

RENU KOHLI
Monetary steps funding deficit shouldn't be India's corona response

K SRINATH REDDY
Comparing countries' Covid-19 numbers fallacious if underlying testing, etc, not comparable

PREPAID USERS
Trai pulls up telcos on selective validity extension

MARCH QUARTER
Samsung's profit beat showcases a rare bright spot in a pandemic

NEW DELHI, WEDNESDAY, APRIL 8, 2020

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CONTAINING CORONAVIRUS

Centre mulls longer lockdown

FPIs GO SHOPPING
Markets rebound in mega relief rally

Most states suggest extension; ministers discuss harvest concerns; PM to take final call on lifting curbs

experts. We are sure that every state will follow the decisions he takes," said sources.

Since the Prime Minister's video-conference with chief ministers last week, at least seven states, including Maharashtra with the maximum number of cases (868) so far, have indicated that they would continue to have some restrictions in place after the 21-day period.

The chief ministers had conveyed to the Prime Minister that they would prefer to take some steps to revive the farming and manufacturing sector. The Centre had also signalled that there could be a "staggered exit" from the lockdown while continuing curbs in areas identified as hotspots.

Government sources said there would be clarity on the situation only after April 10, once testing is stepped up and results show the outbreak's trajectory.

"As you can clearly see, it is not as if the disease has affected the whole country — it is just 284 districts, not even half the country so far. So it is perhaps safe to say that about 60 per cent of the country can hope to see some relaxation in lockdown after April 14. It cannot be business as usual. But at the same time, the current stringent restrictions cannot continue indefinitely," said sources.

Officially, though, the government has sought repeatedly to dispel speculation of the lockdown being extended beyond April 14.

● MORE SOCIAL, LESS DISTANCING



Women stand in a queue to withdraw cash from their Jan Dhan accounts, outside a bank in Kamrup district of Assam on Tuesday

LIZ MATHEW & ABANTIKA GHOSH
 New Delhi, April 7

WITH THE NUMBER OF COVID-19 cases in India near the 5,000-mark, the Centre is considering suggestions from a number of states that the restrictions in place during the 21-day national lockdown should be extended beyond the deadline of April 14, government sources said.

On Tuesday, an informal group of ministers meeting on Covid-19 discussed the steps and protocols to be adopted after the lockdown, but sources said most states have suggested to Prime Minister Narendra Modi that they prefer continuing the lockdown to contain the outbreak.

"The central government is thinking on the same line, but the Prime Minister will take a final call after considering all aspects and discussing with

COVID-19 UPDATE
4,789 TOTAL CASES
124 DEATHS SO FAR **508** NEW CASES

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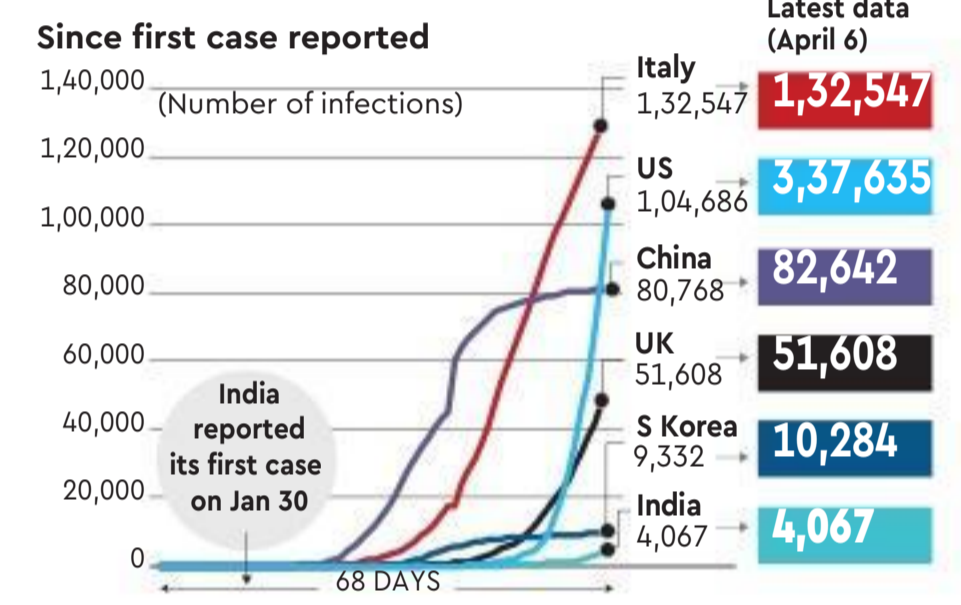
Cases near 5k: India plans to scale up testing

