public hospitals currently have 1,100 ventilators, an additional 1,700 ventilators across these private hospitals have been identified. "If required, more private hospitals can be roped in which can take the total iso-

lation beds capacity to over 10,000," the official further stated.

Karnataka, too, is working on a master plan where each district will have a dedicated Covid-19 hospital in the state and the patients of those hospitals will be shifted to other hospitals nearby so that chances of infection are minimised, said a top Karnataka Health and Family Welfare official. "Depending on the patient load we will keep increasing the number of hospitals. These will be in the public sector as well as the private sector," he added.

The Raja Rajeshwari Hospital in Bengaluru has already been identified to be converted into a dedicated Covid-19 facility. Apart from this, 26 private hospitals in the Bengaluru urban district area, including Aster CMI, Apollo Hospital, Columbia Asia and Fortis Hospital, have isolation centres for Covid-19 patients in Karnataka.

West Bengal, too, plans to have one nodal hospital per district to tackle the cases. These nodal government hospitals would direct the other hospitals in the district on treatment etc. Rajasthan has reserved about 84 pri-



WORLD UPDATES

Opec+ pushes for global coalition to stem oil rout

The Opec+ oil cartel is pressing to form an unprecedented global coalition to cut production and stem the historic rout in oil prices. Oil surged on the prospect that an idea first touted by US President Donald Trump on Thursday looked to be gaining some traction. Russia's oil industry is ready to cut, according to a meeting of OPEC+ members has been hastily scheduled for Monday. As the pandemic knocks out as much as a third of global demand the oil-price slump threatens the budgets and political stability of oil-dependent nations, the existence of the US shale industry and millions of jobs in a sector already in turmoil. There are still obstacles to a deal. There's no indication whether Trump will bow to Saudi and Russian demands that the US and other countries join the cuts.

BLOOMBERG

Corona slams US jobs growth in March-April; Wall Street opens lower

The US economy abruptly ended a historic 113-straight months of employment growth in March, as coronavirus pandemic shuttered businesses and factories, all but confirming a recession is underway. The Labor Department said employers cut 701,000 jobs last month after adding a revised 275,000 in February. The unemployment rate shot up to 4.4 per cent from 3.5 per cent. Wall Street's main indexes opened lower on Friday. The Dow Jones fell 127.51 points at the open to 21,285.93.

BLOOMBERG

Asian Development Bank sees global cost as high as \$4.1 trn

The cost of the coronavirus pandemic could be as high as \$4.1 trillion, or almost 5 per cent of global GDP, depending on the disease's spread through Europe, the US and other major economies, the Asian Development Bank said. A shorter containment period could limit the damage to \$2 trillion, or 2.3 per cent of world output, the Manila-based lender said in its Outlook report released on Friday.

BLOOMBERG

Google to publish user location data to help govts

Google said it would publish users' location data around the world from Friday to allow governments to gauge the effectiveness of social distancing measures, brought in to stem the Covid-19 pandemic. The reports on users' movements in 131 countries will be made available on a special website and will "chart movement trends over time by

geography", according to a post on one of Google's blogs. Trends will display "a percentage point increase or decrease in visits" to locations like parks, shops, homes and places of work, not "the absolute number of visits," said the post, signed by Jen Fitzpatrick, who leads Google Maps, and the company's chief health officer Karen DeSalvo.

AFP/PTI

Merkel returns to work virus-free

German Chancellor Angela Merkel returned to work on Friday, ending a 12-day self-enforced quarantine after at least three tests showed that she was free of the coronavirus. The German leader took to her apartment in Berlin on March 22.

BLOOMBERG

Oppn says time for 'symbolism' over

ARCHIS MOHAN
New Delhi, 3 April

Opposition parties on Friday hit out at Prime Minister Narendra Modi for "indulging in symbolism" when the need of the hour was to announce relief measures for the people. The nation has been suffering the economic fallout of the 21-day lockdown to contain the spread of coronavirus (Covid-19).

On Friday morning, the Prime Minister urged the people to switch off their lights and hold candles, lamps and mobile flashlights at 9 pm on Sunday (April 5) for nine minutes in a nationwide show of solidarity to fight the darkness from the coronavirus.

Opposition leaders said it was curious to see the PM resorting to symbolism when other heads of governments are routinely sharing key details on the efforts to contain spread of the virus and economic measures to provide relief to the people.

Addressed to the PM, senior Congress leader P Chidambaram tweeted, "We will listen to you and light diyas on April 5. But, in return, please listen to us and to the wise counsel of epidemiologists and economists. What we expected from you today was financial action plan II, a generous livelihood support package for the poor, including for those categories of the poor who were totally ignored by finance minister Nirmala Sitharaman" in the financial action plan announced on March 25.

"Every working man and woman, from business person to daily wage earner, also expected you to announce steps to arrest the economic slide and re-start the engines of economic growth. The people are disappointed on both counts. Symbolism is important, but serious thought to ideas and measures is equally important," Chidambaram, who has estimated that the

PM talks lockdown with athletes

PHOTO: PTI



Prime Minister Narendra Modi on Friday turned to India's sporting heroes for support in the battle to contain the Covid-19 pandemic and more than 40 accomplished champions such as Virat Kohli and P V Sindhu responded by vowing to raise awareness and spirits amid a national lockdown. The athletes, along with sports minister Kiren Rijju, participated in nearly an hour-long video call which started at 11am. From Sachin Tendulkar stressing on the need to keep the vigil even after the lockdown ends on April 14, to sprinter Hima Das expressing sadness at the recent attacks on frontline warriors such as health care workers and police officers, to others sharing their experience of being in a lockdown, the sports persons had lots to offer during the interaction. All these athletes have been generous donors to the funds being raised to fight the crisis. The Prime Minister, on his part, sought their support to raise awareness about the need for social distancing and personal hygiene at a time when the total number of Covid-19 positive cases in India has crossed 2,000.

PTI

country needs infusion of at least ₹5 to 6 trillion to fight Covid-19, said.

Communist Party of India (Marxist) chief Sitaram Yechury said the problems facing the country cannot be overcome by symbolism. "Agriculture and farming has collapsed due to lack of planning by the Centre. The agriculture ministry's own data shows that daily arrivals at various wholesale markets after the lockdown

have fallen by up to 70 per cent," he said.

Yechury said milk procurement has crashed. "No distraction will help. This has been flagged by the state governments, opposition and others. All evidence points to a lackadaisical approach by the Centre, leading to delay in procuring adequate equipment to protect health care workers. Any accountability?" he said.

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THE GOOD LIFE
Celebrating milestones
when socially distant

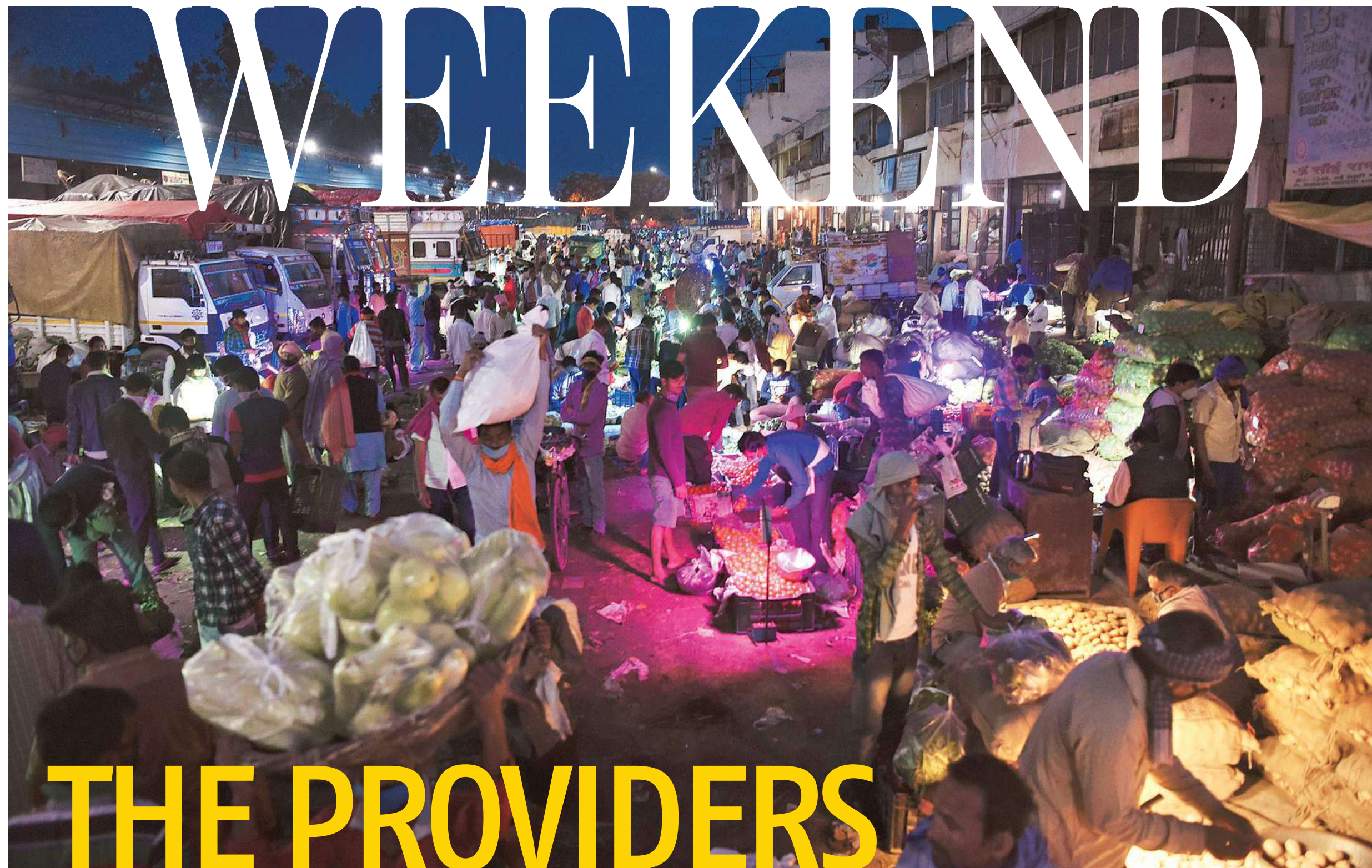
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4 APRIL 2020

