KOLKATA, THURSDAY, APRIL 30, 2020

EDITORIAL Corona attacks many sites in the body, making treatment that much more difficult

COMPANIES, P4 **MORE TURBULENCE**

SpiceJet's pilots to go without pay in April, May



INTERNATIONAL, P8

'FREE AMERICA NOW' Musk presses for US to reopen ahead of Tesla earnings report



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CENTRE CLEARS WAY

23L migrants can now go home

Some corona curbs eased; inter-state movement of tourists, students also allowed

FE BUREAU New Delhi, April 29

CLOSE TO 23 LAKH stranded migrant workers can heave a sigh of relief as the Centre on Wednesday allowed their interstate movement with some riders. The window has also been provided to pilgrims, tourists, students and other persons stranded in different parts of the country, subject to the mutual agreement of the sending and the receiving state.

All those who want to move, however, will be medically screened both at the source and the destination and kept in the home quarantine to keep a tab on them or in the institutional quarantine, if required.

"In case a group of stranded persons wish to move between one state/UT and another state/UT, the sending and receiving states may consult each other and mutually agree to the movement by road. The moving person(s) would be screened and those found asymptomatic would be allowed to proceed," said a ministry of home affairs (MHA) order.

Buses shall be used for transport of group of persons. The buses will be sanitised and shall follow safe social distancing norms in seating. The states/UTs

Stranded students leave in a UP government bus for their native places, in Prayagraj on Wednesday

COVID-19 UPDATE 32,863

falling on the transit route will allow the passage of such persons to the receiving state.

On arrival at their destination, such persons would be assessed by the local health authorities and kept in home quarantine, unless the assessment requires keeping the persons in institutional quarantine. Theywould be kept underwatch with periodic health check-ups.

Continued on Page 2

As cases grow, spotlight on 4 states and 4 cities

KAUNAIN SHERIFF M New Delhi, April 29

WHILE THE NOVEL coronavirus epidemic has spread to almost every corner of the country, it is the rapid rise of infections in some very specific areas that is giving the worst headache to the government and healthcare professionals. Almost two months after the outbreak began in India, these areas are now very well defined, and are critical to India's success in containment of the epidemic.

Four states, Maharashtra,

Gujarat, Madhya Pradesh, and the national capital region (NCR), accounted for nearly 60% of the national case load in the last one week (till Tuesday). Within these four areas, it is four specific cities — Mumbai, Delhi, Ahmedabad and Indore — that are driving the growth in cases.

In the last week, at least six out of every 10 cases in Maharashtra, Gujarat and Madhya Pradesh came from Mumbai, Ahmedabad and Indore respectively.

Continued on Page 2

Lockdown in Punjab for 2 more weeks

KANCHAN VASDEV & ATRI MITR Chandigarh/Kolkata, April 29

DAYS BEFORETHE nationwide lockdown is scheduled to end on May 3, Punjab on Wednesday became the first state to announce a two-week extension (till May 17), but said restrictions will be eased for four hours daily, from 7 am to 11 am, with effect from Thursday.

Continued on Page 2

THIRD-DAY RALLY

Markets maintain forward march

URVASHI VALECHA Mumbai, April 29

the third straight session on Wednesday with the sentiment firming up in sync with global cues. The benchmarks put on close to 1.85% to end the session at seven-week highs and are now up by about 25-26% from their March 23 lows.

Interestingly, foreign portfolio investors (FPI), who were big sellers in March pulling out more than \$8 billion, and have offloaded shares for most of April, turned buyers picking up some \$50 million

US'National Institute of Allergy and Infectious Diseases looked at whether Gilead's Remdesivir helped people with Covid-19 recover faster than without it. Details are expected to be released later, the company said in a statement. Gilead shares jumped 7.1%

US drugmaker

improvement

New York/London, April 29

GILEAD SCIENCES' experi-

mental drug to treat coron-

avirus helped patients recover

faster than standard care, the

company said, offering hope

for what could be the first

effective treatment for the ill-

ness that has swept the world.

