

## The Vaccine Sprint

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Self-certified vaccine efficacy based on alarmingly low numbers of trials are in spotlight as the top three in the race for the world's first Covid-19 vaccine - Pfizer, Moderna and Gamaleya - all claimed more than 90 per cent efficacy. Even though they had tested the vaccine on barely 120, 95 and 20 patients only. First Pfizer's claim of 90 per cent efficacy was countered days later by Gamaleya's 92 per cent followed by Moderna's 94.5 per cent. Until Pfizer revised its claim to 95 per cent, as high as the most powerful vaccine on the planet - Measles.

But the world's toughest drug regulators under whose watch the new vaccines are being readied stayed mute witness to the bombastic game of one-upmanship the three firms engaged in to prove that their vaccine was better than the others. It sent Moderna and Pfizer's share price sky-rocketing and the world's stock markets into a tizzy. Since final efficacy approved by the regulator may be lower - or vastly lower - than these early numbers, the world's drug regulators have fallen short on their moral responsibility to prevent gullible investors and patients from falling prey to self-certified efficacy.

In stark contrast to the mayhem around the world, India's top three candidates - Serum-Oxford, Bharat Biotech and Zydus Cadila continued their scientific pursuits unobtrusively (the fourth, DRL-Gamaleya, just started India trials). At least 16 more vaccines are under development at home. Of that four are by Serum, two by Bharat Biotech and one each by Zydus, Aurobindo and [Reliance Life Sciences](#) among others. The top three target launching the products in the first quarter of the next calendar which is not too far from their global counterparts' plans.

Just as discreetly as Indian developers have pursued their vaccine objective, India's drug developers must make the most of the new geo-pharma relationships, new collaborations between research labs, pharma firms and marketers; and learnings of accelerated vaccine development to blaze a trail in the new drug discovery and research. After all, the world of drug and vaccine development is being reset. We need to be prepared to make the most of it. Just how? Read PB Jayakumar and Joe C. Mathew's account on page 16, followed by a fascinating blow by blow account of how India's vaccines are being put together.

Meanwhile, one of India's biggest financial services firms - LIC of India - is readying for an IPO. But the government-owned unlisted firm's valuation poses enormous challenges. Not just due to legacy assets but also because of its quasi-sovereign status and as the lender of last resort for failed companies. It also has relatively high cost of operations due to agents' network and high commissions. Anand Adhikari explains how LIC can be valued.

Stock markets have hit new highs in recent weeks as reopening of the economy has kick started economic activity while a Covid vaccine is likely to be ready in the next couple of months. The world's central banks have pushed substantial liquidity into the economies and with higher savings induced by economic uncertainty, retail investors have rushed into the markets. This has had stock markets indices record multiple new peaks in recent times. But investors need to watch out! Most investment is going into safe haven stocks and bets on sectors need to be cautious and well thought out.