Business Standard



DALIP KUMAR

THE PROVIDERS

Somesh Jha, Rajesh Bhayani and Sanjeeb Mukherjee on the travails of those who ensure that food reaches our tables in these anxious times

Ram Bhoal grows spinach on his farm in Bakhtawarpur outside Delhi. Every day he reaches Azadpur Mandi, Asia's largest vegetable and fruit market, at 6 am, making the 12-km journey in a Tempo. On ordinary days, he sells 10-odd quintals of spinach in two hours and then goes home. But these aren't ordinary days. Now, he sells barely 4 quintals and waits till evening for buyers. And then he makes the journey home, on foot. "In a week, I have been forced to reduce the price from ₹20 a kg to ₹6," he says. On Monday, he didn't come to the mandi; he fed the produce to his cows.

Tejpal (he, like several others spoken to for this article, gives only his first name) is a potato farmer from Islampur village near Agra. In the last few days, he has thrice tried to transport his produce to mandis in Delhi and Mumbai, but truckers have been reluctant. Those who were willing demanded twice the usual fare. Tejpal has now packed his potatoes in gunny bags and stored them under a tree. "Cold storages aren't running on full strength, so they aren't accepting potatoes," he says.

Mausam, a truck driver, reached Azadpur Mandi at 3 am with 16 tonnes of green chillies from Kolkata. He made the journey in 29 hours, missing by an hour the deadline his employer had set for him to earn a reward of ₹8,000. Lighting up a *beedi*, the 22-year-old from Mewat in Rajasthan says the police

stopped him at least 25 times on the way. "At each stop, I had to shell out ₹200 to ₹500," he says. Food en route also cost much more, he adds. This was his first trip since the nationwide lockdown was announced on March 23. "Throughout the journey, I saw poor people walking on the highway — men, women, children. They pleaded with me for a lift but I was helpless because of the surveillance," he says.

Not far from where Mausam sits near his truck, Dilip Prasad, a *mathadi* (porter), is desperately looking for work. It is 9 am and he has been in the mandi since 6. "I would carry vegetables and fruits for wholesalers and retailers up till the mandi gate, and earn ₹300 by this time. Now, I barely earn ₹30," says Prasad, a native of Nawada, Bihar.

A highly contagious virus is in the air. But at this wholesale market, as in most others of the country, physical distance is hardly priority. Farmers, truckers, labourers, *arthiyas* (commission agents) go about their jobs, brushing against each other, some with cloth wrapped around their faces.

It's a struggle for survival, with little support from the state. From the farmer to the local fruit and vegetable vendor, who pushes his cart to our neighbourhoods after having picked up the day's supply from the mandi while we sleep, these are the people who are ensuring that food reaches our tables. Most middle-class Indian homes have not seen a particular paucity of fruits and vegetables, so

it is difficult to visualise the struggle it takes to bring them to us. Or the misery of those who make up this supply chain.

Potatoes and cucumbers are major produce for farmers at Islampur. They had barely recovered from the unseasonal rains of mid-January, when the lockdown dealt them another blow. It also coincides with a time that the rabi crop was to be harvested. "Though the government has announced several relaxations, it will not be possible to make up for the losses due to delayed harvesting because of the sudden labour scarcity," says a farmer.

Wheat, chickpea and mustard are the main crops harvested at this time in Punjab, Haryana, Madhya Pradesh, Rajasthan and Gujarat. "In Madhya Pradesh and Rajasthan, where the bulk of chickpea and wheat was harvested before the lockdown, farmers are not getting plastic sheets and bags to store them. God forbid that the weather turns bad," Bhagwan Meena, a young farmer leader from Madhya Pradesh, says over the phone from Budni.

While most state governments have deferred procurement, the Central government has advised growers to delay harvesting as the weather is still cool in parts of North India. The impact of these decisions, both on the producers and consumers, will be felt in the months to come.

Mumbai declared a shutdown before the rest of India did. Now, the Agriculture Produce Market Committees (APMC), or wholesale mandis, that feed Mumbai and Thane are issuing permits to traders specifying the quantities of vegetables they can bring in for sale.

With hotels, restaurants and roadside eateries closed, the demand for vegetables has fallen drastically. Traders who would ordinarily buy from farmers and sell to nearby mandis are having to go to distant mandis. Without any guarantee of finding buyers.

There have been several instances of traders simply dumping fruits and vegetables outside mandis. Or of farmers dumping produce outside their villages, or, like Ram Bhoal, feeding them to their animals. At Igatpuri, on the way from Mumbai to Nashik, dozens of farmers recently threw away bottle gourd, cabbage and whatever else they'd grown but couldn't sell.

In Nashik, India's grape capital, which produces 12.5 lakh tonnes of grapes (40 per cent of the country's total) every year, the migrant labour force has left for home. "So acute is the shortage that we will have to either delay harvesting or make raisins from fresh grapes," says Kiran Chumbhle, a farm owner and grape exporter. "Barely 30 per cent of the labour, largely locals, remains and they are charging a lot more."

Chumbhle is aware of new farming techniques that can help grapes stay fresh and

sweet longer; most farmers are not. Nor do they have the expertise, ingredients or solvents to make raisins, adds Vasudev Kathe, coordinator, Dabholkar Prayog Parivar, a Nashik-based body of 5,000 farmers working on crop improvement experiences. The supplies, he adds, aren't coming from Mumbai due to the lockdown. "I haven't seen such a deep crisis in my 35 years of grape farming." The Union horticulture department estimates that India's grape production could fall by 29 per cent, to 2.15 million tonnes.

Maharashtra also accounts for 37.2 per cent of India's onion produce, some of which is grown in Nashik. But India's largest onion mandi, Lasalgaon, 60 km from Nashik, is closed since someone in a nearby area tested positive for Covid-19. Farmers are now selling whatever little they can to smaller mandis like in Chandvad near Lasalgaon. The worry is that onion prices could rise as farmers find it difficult to sell their produce in peak harvesting season.

Head over to Mumbai's Vashi Mandi, which sells a couple of million tonnes of grains and pulses every year. It offers a lesson in how things can be managed in a pandemic.

"We have initiated a system to control crowding and at the same time ensure that the supply line from farmers and traders remains open for Mumbai city and Thane," says Nilesh Veera, director, Vashi APMC. The committee has put a 16-point programme in place.

Supply trucks entering the mandi and those heading out to Mumbai city are unloaded and loaded on alternate days. Only I-card holders are permitted entry into the market yard. Individual buyers, brokers and others are banned. All entry and exit points are manned. A committee of commissioners of all municipal corporations up to Konkan district is overseeing the functioning. And a local Vashi market committee is managing internal operations.

Permits for quantities that can be brought into the mandi have also been issued for the vegetable market at Vashi, which supplies Navi Mumbai, Thane, Mumbai, Palghar as well as the Vasai-Virar region. Here, too, individual customer entry is banned and the mandi is regularly cleaned.

In Mumbai's suburbs, however, retailers are charging more for vegetables even though farmers are selling them cheap. They say that transport is expensive. And though household buys have doubled, it cannot make up for the loss of business from restaurants and hotels.

THE LONG E-GROcery QUEUE

SAMREEN AHMAD

When the lockdown was announced, Feroze, who worked as a food delivery agent with Swiggy in Bengaluru, panicked and rushed home to Davangere, five hours away. Now he wants to return. "I have no income; I am exhausting my savings. If I get a pass somehow, I will go back to work," says Feroze, who earned ₹28,000-30,000 a month at the start-up.

Though food delivery orders have reduced on the platform, grocery orders have picked up, says another Swiggy rider who had just completed his 18th delivery of the day.

Online grocery, which is barely about four per cent of India's \$600-700 billion grocery market, has seen an overnight surge. Zomato, too, has begun these services under Zomato Market.

At online grocery store BigBasket, slots get filled within the first 15 minutes of opening, post-midnight. "We are serving 75,000 orders but the number of people seeking to order would be 300,000 to 400,000 a day," says Hari Menon, co-founder and CEO of the Bengaluru-based company. "All our warehouses are open and we have enough stock. We are short of people, that's all. And we can't run a business without people." Many riders, like Feroze, left for home after the lockdown was announced.

The company is now reaching out to cab aggregators, restaurant associations and other retailers for help. Till then, customers can only keep adding essentials to their carts and wait for delivery slots to open.



Back at Azadpur Mandi, Arjun, a vegetable hawker, regrets his decision to stay on in the city rather than go to his family in Pratapgarh in Uttar Pradesh.

"I thought I would be able to earn a living since what I sell is an 'essential item,'" says the 48-year-old, a towel wrapped around his mouth and nose. But with individual buyers staying away from the mandi, earnings have reduced to a trickle. "Once this lockdown lifts, I will go to my village...to my children."

The narrow lanes by the mandi where hawkers sold vegetables have also been cleared. "But the nature of the market is such that maintaining safe physical distance is difficult," says Manish Singh, a 22-year-old commission agent who buys vegetables from the mandi and sells them to wholesalers and retailers.