A trial being run by the

trials show

TIMOTHY ANNETT

& JOHN LAUERMAN

says Remdesivir

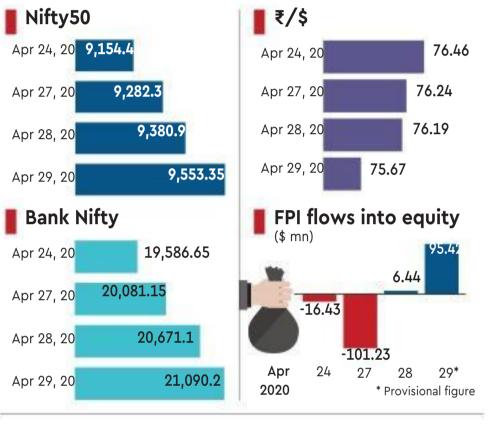
in trading Wednesday. The news appeared to lift the entire US stock market as well, with the S&P 500 rising 1.7% despite data showing a deep contraction in the US economy in the first quarter of the year.

Remdesivir has been one of the most-watched potential coronavirus therapies. Without a vaccine available, governments are seeking a therapy that can help patients recover faster and reduce the risk posed by the virus, which in patients with the most severe cases can lead to respiratory failure and death.

Continued on Page 2

worth of stocks. Though bankers are putting aside provisions for **INDIAN EQUITIES GAINED** for the disruption due to the pandemic and forecasting slow growth in 2020-21, banking stocks have done well; the Bank Nifty surging 22.18%

> since March 23. Ahead of the monthly expiry for derivatives on Thursday, the turnover in the F&O segment of the NSE was a decent ₹11.78 lakh crore compared with the six-month daily average of ₹14.42 lakh crore. Cash market volumes were high at ₹50,396 crore compared with the six-month daily average of ₹39,134 crore.

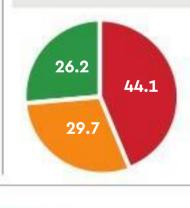


LIMITED **GREENS**

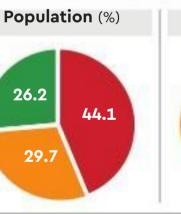
economic activity (19.4% of the country's total) and even less when it comes to credit disbursed (5.9%)

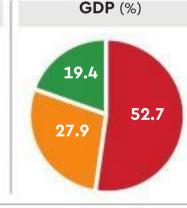
While it seems clear only the 'green zones' will be opened up soon, these account for a small fraction of

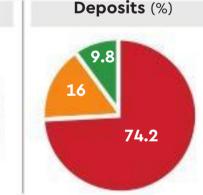
Districts Total: 736 223 309

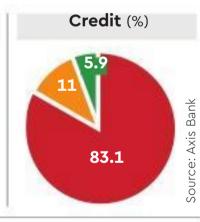


(Very little activity in green zones) A Red Orange Green









US economy shrank 4.8% last quarter, with worst yet to come

THE US ECONOMY shrank at a 4.8% annual rate last quarter as the coronavirus pandemic shut down much of the country and began triggering a recession that will end the longest expansion on record.

Yet the drop in the January-March quarter will be only a precursor of a far grimmer report to come on the current April-June period, with business shutdowns and layoffs striking with devastating force.

■ Report on Page 8

IN THE WORKS

Glaxo plans sale of \$3.7-bn HUL stake

BAIJU KALESH & ANTO ANTONY Mumbai, April 29

GLAXOSMITHKLINE (GSK) IS preparing to start a sale of its \$3.7-billion stake in Unilever's listed India unit, according to people familiar with the matter.

Glaxo plans to offload part or all of its 5.7% holding in Hindustan Unilever (HUL) through a series of block trades, which could start as soon as the next few days, according to the people. The company is in discussions with advisers on when to launch the transactions, the people said, asking not to be identified because the information is private.