ABANTIKA GHOSH
 New Delhi, April 7

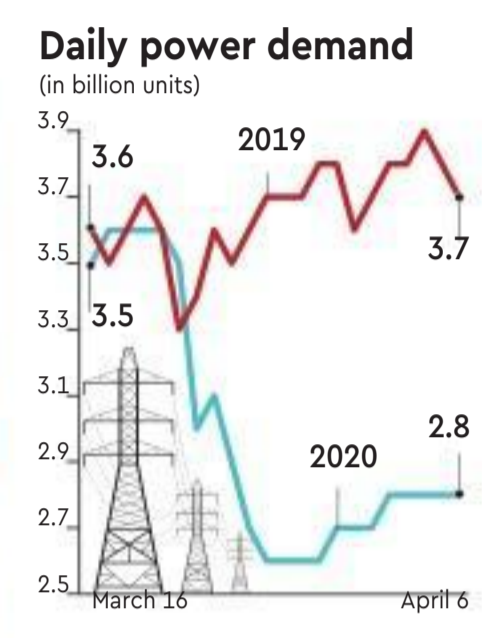
AMID INDICATIONS THAT some restrictions will continue even after the lockdown ends, all eyes are now on the test results as India prepares to massively scale-up testing over this week. The total number of cases touched 4,789 on Tuesday.

"This you can say is the make-or-break week so far as the future course of the epidemic in India is concerned, whether we continue with the lockdown or not. The criticism has been that we did not test

How infected is India?



enough, but we have always maintained that if it (infection) was really happening that much, the death toll would not be so low, said a government source.



Power demand falls headlong, down 30% now

ANUPAM CHATTERJEE
 New Delhi, April 7

AFTER RECORDING AN annual growth of 1.3% in FY20, which itself was the lowest in six years, daily power demand in the country in the first six days of FY21 has fallen by a sharp 26% year-on-year (y-o-y), owing to reduced industrial and commercial activities in the wake of the spread of Covid-19.

Power demand had started to fall gradually since the beginning of March — in the first 15 days of the month, electricity requirement was 3.6% lower a year ago. However, since the beginning of the lockdown from March 24, demand started falling much more sharply, with in all days since then, the y-o-y fall being 20% or steeper (see chart).

Industrial and commercial consumers have a 45% share in total power consumption. The remaining power is used more or less equally by household and agricultural consumers. The fall in demand would have been sharper, had some industrial and commercial operations not stayed open and household use increased and firms and organisations shifting to work-from-home.

INDIAN STOCKS ROARED back to life on Tuesday in a stupendous rally that saw the Sensex soar nearly 9% or 2,476 points to hit 30,067.21. The market was driven up by the positive sentiment in global and Asian markets and was characterised more as a relief rally.

There was some cheer from the expected revision of India's weight in the MSCI. "We estimate MSCI India's weight in EM to rise by 55bps. Also, slightly less than a third of current constituents will see an increase in their stock weights whenever MSCI considers this rebalancing. In our estimates, this would imply passive inflows of \$1.3 billion," analysts at Morgan Stanley wrote.

Some strategists, however, remain cautious.

"We expect market volatility to remain extremely high in the near-term. We think market movement is dependent on two key variables: the spread of Covid-19 cases in India and the impact on the broader economy and earnings in the near-to-medium term. In the very near-term, the spread of Covid-19 in India will be the dominant variable for the markets," strategists at Nomura wrote recently.

Foreign portfolio investors (FPIs) have been big sellers pulling out some \$8 billion in

Nifty50
 Intra-day, Apr 7
 8,900
 8,792.20
 8,446.30
 Prev close: 8,083.80
 Open Close

Bank Nifty
 Intra-day, Apr 7
 19,300
 19,062.50
 18,454.55
 Prev close: 17,249.30
 Open Close

Dr Reddy's Labs
 Intra-day on BSE (₹), Apr 7
 3,800
 3,583.15
 3,200
 Prev close: 3,144.80
 Open Close

FPI flows into equity
 (\$ billion)
 0.95, 2.06, 3.15, 0.86, 1.37, 0.41, -8.79
 Aug '19 Mar '20
 Source: Bloomberg

UK's Johnson 'stable', gets oxygen support

BRITISH PRIME MINISTER Boris Johnson was stable in intensive care on Tuesday after receiving oxygen support to help him battle the Covid-19 infection, while his foreign minister led the government's response to the outbreak, reports Reuters. ■ Page 8



WhatsApp sets limit on forwards

WHATSAPP HAS SET A limit on the number of times a user can pass on a forwarded message, reports Fe Bureau in New Delhi. Now, from Tuesday, it's only one chat at a time. ■ Page 4