It is a risk to personal safety that they are willing to take. "Or else," says Prasad, the porter, "I will die of hunger."



(Top) Frenetic activity in the pre-dawn hours at Delhi's Azadpur Mandi; and policemen stop a truck on the Chandigarh-Ambala highway

PTI



SMART ART



KISHORE SINGH

The artist in distressing times

The plague struck Mumbai (then Bombay) in 1897 and claimed Bapubai, M V Dhurandhar's (first) wife, as victim in early 1898. One of the leading practitioners of the Bombay School, Dhurandhar — an accomplished artist of the realistic style — spent the hours in the hospital waiting for relatives doing what he knew best: painting the subject beside him in meticulous detail. The work, unimaginatively titled *She Is Dead*, became part of a personal body of work that formed a sketchbook including later drawings of his second wife, Gangubai. It was last exhibited at a retrospective of the artist at the National Gallery of Modern Art in Mumbai.

Dhurandhar's preoccupation with the dead body of his wife might appear ghoulish, but artists have been drawn to the study of anatomy since times immemorial. Leonardo da Vinci was known to visit morgues for a keener understanding of the human body. From the macabre to the vicarious, artists have been compulsive record-keepers of human misery and suffering. In Europe, the ravages of poxes and plagues provided ample content. In current times, photographers have replaced them when it comes to documenting sorrow and acts of violence, but we can be sure that artists will react to these distressing, fatalistic circumstances sooner rather than later.

How are artists keeping themselves occupied in this period of forced confinement? Those with home studios are fortunate to be able to work, saved from distractions — one can be sure no gallerists or collectors are pursuing them for works required for exhibitions in the immediate future. Most I know are confining themselves to small works in the absence of assistants to help with the preparation of canvases, the grinding of colours, and all the paraphernalia artists are no more prone to doing. In the absence of such support, they're more likely to be experimenting with mediums and materials that they are preparing themselves.

Because they need constant self-validation,



M V Dhurandhar's wife Bapubai painted by him as she lay dead in a hospital in 1898

Those with home studios are fortunate to be able to work, saved from distractions — one can be sure no gallerists or collectors are pursuing them for works required for exhibitions in the immediate future

artists do not take to confinement easily — even though, ironically, they're used to working in the isolation of their studios. Being somewhat otherworldly, they can be dismissive of such chores as cooking, cleaning and caring for the family that is now required

of them in the short duration. More distressingly, many find themselves locked out of their studios that are located at some distance from their homes. The older among them have resorted to sketching, drawing and painting watercolours; the younger have turned inevitably to their computers in search of inspiration, scouting ideas, catching up with the rest of the (moribund) art world. Most of all, installation artists, those who work on a large scale, are piqued by this incarceration. Perhaps a miniaturisation of their work will help them rethink their ideas and its ability to reach the homes of art lovers who don't boast an abundance of either space or spending power on works they nevertheless admire.

This time has been a boon for art writers, with artists more than happy to engage in conversations, Skype home-studio sessions, explain work processes, and share the work they're completing, or starting. A few are away from the city, in alternative studios by the beach or in the mountains — they are the ones I envy most. Many are self-educating themselves on artistic practices, styles and philosophies, spending time watching documentaries and films on artists online. The *adda* is back by way of virtual conversations. Bereft of pressing schedules and the pressure to produce, many are rethinking their priorities and the implied legacy of their work. Is it too much to hope that a new chapter in art practice will find fertile root — without having to suffer the loss experienced by Bapubai or the painter of her mortal body, M V Dhurandhar?

Kishore Singh is a Delhi-based writer and art critic. These views are personal and do not reflect those of the organisation with which he is associated

Back in 2013, a group of men and women got together to mark one month of them landing (and living) on Mars. Only, it wasn't really Mars, but a simulated mission that mimicked conditions found on the red planet. Called HI-SEAS, the study was run by the University of Hawaii near an active volcano on the island.

Strangers had to live together in an area of about 1,400 sq ft inside a specially designed habitat. This meant they had to conserve water and largely live off preserved food, and they had no direct contact with the outside world. One sure-shot way of keeping their morale up, the group realised, was to celebrate the things they'd usually celebrate, in whatever way they could. So they bonded over a playlist of retro songs, ate spam musubi (Hawaiian sushi) and chocolate cake, and drank lemonade spiked with dehydrated tropical fruits.

For many of us the ongoing lockdown feels like a simulation, one imposed on us. The strangeness brought about by a work-from-home situation means the lines between the personal and professional blur too easily. This is why it's important to bring our support structures closer together to beat isolation, especially if there's a birthday or an anniversary around the corner.



While usual suspects such as Skype, FaceTime and WhatsApp video are fine, there are more "fun" platforms that can be used for larger gatherings. One could, for instance, schedule a movie night through Netflix. All you need is a Netflix account and a Chrome browser. The host can begin a virtual "party" by sending out an invite. A chat window parallel to the screen allows you to talk to friends who've joined in as the movie plays. When one person pauses the film, it pauses for everyone else too.

There's also the Houseparty app, which, besides being a video-conferencing platform, allows you to play multiplayer games, such as trivia and card games. Another app, Zoom, allows those who have iPhone 8 or higher versions the option of using a photo as your background image. This means you can still go ahead with a beach-themed birthday party as your family and friends also pull out images of palm-lined beaches.

So, send out virtual invites to friends and get together online for a karaoke session, followed by a dinner where everyone has made the same meal. Or just take it easy by dedicating the day to self-care while your friends do the same. Set up a spa in your living room with foot soaks and moisturisers, and bring out the scented candles. Or, host a drink-talk-learn party, where everyone presents a three-minute talk (with PowerPoint slides) on any topic of their choosing and with their individual choice of beverage to the table. Opt for a dress code. This is *nerd nirvana*. For the present, this is the new normal: figuring out ways to be together, apart.

A note of caution, though: to ensure privacy, it's always a good idea to read the fine print before logging into any new app, especially to uncheck the boxes that ask to share or collect your personal information. When in doubt, stick to the video conferencing platforms you know are secure, including the old-school Google Hangouts, which allows up to 10 users at a time.

Not being able to celebrate their birthday with friends might be particularly hard on young children. So, get their friends' parents to help them join virtual parties. And if the children are very young, their toys — dinosaurs, dogs, dolls — can join in as party guests with tiny birthday hats tailored for them.

But mind you, it might take more than a virtual party to keep the birthday child happy. So, besides in-house activities such as a baking a cake with them or designing a treasure hunt, one could set up an obstacle course at home as many in other parts of the world have done. Use a tape to mark out the path a child has to run, from start to finish, that goes around rooms, around chairs and tables with a

Where's the PARTY TONIGHT?

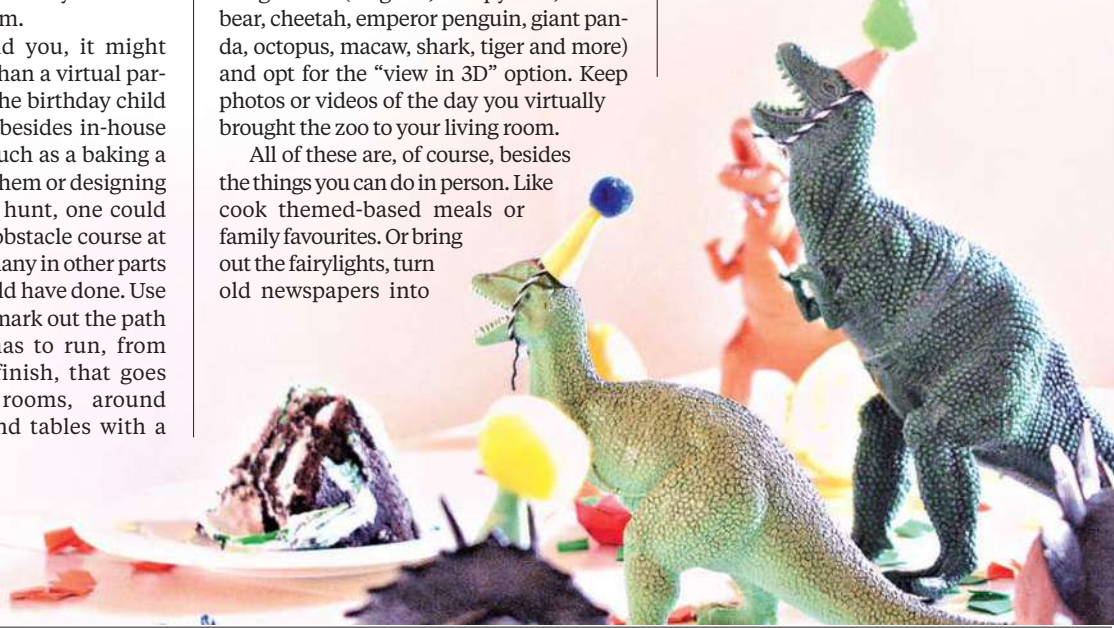
Milestones must not be brushed aside in times of isolation. Nikita Puri shares ideas on how to recalibrate celebrations

few zigzag bits. Remember to bring out all the cushions and mattresses for this one.

There's also Google's augmented reality (AR) feature that can entertain children and adults alike. Just type in an animal on Google's list (alligator, ball python, brown bear, cheetah, emperor penguin, giant panda, octopus, macaw, shark, tiger and more) and opt for the "view in 3D" option. Keep photos or videos of the day you virtually brought the zoo to your living room.