EXIT PLANS

■ To do it through a series

■ In December 2018, HUL said

■ Agreed to pay \$3.6 billion in cash and shares for acquisition

Continued on Page 2

Digital Banking

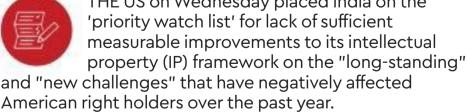
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in our DNA: Dell's Alok Ohrie Businesses which are agile,

responsive and are able to address changing needs of customers will thrive in these unpredictable times, says Dell's Alok Ohrie ■eFE, P9

QuickPicks

US places India on 'priority watch list' for IP protection THE US on Wednesday placed India on the



Come to office after checking on Aarogya Setu: Govt to employees THE CENTRE on Wednesday directed its 48.34

lakh employees to download 'Aarogya Setu' mobile app "immediately" and report to office only when it shows "safe" status for commuting, reports **PTI**. The application developed by the government helps people to assess themselves on the risk of them contracting the coronavirus infection.

Nirav Modi set for remote extradition trial from May 11

THE FIVE-DAY extradition trial of fugitive diamond merchant Nirav Modi will begin from May 11 in a part-remote setting, a UK court has ordered, amid the restrictions and social distancing measures put in place to contain the coronavirus spread, reports PTI. Modi is fighting his extradition to India over the nearly \$2-billion PNB fraud and money laundering case. **PAGE 5**

Special Feature

Flexible working

borrowed by banks so far

FE BUREAU Mumbai, April 29

EVEN AS THE corporate bond markets grapple with illiquidity, banks have so far borrowed ₹4,000 crore from the ₹50,000-crore corpus meant for loans to mutual funds (MFs) or purchases of bonds from their portfolios. On Monday, the Reserve

SPECIAL LIQUIDITY

RBI fund for

MFs: ₹4k cr

Bank of India (RBI) opened a special liquidity window to loan money to banks that could be used to help MFs tide over redemption pressures. The window was announced after the markets were roiled by news, last Thursday, of Franklin Templeton MF winding up six of its debt funds amid mounting redemptions. It will remain open till May 11.

So far, only large stateowned banks are understood to have used the window. That's because only borrowers that have excess government securities — over and above needed to maintain the statutory liquidity ratio — can access the funds." It's public sector banks that have that kind of liquidity," a market watcher explained.

Banks parked excess liquidityworth ₹7.57 lakh crore with RBI on Tuesday.

Continued on Page 2

I-T REFUND

SC junks Vodafone's ₹4,761-cr demand; co to get only ₹733 cr

FE BUREAU New Delhi, April 29

VODAFONE IDEA SUFFERED a setback on Wednesday when the Supreme Court dismissed its plea for a tax refund of around ₹4,761 crore pertaining to assessment years 2014-15 till 2017-18.

However, the apex court granted it a partial relief by directing the income tax department to refund an amount of ₹733 crore within four weeks. This amount pertains to the assessment year 2014-15.

The IT department has still not completed the scrutiny of the other assessment years

Refunds claimed by Vodafone Idea (₹ crore) 1,532 1,356 1,128 2014-15 2015-16 2016-17 2017-18

and the court said that it is well within its right under section 241 A to complete it within the time period which is before it. The scrutiny of other assessment years is still

not over and therefore the court directed the IT department to complete it within the stipulated time period.

Continued on Page 2

■ Glaxo plans to offload part or all of its 5.7% holding in HUL

food drinks brands

of block trades it would **buy GSK's health**

The drugmaker received the stake, valued at \$3.7 billion as of Wednesday, as part of the payment for the sale of a portfolio of assets that was completed this month.

POST-RIL DEAL

Facebook-owned WhatsApp eyeing India's loan market **SHRITAMA BOSE**

Mumbai, April 29

WHATSAPPIS EYEING the loan market in India, according to the objectives of operations stated in the memorandum of association (MoA) of its local entity. The Facebook-owned com-

pany has altered its memorandum of association (MoA) to

include an enabling clause to this effect, filings with the ministry of corporate affairs (MCA) reveal

The intention to foray into the lending business is interesting, given its parent Facebook announced on April 21, the acquisition of a 9.9% stake in Jio Platforms owned by Reliance Industries.

