

<p><b>STOCKS IN THE NEWS</b></p> <p><b>Sun Pharmaceutical Industries</b></p> <p>Top gainer among the S&amp;P BSE Sensex stocks</p> <p>₹436.65 CLOSE</p> <p>▲ 4.69% UP*</p>	<p><b>Adani Green Energy</b></p> <p>Total invests ₹3,707 cr in solar energy JV</p> <p>₹166.50 CLOSE</p> <p>▲ 4.72% UP*</p>	<p><b>Granules India</b></p> <p>Visakhapatnam unit gets nod from EU for good manufacturing practice</p> <p>₹172.50 CLOSE</p> <p>▲ 10.61% UP*</p>	<p><b>Tata Consultancy Services</b></p> <p>Brokerages expect some impact in March quarter earnings over lockdown</p> <p>₹1,705.60 CLOSE</p> <p>▼ 3.91% DOWN*</p>	<p><b>Bandhan Bank</b></p> <p>Top gainer among the A group stocks</p> <p>₹193.70 CLOSE</p> <p>▲ 15.78% UP*</p>
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IN BRIEF

**TVS Motor may bid for UK's classic Norton Motorcycles**

TVS Motor is among prospective bidders considering making an offer for Norton Motorcycles of the UK, which went into administration in January, sources said. TVS has approached Norton's administrators about a potential deal, which made its first motorcycle in the 1902, has changed hands multiple times over the years. Its most recent owner was entrepreneur Stuart Garner, who tried to revive the brand with modern versions of its Commando and Dominator models. Garner is being investigated by the UK's Pensions Regulator over actions taken when he was trustee of three pension programmes that invested in Norton, *The Guardian* reported in March. Representatives for TVS and BDO declined to comment.

**McDonald's starts delivery from eight NCR restaurants**



Quick service restaurant chain McDonald's India has restarted delivery services from eight restaurants in Delhi-NCR from Wednesday. The move comes after the government's notification, categorising food delivery as one of the essential services during the lockdown period. "Our visions are guided by the government's directives, which include compliance with all local and state restrictions, wherever applicable," it said.

**Commercial vehicle sales may contract 8-10% in FY21: ICRA**

Rating agency ICRA said commercial vehicle (CV) sales volumes in India are likely to contract 8-10 per cent in 2020-21 as the near-term outlook of the sector is weighed down significantly by the coronavirus pandemic. The agency said it continues to maintain a negative outlook for the CV segment.

**Grofers to hire 5,000 more in 2 weeks to boost capacity**

Online grocery platform Grofers is looking at hiring 5,000 employees to ramp up its capacity to meet the spike in orders amid the nationwide lockdown. The company has partnered with resident welfare associations of over 100 residential complexes to make essentials available to a larger number of people. Outlining the steps taken by the company over the past three weeks, its co-founder and CEO Albinder Dhindsa said the Grofers app is seeing over 1.5 million people trying to order daily. "Everyday our app is seeing over 1.5 million people trying to order," he said. "2,000 people were hired from industries which were deeply impacted such as textile, manufacturing, and services." He added the company now plans to hire 5,000 more over the next two weeks.

**Testing picks pace as private labs asked to take some samples for free**

BS REPORTERS  
Mumbai/Bengaluru/Chennai/Hyderabad/Kolkata/Ahmedabad & Lucknow, 8 April

As India enters the third week of a nationwide lockdown, states are ramping up testing capacities. Asymptomatic patients, who were confined to their homes, are likely to start showing symptoms and massive testing is the only way to identify and isolate them. Further, with hotspots emerging across major cities, the country's apex health research organisation — the Indian Council of Medical Research (ICMR) — has already advised resorting to rapid screening tests (using blood samples) at these containment zones to arrest the spread of the virus. A quick review shows that most states are testing between 600 and 1,500 people per day, and have already requisitioned 50,000 to 100,000 testing kits. At the central level, around 700,000 rapid test kits are expected to arrive around April 10 and the major testing ramp up would have to wait till then.

Rapid tests use blood samples to look for antibodies that react to coronavirus protein and give results within minutes. These have to be followed up with conventional the polymerase chain reaction (PCR) tests that take a few hours to deliver results. But the availability of diagnostic kits is a growing concern. Protective personal equipment (PPE) worn by the health care workers is in short supply, too. India is roughly testing 20,000 samples per day and the plan is to scale this up to 100,000 samples per day within the next few weeks. A public health expert said India needs to test at least 130 million people, which is only 10 per cent of its population, to control community spread of the disease. These look like very steep targets at the moment. Maharashtra said on Wednesday it was running out of PPE kits and the Brihanmumbai Municipal Corporation (BMC) is now aiming to procure 35,000 PPE kits every week. So far, around 12,000 PPEs have been air-lifted and 30,000 or so are on their way. BMC has also ordered 50,000 rapid testing kits. The BMC has said the outbreak here has reached the community transmission stage, as fresh cases