Rapid antibody tests in Delhi

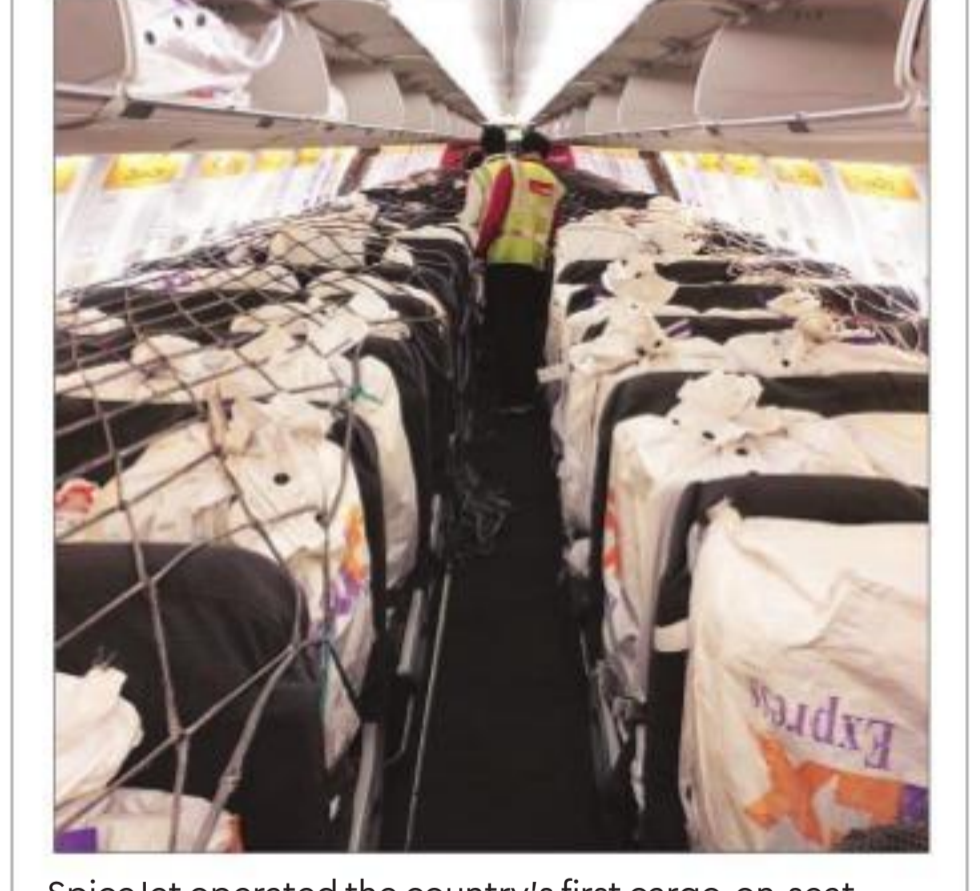
THE DELHI GOVERNMENT will start conducting rapid antibody tests, as suggested by the ICMR, in areas identified as coronavirus hotspots, reports Express News Service in New Delhi. ■ Page 2

Bond yields soar on big supply

10-yr bond yield (%)
 Intra-day
 6.45
 6.415
 6.339
 Prev close: 6.305
 Open Close

A CLUTCH OF 19 states on Tuesday mopped up a total of ₹32,560 crore in the bond market driving up the yields on 10-year state paper by a whopping 50 basis points, reports Bhavik Nair in Mumbai. The large supply of paper — from the Centre and states — has made investors nervous; the yield on the benchmark rose 11 bps to close at 6.415%. Detailed report on 10

● CARGO IN THE TIME OF CORONA



SpiceJet operated the country's first cargo-on-seat flight, carrying vital supplies in the passenger cabin and belly space, from Delhi to Chennai on Tuesday

TRUMP CARD
Anti-malarial drug export curbs eased

FE BUREAU
 New Delhi, April 7

INDIA HAS DECIDED to partially ease the restriction on the export of paracetamol and anti-malarial drug hydroxychloroquine — called a "game changer" by US President Donald Trump in the fight against the outbreak — to honour its global commitment to tackle the Covid-19 pandemic.

New Delhi would allow hydroxychloroquine exports on a case-by-case basis after meeting domestic requirements, senior government officials said on Tuesday.

The move came after Trump asked Prime Minister Narendra Modi on Sunday to urgently supply hydroxychloroquine.

SURYA SARATHI RAY
 New Delhi, April 7

ACTING ON THE advisory issued by the Centre, as many as 18 states have transferred amounts ranging from ₹1,000 to ₹5,000 each to the bank accounts of construction workers hit by Covid-19 pandemic from the designated

Cess collected under BoCA Act since 1996	₹51,000 cr
Amount spent under the Act	₹20,000 cr
Funds lying unutilised	₹31,000 cr

(figures approximations)

CONSTRUCTION WORKERS
18 states transfer ₹1,000-5,000 to 1.8 cr beneficiary accounts

Odisha seeks removal of 30% cap on DMF use

THE ODISHA GOVERNMENT has asked the Centre to remove the 30% cap on the use of the District Mineral Funds to fight Covid-19 in each affected district, reports Prasanta Sahu in New Delhi. The move indicates the willingness of the state, which has the largest DMF corpus among the states (with an unutilised balance of ₹7,000 crore), to use this resource rather liberally to give succour to people hit by the pandemic. PAGE 3

cess funds at their disposal.