Continued on Page 2

IN MEMORIAM

Chaliye, baat karte hain: The actor who came home with us

SHUBHRA GUPTA New Delhi, April 29

you never, ever want to write. This is one of them. We knew that Irrfan Khan, one of the best actors the world has been privileged to watch, was struggling with a debilitating disease. We knew he was gravely ill. But we also believed that he would rise and shine again, because, how could he not? How could he leave us, this

enormously talented human,

THERE ARE SOME obituaries



so enriched our inner lives? Irrfan, who passed away on

who with his fine body of work

Wednesday morning at the age of 53, was not just a brilliant actor who dissolved into his part, leaving no residue behind. He also managed to walk off the screen, and come home with us. He made space for himself in our hearts, nestled in unexpected corners, and popped up once in a while, for a chat. Which he would begin, with that characteristic hooded-eyed smile: *Chaliye* baat karte hain. From the very first glimpse

we had of him, in Shyam Benegal's teleserial Bharat Ek Khoj, we knew we were in the presence of someone truly special. He went on to become an integral part of some of Indian TV's most popular serials (Zee's Banegi Apni Baat, Doordarshan's drakanta, and Star TV's Bestsellers), but his heart was always set on cinema.

Continued on Page 2

financiale



RECOVERY RATE

Amitabh Kant @amitabhk87

Happy to note that with 7700 + recoveries, our COVID-19 recovery rate has improved. It was 15% on 19 April, 19.2% on 26 April and 24.56% today.

Quick View

ADB gives \$346-m loan to Maharashtra

The Asian Development Bank (ADB) on Wednesday said it has approved a \$346 million (around Rs 2,616 crore) loan to Indian government to provide reliable power connection in rural areas of Maharashtra. The loan will support the state government's high voltage distribution system programme for new gridconnected rural agricultural customers

Rajiv Kumar is **PESB** chief

across the state.

FORMER FINANCE SECRETARY Rajiv Kumar was on Wednesday appointed chairperson of the Public Enterprises Selection Board (PESB), the government's headhunter for top level posts in PSUs.

COVID-19 IMPACT

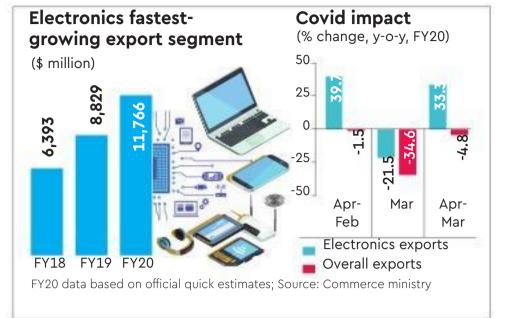
Electronics exports collapse after sustained surge

BANIKINKAR PATTANAYAK New Delhi, April 29

ELECTRONICS, WHICH HAD emerged as the fastest-growing export segment in recent years, witnessed a sharp 22% contraction, year on year, in March, as the impact of the pandemic started to bite

Industry executives say the slump in electronics could only deepen in the first quarter of this fiscal, mainly due to the lockdown, and further accelerate a slide in the overall merchandise exports.

Up to February last fiscal, electronics exports had defied the general trend of contraction in overall merchandise shipments and had grown by a robust 40%. So despite the sharp fall in March, electronics exports ended the last fiscal with a 33% surge from a year before to a record \$11.8 billion, according to the "quick estimates" of the commerce ministry.



Of course, as industry executives have pointed out, the outbound shipments of such items are still well below potential and make up for roughly 1% of the global exports and the growth. Nevertheless, given that massive electronics imports and their debilitating impact on trade balance had long pressured the country's current account, a

spurt in such exports had come

as a relief to policy-makers in

recent years.

Having jumped 39% yearon-year to a record \$8.8 billion in FY19, electronics exports surged 33% in the last fiscal, according to the "quick estimates".In contrast, total goods exports contracted by 4.8% in FY20, partly because of a massive 35% slide in March.