Throat swab collection demonstration at KIMS Hospital in Karnataka's Hubballi on Wednesday PHOTO: PTI

are neither contacts of patients nor do they have any travel history. Worli, Prabhadevi, and Lower Parel are among the worst affected, apart from Dharavi. More than 50 health care workers have been detected Covid-19 positive in the city. On an average, Mumbai is now testing 890 people per million. This, according to the BMC, is better than the national capital, which is testing 96 people per million. Private labs here have been asked to conduct 25 tests for free per day. Delhi has requisitioned 100,000 rapid testing kits and has received many kits from ICMR recently. Uttar Pradesh (UP), which is sealing off 15 of its worst-affected districts, is gearing up to double the daily testing of suspected cases to 1,500 from Thursday. Apart from the districts where Covid-19 patients have been identified, the state will now

conduct tests in the remaining districts as well to minimise possibility of spread of the pandemic, UP medical, health and family welfare principal secretary Amit Mohan Prasad said on Wednesday. The state will also collect samples of people with symptoms of respiratory illness or influenza. A tender to procure rapid test kits will be opened on April 11. "These antibody testing would be used on health workers and at the quarantine facilities, since the UP coronavirus curve has started to flatten. It is time to go for aggressive testing to further rule out the possibility of positive cases," added Prasad. Meanwhile, the state government will expand the current testing facilities from 10 to 24 district hospitals and medical colleges in the coming weeks. Besides, all the 75 districts in UP will be equipped with coronavirus sample collection centres.

**Damani beats Covid-19 crisis, net worth up 11%**

P R SANJAI & ANTO ANTONY  
8 April

The Indian tycoon whose net worth surged the most among peers as the deadly coronavirus roils markets worldwide can thank nation's hoarders with millions scrambling to stock up on staples amid the world's biggest isolation effort.

The net worth of Radhakishan Damani, who controls Avenue Supermarts, has surged almost 11 per cent this year to \$10.7 billion, singling him out as the billionaire with most gains among the 12 richest Indians whose wealth is tracked by the Bloomberg Billionaires Index.

Shares of Avenue Supermarts, which contribute nearly all of the wealth to Damani's net worth, have advanced 24 per cent this year.

Damani, who was raised in a one-room apartment in a Mumbai tenement block, has seen his wealth swell at a time when a stocks rout has shaved more than a quarter off the net worth of his billionaire compatriots Mukesh



Radhakishan Damani controls Avenue Supermarts

Ambani and Uday Kotak on fears that the pandemic will gut economic growth. Damani's supermarket chain, known for its thrifty cost structure, gained from panic buying of household essentials after India decided to place its 1.3 billion people under a three-week lockdown last month.

"People have been buying in panic and hoarding during the lockdown that drove the sales, making the com-

pany's share a perfect hedge amid rout," Arun Kejriwal, director at Kris, an investment advisory firm in Mumbai. "Their unique no-frills model and also choosing to operate from locations outside malls, will help them to tide over the situation."

Cyrus S Poonawalla, who founded the vaccine manufacturer — Serum Institute of India — was the only other Indian tycoon among the 12 whose

wealth rose in 2020. Poonawalla saw his net worth rise by 2.6 per cent to \$8.9 billion this year, according to the Billionaires Index.

The low-cost model will hold Avenue Supermarts' D-Mart stores in good stead even after the panic hoarding for staples cools down once the lockdown is lifted. The supermarket chain makes money by giving customers fewer choices of no-frills prod-

**WINNERS AND LOSERS THIS YEAR SO FAR**

Net worth (\$ bn)	YTD change (%)
Mukesh Ambani	44.2 -24.6
Azim Premji	14.7 -19.9
Shiv Nadar	12.3 -21.7
Radhakishan Damani	10.7 10.7
Uday Kotak	10.1 -31.8
Lakshmi Mittal	9.3 -29.4
Cyrus Poonawalla	8.9 2.6
Sunil Mittal	7.6 -4.6
Gautam Adani	6.8 -39.9
Dilip Shanghvi	6.8 -9.4

Compiled by BS Research Bureau Source: Bloomberg (RICH)

ucts, negotiating hard with its vendors and avoiding any advertising expense. D-Mart's rivals have not benefited as much under the same circumstances.

Future Group, which runs India's second-largest retail chain by revenue and has over 1,300 stores across the country, saw shares of its publicly-traded retail unit nosedive 80 per cent this year amid mounting debt woes.