All of these are, of course, besides the things you can do in person. Like cook themed-based meals or family favourites. Or bring out the fairylights, turn old newspapers into

party streamers or paint them and cut them into tiny little stars to be put up in the balcony or a window — or in any corner, and convert it into a themed-spot for the simulation you want to be in.



Old script, fresh take

Indira Kannan on the making of *Punyakoti*, the first full-length animation film in Sanskrit, now on Netflix

Seven years ago, Ravishankar Venkateswaran, then an employee of Infosys, heard a story from a colleague during a bus ride to their campus near Bengaluru. It was the story of *Punyakoti* the cow, drawn from a well-known Kannada folk song called "Govina Haadu" (The Cow's Song), which is in turn based on a story from the *Mahabharata*. As he heard the narration, his mind rapidly added background, characters and locations.

Ravishankar had long been obsessed with making an animation film, and he had found the story for his dream project. On March 25, 2020, which was Ugadi, or the Kannada New Year, the animation film titled *Punyakoti* was released online in the United States and

Canada, after years of heartbreak, crowd-funding and the director's single-minded perseverance. On March 31, Netflix added the film to its platform. It won four awards at the Annual Animation Network Awards in Mumbai.

That would be a heartwarming story in itself, but for another unique feature of the project — it is the first full-length animation film in Sanskrit. Ravishankar says he discovered the language only in his 40s, during a Sanskrit workshop at Infosys. He was immediately awed by its beauty and decided to combine his two passions for *Punyakoti*.

In an interview from Bengaluru, he says, "The person who was teaching us Sanskrit said there are not many contemporary works in the language and people think it is only for scriptures. So I thought, anyway I want to make a movie, why not make it in Sanskrit? It would stand out, and there would be no competition."

It was not easy to raise funds for such a niche project. Ravishankar approached former Infosys executive Mohandas Pai, who offered support and advised him to try crowd-funding. He ended up with over 450 donors from around the world. Ravishankar worked with animators based in five Indian cities, as well as in Romania and Brazil. "We used to connect through Google Hangouts, share our screens and start working scene by scene. I've not even met some of them."



Ravishankar Venkateswaran (left) with music legend Ilaiyaraaja



Punyakoti is based on the story of a touching encounter between a cow and a hungry tiger that wants to eat it. Ravishankar also weaves in a morality tale about the dangers of reckless development and deforestation. He used what he calls the "satvik storytelling" style for the script. "It is a very calm way of telling a story, unlike this high drama that we are all used to," he explains. The design was inspired by the geometric, modular puppet-style prevalent across South India.

The project received generous help from unexpected quarters. Ravishankar was acquainted with music legend Ilaiyaraaja, who offered to compose the score after hearing the story. Another big catch was actor Revathy, who was introduced by a friend's relative, and went out of her way to help, voicing the title role. "She came to Bengaluru on her own for the dubbing. When I asked if I could at least pay for her flight, she turned around and gave me some money for the movie," he recalls.

Revathy tells *Business Standard* that *Punyakoti* was a film close to her heart: "I have always enjoyed being part of any new experiment in cinema. I felt challenged to learn

Sanskrit again after Class VIII and it felt really good. The story of *Punyakoti* is something I relate to as it talks about the environment and our lack of responsibility towards it."

The film has landed online with impeccable timing when many families are stuck at home due to the Covid-19 crisis. Its North American premiere on Vimeo got over 4,000 views. The moving force behind the premiere was Harsh Thakkar, honorary president of Samskrita Bharati Canada, a non-profit that works to promote Sanskrit. "There are probably thousands of kids in Canada and the US who are learning Sanskrit as a spoken language, and we wanted to bring it to them. Now people are anyway home, away from school, and it worked out very well," says Thakkar, who lives in Mississauga near Toronto.

Ravishankar, now a vice-president at an investment bank, has already received an offer from an animation studio to write a script for a film on Swami Vivekananda. For now, he is savouring the fulfilment of a promise he had made to himself all these years about his dream project: "Sheeghrameva aagamishyati" (Coming Soon).

The first God-Man

These selections from Tulsidas's rendering of the many deeds of Ram will arrest the trend of defining him as a unidimensional character, says A K Bhattacharya



ARMED WITH DIVINITY: Tulsidas imbued Ram with God-like qualities and used the *Bhakti Rasa* — a sentiment infused with devotion — to achieve a kind of apotheosis that elevates Ram as an incarnation of Vishnu, one of the Hindu trinity of gods

REUTERS

Reading Pavan K Varma's selections from Tulsidas's *Ramcharitmanas* along with his commentary will almost inevitably remind you of what A K Ramanujan had expounded in his famous book-length essay — "Three Hundred Ramayanas: Five Examples and Three Thoughts on Translation". Providing a masterly sweep of how the story of Ram was treated differently in different parts of India and Southeast Asia, Ramanujan had questioned the definitive portrayal of Ram only as a god.

But his thesis that there are many versions of Ram and the *Ramayana* became so controversial that the University of Delhi eventually succumbed to pressure from bigoted right-wing elements in academia and banned the essay from its curriculum in 2011. That was unfortunate and signalled in many ways the rapidly growing influence of an obscurantist approach to understanding and appreciating Hindu epics.

Hopefully, Varma's selections from *Ramcharitmanas* will arrest this trend of defining Ram as a unidimensional character. The 44 carefully selected sections from Tulsidas's rendering of the many deeds of Ram reiterate once again how Ramanujan, with his vast erudition as a poet and scholar, had aptly captured the essence of Ram as a towering character with many personas portrayed in different versions of the

Ramayana. Note that *Ramcharitmanas* is not the *Ramayana*. Yes, the central character is the same, but Ram in Tulsidas's epic and Ram in Valmiki's *Ramayana* are two different personas with different traits and attributes. Varma's commentary does not make it very obvious, but reading it closely will leave you with no other conclusion.

Indeed, even Ramanujan in his essay on the many versions of the *Ramayana* referred to Tulsidas's *Ramcharitmanas* as presenting a different version of Ram, almost as an aside. Ramanujan talks about the many stories of Ram in different languages — "Annamese, Balinese, Bengali, Cambodian, Chinese, Gujarati, Javanese, Kannada, Kashmiri, Khotanese, Laotian, Malaysian, Marathi, Oriya, Prakrit, Sanskrit, Santali, Sinhalese, Tamil, Telugu, Thai, Tibetan — to say nothing of Western languages." Ramanujan does refer to Tulsidas's *Ramcharitmanas* later, but only to underline how Tulsidas portrayed Ram as a god, like Kampan's Tamil *Ramayana* did.

The differences between Valmiki's *Ramayana* and Tulsidas's *Ramcharitmanas* are quite stark. The endings are different — Tulsidas concludes the epic with the coronation of Ram as the king of Ayodhya, much before even the disappearance of his wife, Sita, into Mother Earth; Valmiki goes on further and concludes only when Ram gives up his life near the river Sarayu. More

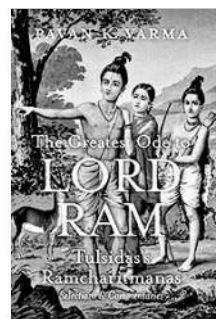
significantly, Ram in Valmiki's *Ramayana* was *Maryada Purushottam* — the man who could not be faulted as a human being — and Tulsidas imbued Ram with God-like qualities and used the *Bhakti Rasa* — a sentiment infused with devotion — to achieve a kind of apotheosis that elevates Ram as an incarnation of Vishnu, one of the Hindu trinity of gods. Varma's commentary and the sections he has selected from Tulsidas's epic bring these elements out quite eloquently.

Ramanujan's thesis gets further corroboration when you read Varma's commentary on how Tulsidas describes Ram's crestfallen disorientation after he learns of Sita's abduction from their forest home. Tulsidas writes: "Shri Ram, who is bliss personified and has all His wishes accomplished, and who is both unborn and immortal, behaved like a mortal." Ram's behaviour like a mortal after the abduction of Sita may be the only such occasion in *Ramcharitmanas*. But Valmiki's *Ramayana* presents many more instances when Ram behaves like a human being, with all the weaknesses and even faults of an ordinary person, particularly in the manner in which he treats Sita after her return from Lanka. Valmiki's narration makes no secret of the author's disappointment over the way Ram questions a disconsolate Sita, soon after she is rescued in Lanka.

For Tulsidas, making a lone exception in presenting Ram with the weaknesses of showing emotion as a human being is significant. *Ramcharitmanas* was composed in Awadhi in the late 16th century so that the story of Ram could be accessed by ordinary people. As Varma writes, there was a lot of pressure on him to write the story of Ram in Sanskrit, but even though Tulsidas spent a good part of his life in Kashi (present-day Varanasi), he decided to compose *Ramcharitmanas* in the local language. That also perhaps explains why Tulsidas portrays

Ram to the ordinary people as the incarnation of Vishnu and with virtually no weaknesses that Valmiki's Ram had shown. What helped Tulsidas was the structure of *Ramcharitmanas*, which excluded sections that saw Sita embrace Mother Earth to end her life after the two humiliating experiences of proving her integrity and loyalty to Ram.

A few of the sections, which Varma chose to highlight in this volume with his commentary, also bring out Tulsidas's idea of social inclusion and a secular worldview.



THE GREATEST ODE TO LORD RAM TULSIDAS'S RAMCHARITMANAS

Author: Pavan K Varma

Publisher: Westland Books

Pages: 350+XII

Price: ₹699

Ram and his brother Lakshman and between Ravan and his wife Mandodari. No less significant is the dialogue between Ram and Bali, who was killed by the former in an unfair battle.