Importantly, electronics imports — the largest contributor to the country's trade ${\it deficit\ after\ petroleum-lost}$

some pace in the last fiscal, albeit on a high base, and dropped 5% to almost \$55 bil-

Exports of telecom instruments, including mobile phones, jumped almost 125% to \$2.7 billion until January (up to which latest "provisional" segregated data are available), while electronics instruments saw an 23% rise to \$2.5 billion

— albeit on low bases. A senior government official had earlier described as a success story of Make in India, as local assembly/production had gone up, leading to higher exports. However, this success story has now been threatened by the pandemic.

Analysts have pointed out that the nature of electronics imports, especially in the mobile phone segment, is changing. Purchases of components from overseas for local assembly/manufacturing are rising at a faster pace than those of completely-built units (CBUs).

MeitY seeks phased opening of electronics repair, sale shops

FE BUREAU New Delhi, April 29

THE MINISTRY OF electronics and IT (MeitY) has approached the ministry of home affairs (MHA) on the electronics industry's demand of including mobiles and ICT products in the essential list as well as a phased opening, beginning with green zones, of shops selling and repairing handsets, laptops and accessories.

IT minister Ravi Shankar Prasad on Wednesday held a video conferencing session with electronics industry deliberating on the scenario arising out of the novel corona virus (Covid-19) outbreak and the lockdown.

Discussions were also held on how India can leverage the current situation to boost its electronics manufacturing sector and become an export destination on the lines of China and Vietnam. It was attended by more than 150 industry leaders and association leaders.

Industry again urged the government to include mobiles, laptops and acces-

sories in the essential list and allow phased opening of repair and sale shops, beginning from the green zone (areas where at present there is no Covid-19 positive cases).

MAIT president George Paul told FE, "On matter relating to declaring ICT products and mobile phones as essential commodity, the minister said that his ministry has approached the government (MHA) and they will keep following it up".

MAIT suggested that the government can take a phased

Surat migrant workers desperate to return

approach, where retail is opened in semi-urban areas and towns, and e-commerce can cater to metros. Enterprise ICT sector, which caters to data centres and control rooms, can be opened up fully as it has limited public interface and will not compromise the fight against Covid-19, he added.

"We emphasised and it was endorsed by the minister that it is India's time to seize the opportunity for electronic manufacturing. MAIT strongly recommended for 6% production linked incentive (PLI) to all electronics categories to attract migrating ships of manufacturing leaving China to India's shores," Paul said.

IT ministry said that Prasad urged the industry to rise to this occasion and take advantage of opportunities arising due to changes in global supply chains. He laid special empha sis on medical electronics in view of the rising demand for medical equipment, adding that post Covid-19 world over, the demand for such equipment will increase as countries will improve their medical

infrastructure.

₹111L-cr infra investment road map

FE BUREAU New Delhi, April 29

A GOVERNMENT TASK force on Wednesday firmed up a road map for capital investments of ₹111 lakh crore in infrastructure over six years through FY25, pledging 71% of the expenditure for energy, roads, urban development and railways, and envisaging a key role for private investors.

nomic affairs secretary Atanu

The task force under eco-

Chakraborty submitted its final report on the "national infrastructure pipeline" (NIP) to finance minister Nirmala Sitharaman.

According to an official statement, of the total expected capital expenditure of Rs 111 lakh crore, projects worth Rs 44 lakh crore (40% of NIP) are under implementation, projects worth Rs 33 lakh crore (30%) are at the conceptual stage and those worth Rs 22 lakh crore (20%) are under development. Information regarding the stage of certain projects worth ₹11 lakh crore (10%) are unavailable at the moment. The highest investments are proposed for the energy sector (24%), followed by roads (18%), urban development (17%) and railways (12%). The Centre (39%) and the states (40%) are expected to have almost equal share in implementing the infrastructure pipeline, followed by the

Advisory to protect interest of homebuyers, realty sector

From the Front Page

FE BUREAU New Delhi, April 29

THE MINISTRY OF housing and urban development (MoHUA) will soon issue an advisory to state governments and respective RERA authorities on the measures required to protect the interest of homebuyers as well as the real estate sector.