According to sources, these states have disbursed a total of ₹2,250 crore as one-time cash benefit, directly into the accounts of around 1.8 crore registered construction workers in distress.

Trade union sources said Delhi has transferred the highest amount of ₹5,000 each to the registered construction workers, followed by Punjab and Kerala at ₹3,000 each.

Some other states like Himachal Pradesh have offered ₹2,000 each, while the Odisha government is learnt to have given such one-time benefit of ₹1,500 each to the registered workers.

● TWEAK TIME
SBI cuts loan, deposit rates

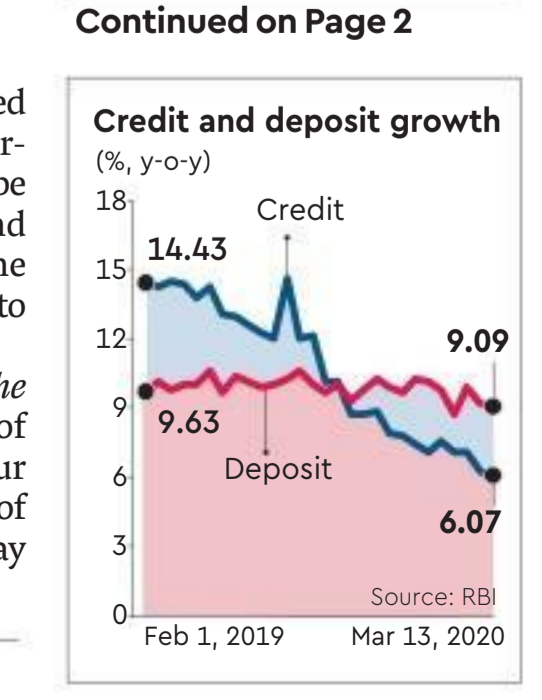
HARIPRASAD RADHAKRISHNAN
 Mumbai, April 7

STATE BANK OF India (SBI) on Tuesday trimmed the marginal cost of funds-based lending rate (MCLR) by 35 basis points (bps) across tenors.

The lender, however, simultaneously cut deposit rates moving to protect its margins; the savings deposit rate was lowered by 25 bps to 2.75% and will save the lender an estimated ₹2,800 crore.

The bank has found itself with around ₹1,000 crore of extra liquidity after the recent cut in the CRR.

While banks have been pruning their lending rates, for more than a year now, this has not resulted in any uptick in credit off-take as both companies and individuals lie low. Non-food credit growth for the fortnight ended March 13 stood at 6.07% year-on-year, the lowest since May 2017.



Quick Picks

DHFL not to make payment to lenders, bondholders

DHFL ON Tuesday said it will not make any interest or principal payment to lenders and bondholders as it is under the resolution process, reports PTI. It said all the rated debt papers of the company are carrying default grade ratings and disclosures on the same have been made to the exchanges.

Rural development min releases ₹1,410 cr to 3 cr needy people

THE RURAL development ministry has released ₹1,410 crore to provide a one-time ex-gratia to 2.82 crore needy people under the National Social Assistance Programme, reports Fe Bureau in New Delhi. The Centre had earlier announced a one-time ex-gratia of ₹1,000 under the Pradhan Mantri Garib Kalyan Yojana in two equal instalments of ₹500. PAGE 3

TRACKING THE VIRUS

Mood in Bihar quarantine camps: Corona ko chabaa jayenge

SANTOSH SINGH
 Hetanpur, Patlapur, Ganghara (Patna), April 7

PAPPU KUMAR, 22, sits on the edge of his bed in a classroom at the Madhopur Middle School in Hetanpur panchayat, thumbing his smartphone. Days before the March 24 lockdown, Pappu, a labourer at a flour mill in Chandigarh, came home to Hentanpur village, 15 km from Patna, only to be asked to stay in the school-turned-quarantine centre for 14 days. There are about a dozen other beds in his room, and they are empty.

Of about 1.8 lakh migrant workers who returned to the state before or during the lockdown, about 27,300 who came after March 17 were sent to 3,115 schools and panchayat bhawans that were converted into quarantine centres.

According to protocol, the state health department has to test samples of those displaying symptoms. About 55,000 of the



At the quarantine centre set up for migrants at Havaspur High School in Patlapur panchayat near Patna. SANTOSH SINGH

27,300 migrants had returned from Maharashtra, Kerala, Karnataka and Delhi, and were to be continuously monitored and screened for symptoms. The other migrants have been told to stay in "home quarantine".

But that's on paper. The Indian Express visited three of five centres in the Danapur riverine area and found most of the migrants on the 14-day quarantine list missing.