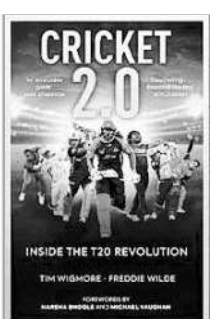
Varma has an easy and accessible style. He explains the significance of many incidents that Tulsidas chooses to depict in *Ramcharitmanas* with clarity and simplicity. For those who wish to read a Hindi commentary on all 44 sections of *Ramcharitmanas* in this volume, there is a short appendix at the end, which is useful and complements the English rendering of the work.



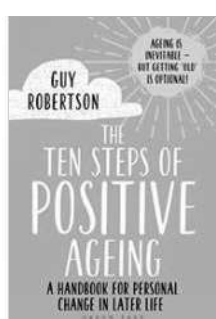
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Free-for-all vs copyright

ALEXANDRA ALTER

It was initially presented as a rare and welcome sliver of good news for the literary world.

Last week, Internet Archive, a nonprofit group, announced that it would drop the access restrictions for its scanned books to make them widely available to readers during the coronavirus outbreak. Calling it "a National Emergency Library to serve the nation's displaced learners", the group said it would suspend the wait-lists for about 1.4 million books until the end of the public health crisis.

Some early positive coverage of the project noted that it was filling a void, making books accessible at a time when many libraries and bookstores across the country have closed. But authors quickly began criticising the effort, calling it piracy masquerading as public service. Some argued that the free online library would deprive authors and publishers of royalty payments — at a moment when sales are declining and many writers are struggling.

After *NPR* and *The New Yorker* ran reports praising the National Emergency Library, several prominent writers, including Colson Whitehead, took to social media to condemn the project: They scan books illegally and put them online. It's not a library.

"There is no author bailout, booksellers bailout or publisher bailout," the novelist Alexander Chee wrote on Twitter. "The Internet Archive's 'emergency' copyrights grab endangers many already in terrible danger."

When Whitehead searched the site, he found that all of his books except for the most recent, *The Nickel Boys*, were available free. After he asked Internet Archive to remove the works they were taken down, Whitehead said in an email.

The author and illustrator Jarrett J Krosoczka said he was not aware that many of his books were available free on the archive until his literary agent contacted him last week. Krosoczka said that, like many authors, he was even more dependent now on his royalties to make a living because the money he was receiving from speaking events has dried up during the crisis. "I was very disappointed to find my books illegally uploaded to this service," he said. "This is the intellectual property that supports my family."

While Internet Archive calls itself a digital library, it operates differently from public libraries that have e-book lending programmes. Public libraries get licences from publishers for the e-books they lend, and publishers receive payments, according to the terms that are set. Internet Archive doesn't get licences from publishers but instead relies on donated or purchased books or copies it acquires through collaborations with physical libraries. The books are then scanned and made available for one borrower at a time, for 14 days. With that restriction removed, the archive is now operating more or less like a free digital book site.

In an interview, Brewster Kahle, the founder and digital librarian of Internet Archive, said the group decided to make its scanned books more widely available after hearing from teachers who were looking for more resources to teach remotely after schools

closed. Authors who don't want their work to be available through the site can opt out, he said.

The group's emergency library project has found support within literary and academic circles. Some authors have asked to have their work included, Kahle said. More than 300 colleges, libraries, universities and individuals signed on to a public statement supporting Internet Archive's actions. The statement says that the emergency library will help with "remote teaching, research activities, independent scholarship and intellectual stimulation while universities, schools, training centers and libraries are closed".

Lepore, who wrote in *The New Yorker* that other collections should follow Internet Archive's lead, said she viewed the emergency library as a worthwhile effort to help teachers and students who were confronting an urgent educational crisis. "People who can afford to buy books should be buying books right now," Lepore said in an email. "But, meanwhile, in addition to a public health emergency, there is an educational emergency."

Still, some organisations that represent authors and publishers said the effort could do more harm to the publishing industry at a time of economic crisis.

"They're operating without any permission whatsoever from authors or publishers who own the copyright for these works," said Maria Pallante, the president and chief executive of the Association of American Publishers. "It's blatant infringement."

The Authors Guild also slammed the National Emergency Library, arguing that Internet Archive was using the public health crisis to "advance a copyright ideology that violates current federal law and hurts most authors".

Mary Rasenberger, the executive director of the Authors Guild, said that Internet Archive's decision to give readers unlimited access to its online collection violated intellectual property laws. "All they've done is scan a lot of books and put them on the internet, which makes them no different from any other piracy site," she said. "If you can get anything that you want that's on Internet Archive for free, why are you going to buy an e-book?"

Should I make MY OWN MASK?



The advice from public health officials has been confusing, leaving us to decide whether a DIY mask is better than nothing, writes **Tara Parker-Pope**

To mask or not to mask? For the past few months, public health officials have advised that healthy people should not wear masks as a way to protect themselves from coronavirus. But as we learn more about the virus, more experts are challenging the official guidance and saying that there is probably some benefit to covering our faces in public.

But for now, commercially made masks are virtually impossible to find. Many people have hoarded masks in recent months, and everyone agrees that any available supply of medical masks should be reserved for hospitals and emergency workers. That means if you want a mask, you probably have to make it yourself.

"Cover your face with cloth — however you want to do that," said Shan Soe-Lin, a lecturer at the Yale Jackson Institute for Global Affairs who was a co-author of a widely shared article about the need to cover your face. "Cover your face pretty thoroughly from

your mouth to your nose to prevent large aerosol droplets coming out or going in."

Last week, the German Medical Association suggested citizens find or make a simple fabric mask when out in public and leave medical-grade masks for front-line workers. In Austria, grocery store shoppers are now required to wear masks. In New York, Governor Andrew M Cuomo has advised anyone over 70 to wear a mask.

The highest quality, most expensive medical masks — called N95 respirator masks — should be reserved for hospital workers and emergency responders who are regularly exposed to high viral loads from infected patients, both from frequent contact as well as medical procedures that can spew tiny viral particles into air. The rest of us don't need that level of protection.

If you're not a health care worker and you have a stash of N95 masks or standard surgical masks, consider donating it to a hospital.

If you're staying home and nobody in your family is infected, you don't need a

mask most of the time. But more experts now say that wearing a non-medical or homemade mask to go to the grocery store or pharmacy may be a good idea. Studies of mask use to prevent the spread of respiratory illnesses, including SARS, another form of coronavirus, show a simple mask can lower risk of infection. The effect is greatest when masks are used along with hand hygiene and social distancing.

"I think the vast amount of data would suggest that the coronavirus is an airborne infection carried by respiratory droplets, and it also can be passed on by direct contact," said Siddhartha Mukherjee, assistant professor of medicine at Columbia University, who recently wrote an article about how the coronavirus behaves inside patients. "The mask works two ways — not only to protect you from me, but me from you."

While we don't have a lot of research on the effectiveness of homemade masks in preventing the spread of infection, scientists who study airborne diseases can offer some guidance. A mask sewn from a pattern or an improvised face covering made with a T-shirt probably offer some protection. The thicker the fabric, the better: think heavy cotton T-shirt or a thick, felt-like fabric, said Linsey Marr, a Virginia Tech scientist and an expert in the transmission of viruses in the air. While some people have suggested using a bandanna, the fabric is typically so thin and flimsy that it would likely offer little protection. Double or triple the bandanna fabric if that's all you have.

"I've been saying some protection is better than none," said Marr, who noted that local health departments have been asking aerosol scientists for guidance on potential mask materials to deal with supply shortages. She said her team will have results soon with more specific recommendations for materials to use in masks.

Marr emphasised that most people do not need the high level of protection offered by a medical mask. "The potential for exposure is so much lower in a grocery store compared to working in a hospital close to patients," she said.

Soe-Lin said she believes an added benefit of a mask is that it serves as a constant reminder against touching your face, a major

way that the virus is spread. But no face covering, whether it's homemade or a medical mask, makes you invincible. Pulling a mask on and off or fidgeting with it will lessen its effectiveness. And in theory, fiddling with your mask could contaminate it. Always remove a mask by the ear loops or the tie — never the part that covers your face. Soe-Lin said she has used cloth masks for three weeks and washes and dries them regularly. Someone with only one mask can hand wash at night and let it air dry. If a mask gets wet or damp while you are wearing it, it's less effective, she said.

"I don't think there is any evidence that this is going to make things worse, but there is evidence that it provides some additional good," said Robert Hecht, professor at the Yale School of Public Health, who was the co-author of the face mask article with Soe-Lin. "Under this emergency situation we're in, it seems, in our view, hard to argue against covering your face. We have large numbers of infections occurring which don't need to happen if people were to use the masks."