Avenue Supermarts' and Damani's prospects are bright as long as the supply chain for India's fast-moving consumer goods is not disrupted. With trucks coming to a near-standstill, any extension of the lockdown can potentially empty out D-Mart's shelves.

For now, Damani's stores are managing to refill their racks.

There are very few listed retailers that are better placed than Avenue Supermarts to offer "a hedge in this crisis," said Vikraman P N of Finnoviti Consulting. "They cater to the rising demand for consumer staples and they have used their cash flows over the years to invest in a robust supply chain." BLOOMBERG

**Pharma market grows 9% due to panic buying**

Cardio-diabetic and respiratory segments clock robust growth

SOHINI DAS  
Mumbai, 8 April

Despite a nationwide lockdown that disrupted the distribution of drugs across the country and fresh prescription generation, pharmaceutical sales in March registered an 8.9 per cent growth. This was primarily on account of panic buying of medicines in the chronic categories.

Cardiac therapy drugs, for example, saw a 19.8 per cent growth compared to 11 per cent in February, anti-diabetic therapy, too, saw a strong growth of 18.2 per cent in March, compared to 11 per cent the previous month. With the coronavirus disease (Covid-19) outbreak, sales of respiratory medicines too saw a sharp spike at around 23 per cent.

However, some therapy areas that are driven primarily by fresh prescriptions, like dermatology, gynaecology, vaccines, have seen a dip in sales. Some other chronic therapies like gastrointestinal, pain and analgesics, and vitamins have seen low single-digit growth rates. The cardio-diabetic division head of a Mumbai-based pharmaceutical major said distribution was a major challenge.

"Our sales have been approximately 80-85 per cent of what we would usually sell in a month. This was because stockists and distribu-

**TOP THERAPIES IN MARCH**

Growth rate (%)
Respiratory 22.9
Cardiac 19.8
Anti-diabetic 18.2
Urology 10.5
Anti-infectives 10.2

Source: AIOCD AWACS

Some therapy areas that are driven primarily by fresh prescriptions, like dermatology, gynaecology, vaccines, have seen a dip in sales

tors were unable to take our products due to the logistical crisis on account of the lockdown. The C&F (clearing and forwarding) agents requested that we do not push products as movement from warehouses was difficult," he explained.

Despite this, because of panic buying in the chronic category, the cardio-diabetic division has seen good traction as patients stocked up. He added that medical representatives were not allowed in hospitals for almost the entirety of March and the lockdown eventually stopped all movement of the sales force. As for corporate firms, Ipca saw a

20.9 per cent growth in March, followed by Torrent and Ajanta Pharma at 16.2 per cent and 15.2 per cent, respectively.

Wockhardt, which banks primarily on acute therapy medicines, and Biocon saw reduction in sales.

In February, the domestic pharma market recovered from single-digit growth to a 12.1 per cent growth riding on higher demand for respiratory medicines as well as antibiotics. In fact, in February eight of the top 10 therapies in the domestic market registered a growth of over 10 per cent.

On a moving annual turnover basis, the Indian pharma market clocked a 9.8 per cent growth to ₹1.43 trillion as of March.

**Godrej finishes Q4 on a strong note on launches**

RAM PRASAD SAHU  
Mumbai, 8 April

Godrej Properties has posted another quarter of strong volumes, even as the sector battles slowing sales and delays in construction. The company reported its best-ever quarterly sales figures, both by volume and value. Bookings in the March quarter, at ₹2,380 crore, were up 100 per cent sequentially and 10 per cent year-on-year (YoY).

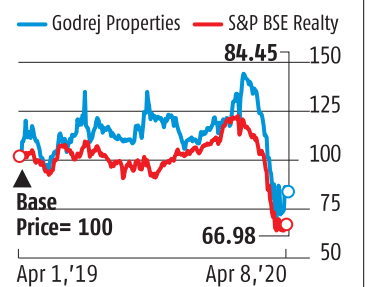
Murtuza Arsiwalla and Samrat Verma of Kotak Institutional Equities say strong business development remains the forte of Godrej Properties, which added five projects in the quarter, taking the total project addition in FY20 to 10.

Among the 3,000 homes sold, 500 were in the second half of March (including the lockdown period), given the company's focus on digital sales tools. Residential sales in FY20 rose 14 per cent YoY to ₹5,840 crore, to 7,300 homes.

Parvez Akhtar Qazi and Akash Damani of Edelweiss Securities say digital channels have provided a ray of hope amid a dip in site visits by consumers. Companies like Godrej Properties are enabling digital site tours and email document verification, which has led to online closure of deals. Oberoi Realty and Hiranandani group also said they have done a few deals online.