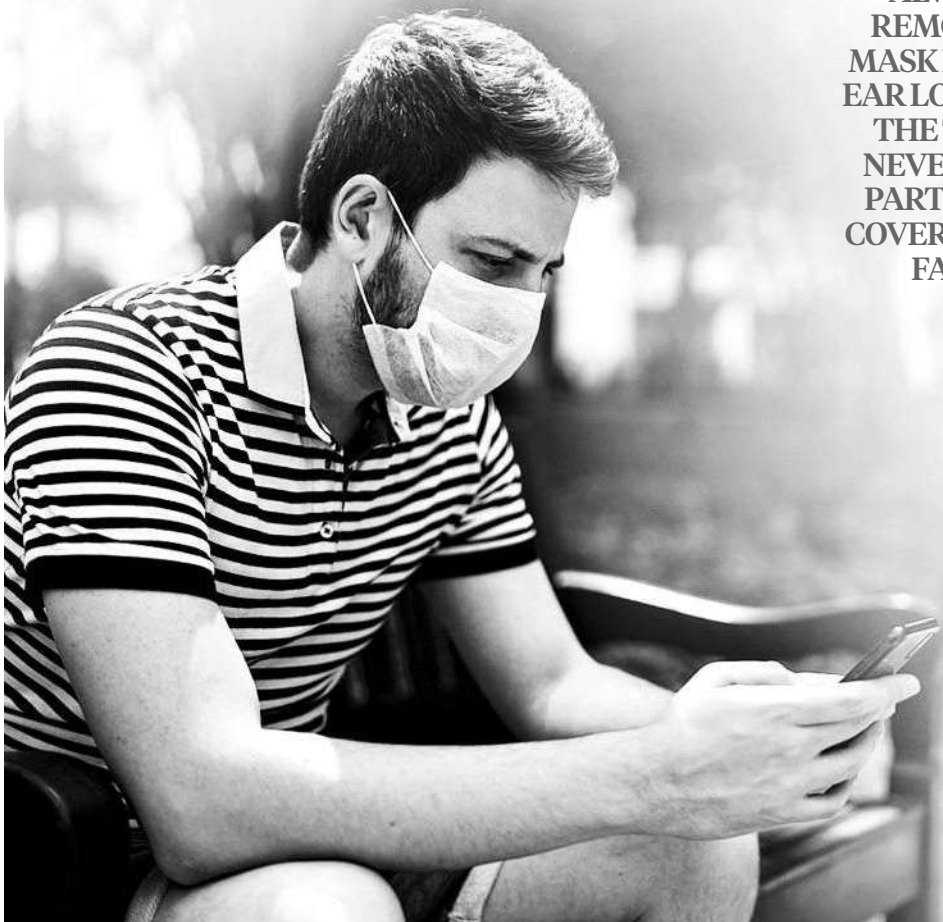
Mukherjee said he is hopeful that large companies and the government will produce and distribute inexpensive masks for essential workers like grocery clerks and delivery drivers, as well as the general public. Questions about durability, reuse and sanitising masks, as well as the best fabric to use in a homemade mask, still need to be answered.

"My strong preference is for people to not cobble together homemade masks," Mukherjee said. "People are using them because they are desperate, and they don't know what to do."

If you decide to start wearing a mask, you should know that it takes some getting used to. A mask can be hot and uncomfortable and fog your glasses if you wear them. But pulling it up and down defeats the purpose of wearing it.

"I still believe that masks are primarily for health care workers and for those who are sick to help prevent spreading droplets to others," said Adit Ginde, a professor of emergency medicine at the University of Colorado School of Medicine. "However, I do believe that for limited circumstances when individuals must be in close quarters with others, a correctly positioned mask or other face cover for a short duration could be helpful."

ALWAYS REMOVE A MASK BY THE EARLOOPS OR THE TIE — NEVER THE PART THAT COVERS YOUR FACE



ISTOCK

CHESS #1395

By DEVANGSHU DATTA

There is understandably a lot of bad blood in the aftermath of the Candidates fiasco. Nobody knows when the event will be completed — it did lead to April Fool's rumours that it would be completed in Antarctica!

Teimour Radjabov's stance in pulling out has been vindicated, and it's clear he's been unlucky. But what can Fide now do? It would be grossly unfair to everyone else in the cycle, to replay the Candidates from scratch. Can Fide seed Radjabov into the next Candidates cycle instead in a sort of deferred admission? Is that sufficient recompense for replacing him in this cycle?

Chess is a game with a large online presence anyhow and, of course, there's been a surge of online interest. So major chess websites have been holding sequences of blitz events, lectures and exhibitions. In addition, Chessbase is covering the historic 1970 USSR vs Rest of the World match in detail on the 50th anniversary of the match, with "live" commentary on the games, and reminiscences from surviving participants



such as Vlastimil Hort.

Like most other sports, chess will also have to reboot its basic competitive format to stay alive through this crisis. Unlike, say, cricket, tennis or soccer, where the live audiences and the stadia are keystone elements, chess can migrate more easily online. Most tournaments are broadcast live, and the audience is 99.9 per cent online, watching and analysing on their engines.

But players do need to travel extensively, and anti-cheating measures are going to be hard to implement evenly across online formats. Hence, youngsters looking for norms and titles might find themselves in limbo until this sorts out. And, of course, funding will be an issue in the middle of an economic downturn.

While coronavirus has not yet claimed any prominent chess victims, there was a tragedy last week. The 33-year-old WIM Arianne Caoili died in a road accident in Yerevan. Arianne, a charming Filipino-Australian with an economics PhD and a multi-faceted career, was also Levon Aronian's wife. She will be greatly missed on the chess circuit.

The Diagram (White: Maxime Vachier Lagrave Vs Black: Ian Nepomniachtchi, Candidates 2020) is a crucial seventh round encounter. How does white convert his edge?

MVL played 28. Bxe7! Kxe7 29. g4! Rxb5 30. axb5 Rxb5 31. gxf5 Rxb1+ 32. Qxb1 exf5. Now 33. Qxf5 Qe6! may be ok for black since the a-pawn could get dangerous. **But MVL found an attack with 34. Nxf5+ Kf8 35. Qa1! Qe6!** [Qa1 creates threats down a3-f8, and also hits the a-pawn] **36. Ng3 Qg4 37. Kg2 Qxf4 38. Qxa7 Kc7 39. Qa3+ Kd8 40. Qd6 g5 41. hxg6 h5 42. g7 (1-0).**

Devangshu Datta is an internationally rated chess and correspondence chess player

BS SUDOKU #3016

8	5	6			3	4	7
	9		4	5			1
	4			5			
		5		4			3
6		2		8			
4	3		5	6			8
9			3	5		4	7
			4	1	8	2	3
						8	

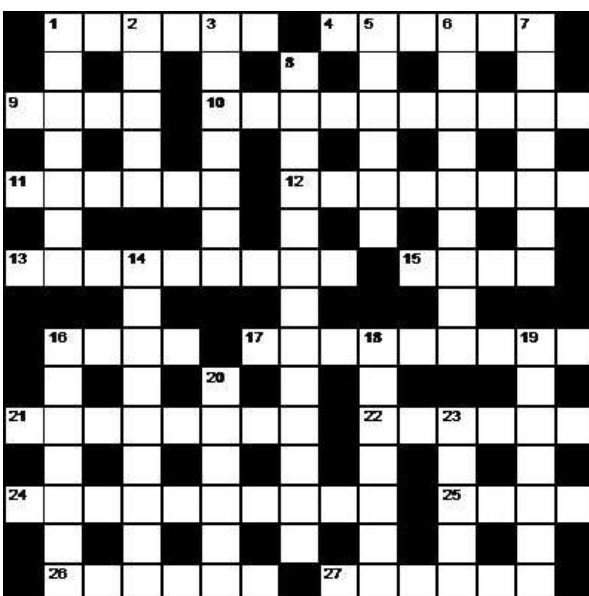
Very easy: ★
Solution on Monday

HOW TO PLAY
Fill in the grid so that every row, every column and every 3x3 box contains the digits 1 to 9

SOLUTION TO #3016

3	1	7	9	6	2	4	5	8
8	5	6	4	7	3	9	2	1
4	2	9	5	8	1	7	3	6
9	3	5	2	1	4	8	6	7
6	7	4	3	5	8	1	9	2
2	8	1	6	9	7	3	4	5
1	4	3	8	2	6	5	7	9
7	9	2	1	4	5	6	8	3
5	6	8	7	3	9	2	1	4

THE BS CROSSWORD #3311



ACROSS:
1 Reproductive cell has me in the entrance (6)
4 Took physical exercise when reminded (6)
9 Good guy, the FBI agent (1-3)
10 Means of travel by land and sea (5,5)
11 Fashionable greeting, but over-affected (6)
12 It sounds as if you will get yourself in a knot by the end of the year (8)
13 Drive around new rings in green (9)
15 Money flowing when half life is gone (4)
16 Put the question as one of attitude (4)

17 You may have to stand this, but you won't be at ease (9)
21 Watch cricket side in enforced second innings (6-2)
22 Whine about divine pool (6)
24 We may bet on them to give us hydrogen (10)
25 Provoke a dog into a frenzy (4)
26 Unpretentious Morris minor parked in a fashionable street (6)
27 Support for young animal (4,2)

DOWN:
1 Foreign investigator has to turn up earth by eucalypti (7)
2 The crazy man I see has upset

many (5)
3 Object to allowing computers to raise money for the church (7)
5 No duel arranged by public school (6)
6 Relative's awful rage over insult (5,4)
7 Free indeed, yet treated with scorn (7)
8 Music that's not hard on one's hearing (4,9)
14 Many I turned out and put on show (9)
16 Reason for mass list of instructions (7)
18 No longer a problem for a tell-tale (7)
19 Light fuel user? (3,4)

20 Grabbed by boys, warrant officer faints (6)
23 Discover and get rid of weeds, perhaps (3,2)

SOLUTION #3310



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(Left) Iceman: Tan Work Boots (₹6,999) and (right) Ivy: Brown Tassel Loafers (₹6,499) by Churchill & Company



Sole therapy

A small, exclusive set of homegrown shoe labels is changing the way men are dressing up their feet, finds Dhruv Munjal

Imperia Ultra Luxury Black Mojri in gold and red by Monkstori (₹3,690)

Brown Wholecut Oxfords by The Dapper Man-Pellé Santino (₹5,599)



The great Christian Dior once said, "You can never take too much care over the choice of your shoes." It's a fair assertion — shoes, arguably, make up the most vital component of any wardrobe, often more important than the clothes themselves. But what if, in spite of your exquisite taste and impeccable eye for detail, the right pair forever eludes you? What if nothing matches your sensibilities?

For many years, Abhishek Chopra and Sagar Sarin stared at the same problem before coming up with a rather extreme solution: founding their own shoe company. "What we realised was that there were a number of international brands selling decent products, but none of them had that 'wow' factor. We were desperate to change that," says Chopra, a Jalandhar boy who once performed marketing roles for companies in India as well as the UK, the most recent of which was at Philip Morris.

The quest to find their kind of footwear saw the launch of Churchill & Company in December 2015, a homegrown shoe label focused on offering contemporary, versatile designs that promised to blur the lines between formal and informal. "For some years now, Indian men have been wanting more modern-looking shoes, but big companies have failed to recognise that. That's where we come in," says Chopra.

Churchill & Company is among a string of new brands trying to fill that "gap". Nishant Kanodia, for instance, couldn't find anything to his liking once he returned to India after living in London for 15 years. Inspired by the neat, minimalistic approach of Scandinavian shoemaking, Kanodia started Sko — Danish for shoe — in 2018. "The Scandinavian region is known for its clean yet colourful designs. I wanted to incorporate some of that aesthetic into my shoes, and I was pleasantly surprised by the kind of response I got," says Kanodia.

That his family has been manufacturing shoes for the last 30 years helped. In order to fine-tune his skills, Kanodia took a course in shoe handcrafting at Carréducker, a prestigious bespoke shoemaking school in

In terms of what's in vogue, it's the younger generation leading the way. Once known to not put enough thought into their footwear, Indian men, thanks to greater exposure to international trends through social media, are now embracing stylish cuts, colours and designs. That's perhaps a reason why the shoes in all these online stores are never bunched together, but carefully categorised as oxfords, brogues, derbies, monkstraps, and so on.

"Customers — particularly the younger lot — are prioritising design more than ever," says Abhinandan Jain, co-founder at Monkstori, a Chennai-based label that only makes shoes from vegan, or synthetic, leather. "Youngsters today need a different pair for each occasion, and there was no brand offering good-looking, vegan footwear in the ₹2,000 to ₹3,000 range.

So we saw a market there," adds Jain. Jain launched Monkstori with school friend Nilesh Jain around four years ago. The two opted for the somewhat puzzling name because they saw all prospective customers as monks — people willing to abandon products made from animal hide and adopting cruelty-free fashion. "Some still view synthetic leather as 'cheap', which isn't true. That's why luxury and vegan fashion is a difficult balance in the Indian market," feels Jain. "But at the same time, we are offering designs that were once only available at Gucci or Louis Vuitton."

A lower price point has been a major driver of success for these brands. Mikhil Mehra decided to venture into footwear with Pellé Santino — a part of The Dapper Man, an umbrella brand that also offers ties, cufflinks and bracelets — in early 2016 after realising that his shoe preferences were either too expensive or of shoddy build. With Pellé Santino, Mehra is making sure that buying shoes is an experience in itself — one that doesn't hurt your pocket. Mehra is already a spectacular success story — Pellé Santino sells 1,500-2,000 pairs a month, with the likes of Nawazuddin Siddiqui, Ayushmann Khurrana and Diljit Dosanjh endorsing its products.

The affordability, however, doesn't necessarily mean inferior quality. At Churchill & Company, Chopra and Sarin claim that all their shoe designs come from the once-famous shoemaking town of Northampton in England, and then put



'SCANDINAVIA IS KNOWN FOR ITS CLEAN YET COLOURFUL DESIGNS. I WANTED TO INCORPORATE SOME OF THAT AESTHETIC INTO MY SHOES'

NISHANT KANODIA
Founder, Sko



'SOON, WE'LL BE LAUNCHING A 'GOODYEAR-WELTED' COLLECTION, WHICH IS THE FINEST FORM OF SHOE CRAFTSMANSHIP'

MIKHIL MEHRA
Founder, The Dapper Man-Pellé Santino

through a manufacturing process that involves 252 different steps. They have even added a touch of modern technology to their craftsmanship — their trademarked Softtherapy promises a softer foot strike around the midsole. The response has been encouraging: Churchill is currently shipping out 5,000 pairs every year.

Over at Pellé Santino, Mehra is set to introduce a "Goodyear-welted" — shoes crafted with a costly technique that allows the soles to be replaced — collection in the next few weeks. "This is the finest form of craftsmanship, and we hope to make a real mark with this. Plus, we will surprise a lot of people with the price we'll be offering the collection at," says Mehra.

CINEPHILE FILES



RANJITA GANESAN

Homeward bound

Geetu Mohandas's debut feature, *Liar's Dice* (2013), was dedicated to the "vast multitude of nameless people who are recognised only as a mere statistic". One migrant worker, who goes missing from the big city, forms the subject of the search in her film. And while he is given a name, Harud, he remains faceless. Instead, Mohandas shows us the longing, uncertainty and anxiety that mark the lives of the ones he leaves behind — his wife Kamala (Geetanjali Thapa) and three-year-old daughter Manya.

Everything that the viewer knows about Harud and his life, which amounts to very little, is pieced together from Kamala's endeavour to retrace his steps. From their beautiful but unpromising village in Himachal Pradesh, she sets off to Shimla, where she had believed he worked, and then to Delhi, where she learns he had moved. Nothing about her rescue mission, and as such her husband's original journey, looks easy. The burden of walking for hours makes her collapse. Every bus ride, train ticket and hotel stay is a conclusive hit to the savings.

Why do migrant workers stay hidden in plain sight? Despite moving from impoverished villages to help fulfil the cities' ever-growing need for people who can make their buildings and roads, any real integration remains unavailable to them. How neglected the city makes its workers feel was evidenced unequivocally in their recent mass exits after pandemic-related lockdowns put them out of work. Distancing, which is inflicted on this section of people round the year in India, was expected of them even as they desperately set out homeward on foot.



A still from *Liar's Dice*

In addressing the concerns of migrants, the Kerala government appeared the most active, releasing information in multiple languages and referring to them as *atithi thozhilalikal* or "guest workers". The intention seems well-placed, although nobody is really a guest when the Constitution guarantees its citizens freedom of movement. The migrant question has been considered in cinema narratives of that state. Actor Mammooty, who portrayed the trials of an expatriate Kerala worker in the Gulf in *Pathemari* (2015), had also played an exploited Tamil migrant in Thrissur who irons clothes for a living in *Karutha Pakshikal* (2006).

The same nomenclature, "guest worker" (or *gastarbeiter*), was used in European countries. German cinema of the 1970s has examples of films essaying the inhospitable treatment actually meted out to this workforce. There is *Ali: Fear Eats the Soul* (1974), about a Moroccan car mechanic who develops an unlikely relationship with a much older German cleaner, formerly a Nazi. Rainer Werner Fassbinder, with typical flair, makes this love story a receptacle for details about the emigrant experience — separation from home, arduous work, poor sleep, chronic stress.

"Ali" (El Hedi Ben Salem), whose real name is too long for anyone to remember, is drawn to Emmi (Brigitte Mira), who offers him room and food and warm questions. To Emmi's neighbours and colleagues, Ali is little more than a "filthy foreigner", and to his friends, she is nothing but an "old woman". Yet his profound alienation rhymes perfectly with her unutterable loneliness. In a deeply racialised society, their unhesitating marriage becomes strained by the prejudice of others. "Better not think too much. Think much, cry much," he says to her in broken German at one point.

Much less emphatic in style is Sohrab Shahid Saless, whose *Far from Home*, an account of migrant life, is advanced through slow, patient long shots. One shows the protagonist Hussein (the exceptional Parviz Sayyad), a Turkish worker, emerging from a rail station and walking towards the sprawling Berlin cityscape until he turns into a small speck. It establishes the city's tendency to invisibilise the likes of Hussein. Shahid Saless, an Iranian filming in Germany on temporary work permits, began calling himself a *gastarbeiter* too.

Beyond the workers' labour, these films ventured to underline their personhood — their ideas, habits, sexual appetites, fears, and capacity for feeling. The Swiss novelist Max Frisch had told it like it is: "We asked for workers, we got people instead." That clinical cruelty in modern societies' behaviour with migrants continues.

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AND ANOTHER THING

Virulent times for faceless millions



AAKAR PATEL

The artist Hasif Khan (@hasifkhan on Twitter) has created an artwork that best represents how India has responded to the lockdown called by the Union government. It is a painted in sombre colours, and shows a few people standing in balconies, applauding and clanging vessels. They are in buildings that face one another. They are in groups of two or three per balcony.

Between the buildings, on the road below, there is a long and densely packed mass of people walking. They are carrying loads on their heads, including children. Their clothes are stained and faded into colourlessness. The sky is open above them. The people on the balcony are shown with facial features. The people on the road have no faces. A small caption in Tamil reads: "Social distancing".

This is indeed how India has responded to what has been inflicted on it by decision-makers. The so-called middle class (so-called because it is middle class only by global standards; in comparison to the poverty and destitution of India, it is actually a wealthy minority) was enthusiastic most about the sounds it was to make in celebration of the three-week staycation. It was cruelty to revel in and salute the infliction of trauma on the majority, but that is precisely what we did in

banging and clanging and clapping.

A few hundred thousand of us can work from home, collecting tens of thousands — some hundreds of thousands of rupees — a month for switching on our computers and making calls. For millions, this is not possible. It is impossible for the daily wage worker, the labourer, the construction worker to WFH, as we have begun to know it. It is not possible even for the self-employed, the carpenter, plumber and electrician, who must work on someone else's property and for that reason must travel.