While Godrej Properties has been able to notch up higher sales, the slowdown has had an impact on peers such as Sobha. The Bengaluru firm reported sales of 900,000 square feet for Q4 — down 20 per cent YoY. Launches in FY20, too,

**HIGHEST QUARTERLY SALES**



were weak, with only 1.6 million sq. ft of sales, compared to a target of 3.5 million sq. ft. Sobha, too, launched an online sales platform, on which it offered cashbacks and was able to register sales towards end of March.

The Godrej stock has risen 13 per cent in the last three sessions, vis-à-vis the BSE Realty's 3.5 per cent gain.

Besides consistent volume growth over the last few years, another factor working in favour has been the expected consolidation in the sector. Analysts say developers may have to take a hit on cash flows, as construction is on hold.

Therefore, developers such as Godrej will be able to expand operations and gain market share. Edelweiss Securities believes the firm is best placed, given its strong brand reputation and low leverage.

In an investor update on Monday, the firm said: "While the start of FY21 may be muted given the lockdown and subsequent economic toll due to postponement of economic activity, the company's healthy balance sheet and project pipeline will help maintain operational momentum."

**Down South, many states have adopted a kiosk approach to collect samples, like in Tamil Nadu, Kerala, and Karnataka**

Down South, many states have adopted a kiosk approach to collect samples, like Tamil Nadu, Kerala, and Karnataka. So far, Tamil Nadu has ordered 100,000 rapid testing kits from China, which will reach the state on April 9. Testing would begin around April 10. As on April 7, Tamil Nadu had around 14,000 test kits from the National Institute of Virology, Pune. Tamil Nadu has tested a little over 6,000 samples till Wednesday. It is doubling the number of testing facilities from the current 19.

A walk-in sample kiosk has been set up at a government hospital in Tiruppur, in line with those installed in South Korea. In these sterile cabins, throat swabs can be taken from patients standing outside the cabin. This helps in collecting more samples in less time. It also reduces the requirement for PPE kits. Similar arrangements have been made at Kerala's Ernakulam.

Kerala received its first set of 1,000 PCR test kits from Pune-based MyLab. It was ordered by Thiruvananthapuram MP Shashi Tharoor. The state is waiting for the rapid test kits now. Kerala is buying 100,000 rapid test kits from China. Of this, 25,000 kits have been delayed due to clearance of ships in China. Kerala CM Pinarayi Vijayan has said there is no scarcity of test kits. The state will get 20,000 kits from ICMR by Thursday.

Karnataka, too, is in the process to procure 100,000 antibody test kits from a Singapore firm and aims to ramp up testing from 600-800 per day. K Sudhakar, the state's medical education minister, who is the official in-charge for all Covid-19-related matters in the state, has said these test kits would be used in red zones and also for some random testing to check community transmission. Karnataka is also in the process of procuring one million PPE kits for the safety of health care professionals.

Andhra, too, has ordered 100,000 rapid antibody test kits to pro-actively screen high-risk groups. It has expanded the testing capacity to 5,000-6,000 samples per day. Symptomatic survey is being conducted on people above 60 years, health workers

and high-risk patients. The department is planning to conduct tests on 1,800-2,000 from these groups. Besides this, about 1,000 blood samples were collected from clusters where infective cases had been reported recently. The health department has stocked up 2 million tablets of hydroxychloroquine and 1.4 million tablets of azithromycin for a possible treatment of the coronavirus infection. The government has already placed orders for 2 million PPEs and 1.4 million N-95 masks for medical staff dealing with coronavirus cases in the state.

The Andhra Pradesh MedTech Zone has started manufacturing 2,000 testing kits per day. The capacity will be increased to 25,000 per day. Telangana, however, has taken a different route. Unlike in other states, the Telangana government decided against using rapid testing. It thinks conventional testing is a must to confirm the cases. About 200,000 conventional testing kits, 500,000 PPEs, 500,000 N-95 masks, 2.5 million regular masks and 2.5 million surgical gloves have been ordered here. The government is distributing 5,000-10,000 PPEs a day to hospitals dealing with coronavirus cases.

Gujarat has requisitioned an additional 50,000 kits from ICMR even as plans are afoot to ramp up daily testing to over 1,000 in newer containment zones being identified. According to the Gujarat government's health officials, the ICMR has so far supplied 17,000 RT-PCR kits to six public hospitals.

"At our six locations, we have a daily testing capacity of 1,500. Private labs in the state can do another 600-700 tests daily. Currently, 600-700 tests per day are being done," said an official.

West Bengal has been relatively tight-lipped. It has identified seven clusters where rapid testing would be conducted. There are 30 NABL-accredited labs in the state to conduct such tests.

Inputs from Virendra Singh Rawat, Dasarath Reddy, Gireesh Babu, Samreen Ahmad, Vinay Umarji, Avishek Rakshit & Sohini Das