Why is it important for them to work? It is because if they do not work, they do not eat. That is what daily wage work means. It may or may not surprise readers to know that 50 per cent of the income of the average Indian is spent on food. And given that incomes are disproportionately skewed in India towards the top 10 per cent or less, it can only be imagined what proportion of her income the median Indian spends. Perhaps 60 or 70 per cent, or even more.

It is this group of people who took to the roads the moment the government announced a three-week lockdown and the ending of their employment. More than 600,000 people have been taken off the roads, the government said to the Supreme Court earlier this week, and are being housed in shelters. We have no idea if this number is accurate and heaven alone knows how many are still on the road making their way to some distant place.

The question is why they left in the first place. It is because in times of uncertainty they will head towards a sanctuary. Their village and the people they know and trust. Would we in the upper class place ourselves

in the hands of the government in times such as these? And if not, why do we expect that the poor would? The Indian state is weak and lacks capacity. We can speculate about this. But the poor are the ones who actually encounter it and know and have experienced its weaknesses and incompetence.

For us, the fact that MGNREGA wages are not paid or delayed is a news item. Or that rations are denied because of mismatched fingerprints linked to Aadhaar. For millions of people it is a lived reality and it is something that happens to them. It is not realistic to expect them to have faith in such a state when their lives and those of their children are at immediate stake, as they were on Tuesday night when that announcement was made to shut India down.

We were given four days to get ready to create cacophony at 5 pm two weeks ago. The poor were given four hours, and that too at 8 pm, meaning that they were given no time at all to prepare for what was to come for the next three weeks.

The journalist Barkha Dutt encountered a family of three on the road. The man carried their child and his wife their belongings. Her tweet read: "I met Krishna as he carried his 5-year-old son on his head, he was walking to MP. His wife Poonam carried their life's belongings. Volunteers stopped to offer food & water for a 700 kms journey. They said: 'No thanks, we have some already.' That's the dignity of our poor."

Another tweet spoke of 50 Adivasi labourers and their families in Maharashtra on the road to nowhere. Their contractor had switched off his phones and they were finding it difficult to get even water from the villages. And mind you, all of this is just the immediate trauma. The agony of how to survive till April 14 and in the months

Would we in the upper class place ourselves in the hands of the government in times such as these? And if not, why do we expect that the poor would? The Indian state is weak and lacks capacity



beyond will also weigh on the minds of those who have been abruptly put out of work.

India's informal workers are 90 per cent of the labour force. In the non-farm sector, this number is 83 per cent of the total, meaning that only 17 per cent of those working in the non-farm economy — industry, services, government and all of it together — draw a regular salary. The rest work without written contracts. As many as 136 million workers have been made vulnerable because of this lockdown and what is to come because of it.

Even the organised sector, meaning people employed in blue-collar jobs with security, will suffer. A report in *Mint* said that nine million jobs were likely to be immediately reduced across the manufacturing clusters of textiles, capital goods, cement, food products, metals,

plastics, rubber and electronics. Manpower cuts in the automotive industry had already started last quarter owing to falling sales.

This is the spectre of what is to come. This nation of poor is going through and will continue to go through extreme trauma, both because of this virus and because of the actions taken to fight it. The virus seems unavoidable. The numbers in Hubei, New York, Spain, Italy and elsewhere show that there is no chance of stopping it from spreading. It will infect many and perhaps even most of us, but its relatively low rate of mortality means that few of us will die from it.

If we can accept that reality, we might be able to mitigate what we are doing deliberately that is negatively, violently and traumatically disrupting the lives of hundreds of millions.

PEOPLE

Dramatic defiance

While the pandemic disrupts the India release of *Sir*, actor Tillotama Shome talks to Ranjita Ganesan about her twenty years in the charmed world of independent cinema



Two significant things happened in Tillotama Shome's first year in college. She watched Piyush Mishra's one-man play, an adaptation of *Whatever Happened to Betty Lemon*. The performance drew her to the excitement of the stage, so removed from her own existence as a diffident English literature student with a stammer. "I felt a sense of magic, and a sense of distance — that I could never do this." The same year, she had also encountered a Buddhist idea of the human mind possessing limitless potential, which she was keen on testing before accepting. "So I took on something that I didn't have a natural propensity for."

It led to a shift that Shome describes as "psychosomatic and physical". On stage, she found herself flowing through space and time in ways that even changed her body. "The stammer kind of disappeared." This did not take place overnight, however. After college, she spent a year with Delhi's Asmita Theatre Group, from which the likes of Shilpa Shukla and Deepak Dobriyal too emerged. "It was a year of failing," she says. Her finite Hindi vocabulary, "English-medium" education, and the influence her mother tongue Bengali had over pronunciation became a source of merriment for some fellow actors. At home, the young actor would read aloud Hindi texts for two hours daily, a practice she still follows. The effort paid off when she landed the part of the housekeeper Alice in Mira Nair's *Monsoon Wedding* (2001).

That was twenty years ago. Shome reminisced about these incidents over the phone, just after the India release of her most recent film *Sir* — already among the highest-grossing Indian films in France — was postponed as the country locked down. She excused herself from the conversation for a few minutes because residents in the Yari Road building where she lives in Mumbai were discussing how they would deal with the lockdown. It was decided that each family would take turns cooking meals for the staff and cleaning the common areas. Such a sense of community is familiar to the actor from her years growing up in colonies of the armed forces where, if a child was hurt, they would wash up at whichever home was nearest.

Shome's father was in the Air Force and they shifted cities with every new posting, living for a time in Kolkata, Barrackpore, Bengaluru and a less-troubled Kashmir in the

1980s. Films had not been a big part of that milieu. There were some hours of Doordarshan every week — the Japanese drama *Oshin*, a docuseries on the gymnast Nadia Comaneci's life, Pierce Brosnan in and as the special detective *Remington Steele*. A Sunday tradition of going out for movies and ice cream only started when she and her brother were a little older. She was more bookworm than aspiring thespian.

So in several ways, drama became "an act of defiance". Its transformative effects convinced her to leave for New York University where she studied drama therapy on a scholarship, an academic break many would have hesitated to take right after their first film. But her course was headed by Chris Vine whose classes she would have signed up for "even if he was teaching under a banyan tree". While the stint in Delhi theatre had prepared her for acting, all her classmates possessed that skill plus an understanding of ballet, burlesque and numerous musical instruments. Shome made up for what she lacked in training with hard work and osmosis. "Every day I felt like I failed," she recalls. "But when I came out of it I realised how much I had absorbed like a sponge."

When she returned to India a decade later, her auditions for films were more seasoned. By then, she had learnt things like employing songs to adjust to particular scenes and topographies. She had also learnt while teaching educational drama with Chris Vine's team in the prisons, shelter homes and "metal-detector schools" in distressed neighbourhoods of the United States. Shome knew cinema was her medium when she faced Declan Quinn's camera under Mira Nair's gaze for *Monsoon Wedding*. The privacy which its invisible fourth wall allowed appealed far more than the adrenaline rush of performing live.

SHOME KNEW CINEMA WAS HER MEDIUM WHEN SHE FACED DECLAN QUINN'S CAMERA UNDER MIRA NAIR'S GAZE FOR MONSOON WEDDING



The most demanding role was in 2013's *Qissa: The Tale of a Lonely Ghost*, Anup Singh's sinister Punjabi period drama about a patriarch so desperate for a male heir he forcibly raises his fourth daughter as a son.

A few moments in that work are indelible. Shome, playing Kanwar, the young girl-boy, watches in grief-stricken anger as her father, played by Irrfan Khan, tries to force himself on Kanwar's new bride. Kanwar then brings out a gun and shoots him. "I panicked because I could not find the right emotion. What makes someone rape? What do you feel if your own father does that?" She prepared for the scene, on Singh's cryptic instructions, by focusing on a leaf on a nearby banyan tree. "When the leaf fell from the tree, that became an emblem of my relationship with my father. It cut away from the source physically, which was a liberation but also a death sentence."

Much of Shome's work remains under-watched. There were periods of unemployment and unsuccessful auditions with bigger, more conventional production houses. This bothered her until Irrfan, with whom she has shared the screen frequently, snapped her out of it with a remark: "Don't be such a Meena Kumari (code for 'tragedy queen')." She determined then to not be resentful and to fill her day instead with other things — reading 300 pages in one sitting, swimming for an hour, picking out ingredients, cooking one meal daily. So when the offers trickled in again, she was able to evaluate them by asking: "Would working in this film be better than the day I am having?"

This approach has made her part of several ambitious, layered films, which often cast Shome as someone from deprived sections of society. Shome is utterly self-aware. She prefaces any discussion about films where she has portrayed the disenfranchised with a reference to her own position of relative privilege. The most recent was her turn in *Sir* as Ratna, a domestic worker whose employer falls in love with her. Rohena Gera directs the film with a delicate nuance that has so far been tellingly absent in such themes. When the actor went on the Internet to look up relationships

between maids and bosses, the hits were all for pornography. She felt comfortable accepting the role when Gera explained Ratna's "innate dignity

which she never loses no matter how undignifying the situation".

In the last few years, Shome has essayed more diverse parts. She played the languid Anglo-Indian Bonnie in Konkona Sen Sharma's painstaking debut *Death in the Gunj* (2016). In the commercial comedy *Hindi Medium* (2017), she became a snooty education consultant who effortlessly breaks into German. The producers invited her to be part of the recent sequel *Angezi Medium* (2020). With those two films, in another act of defiance, the "English-medium" actor of independent movies showed that she could fit into Hindi-language films in the mainstream too.