Wednesday at a meeting of the Central Advisory Council (CAC), which is constituted under provisions of Real Estate (Regulation and Development) Act, 2016 (RERA).

The meeting was held to discuss impact of Covid-19 and the consequent nationwide lockdown on real estate sector and to treat it as an event of 'Force Majeure' under the provisions of RERA.

FE BUREAU portation arrangements for

Ahmedabad, April 29

IN ANTICIPATION OF continuation of the lockdown in Surat, coupled with increasing cases of Covid-19, lakhs of migrant workers employed in the textile and diamond units situated in and around the city have become desperate to go back to their native places. As a result, local industries

associations have requested authorities to make transworkers so that they can safely reach to their home states. Surat district collector

Dhaval Patel has given permission for a few buses to ferry labourers to their home states. "We have decided to give each worker ₹1,000 and dry snacks once they board buses. Industry leaders have met police officers and appraise them about the ground reality and the problem being faced by labourers," said Jitendra

South Gujarat Textile Processors Association, adding that there is no hope of recommencement of work in near future.

The Surat Diamond Asso-

Vakharia, president of the

ciation has also made representations to district administration, local MLAs and even the state government to make arrangements for workers, said Babubhai Kathiria, president of the association.

private sector (21%). The decision was made on

Glaxo plans sale of \$3.7-billion **HUL** stake

IN DECEMBER 2018, Unilever said it would acquire the health food drinks brands of Glaxo in India and Bangladesh and other markets for €3.3 billion (\$3.6 billion) in cash and shares in Hindustan Unilever. As part of the transaction, Glaxo would receive a 5.7% stake in the Indian unit.

No final decision has been taken on the timing of the proposed trades, and Glaxo could decide to postpone the sale depending on market conditions and investor demand, the people said.

A representative for Glaxo declined to comment. A representative for Hindustan Unilever didn't immediately respond to emails and phone calls seeking comment.

-BLOOMBERG

RBI corpus for MFs: ₹4k crore borrowed by banks

MEANWHILE, MUTUAL funds are believed to be selling perpetual bonds in the secondary market, readying themselves for redemption pressures. These are being bought, market watchers said, by private sector banks. The yields range anywhere between 8.72% and 16.55%, data on NSE show. Perpetual bonds are debt instruments that do not have a fixed maturity date. According to data available on NSE, perpetual bonds of State Bank of India, Bank of Baroda, Axis Bank, HDFC Bank, Punjab National Bank, Canara Bank, Punjab and Sind Bank, Andhra Bank, Indus Ind Bank and Union Bank of India were traded. The yields on these trades varied between 8.72% and over 16%. Perpetual bonds of IndusInd banktraded at 16.55%, the NSE data show.

Facebook-owned WhatsApp eyeing India's loan

market THE ALLIANCE is expected to speed up Whats App's entry into

financialexp.

the payments market delayed by regulatory hurdles.

base in India gives WhatsApp a readymade customer franchise. The company has made it clear it "shall not to do any banking business within the meaning of Banking Regulation Act, 1949," suggesting it would team up with existing lenders. "To advance money or give credit on such terms as may seem expedient, and with or without security, to customers and others,...' the filing said. So far, payment players like

PayU India have opted for the non-banking finance company route to enter the lending business. The emergence of alternative methods of credit-scoring has also enabled non-financial businesses such as Ola, Xiaomi and Flipkart to consider an entry into the credit market. These consumer firms have an existing ecosystem of drivers, sellers and dealerships who they can lend to at a minimal operating cost.

The \$5.7-billion Facebook-Jio deal places the neighbourhood kirana store at the centre of its strategy providing a catchment. Analysts at Citi Research noted that a key element of RIL's new commerce plans is to drive digitisation of mom-and-pop retailers."Whilst still early days, the broad reach that WhatsApp enjoys in India could help towards scaling up of this business," they observed.

US drugmaker says Remdesivir trials show

improvement MULTIPLE TRIALS of the drug

are being conducted, and it remains to be seen how much it helped patients. The trial measured how quickly patients no longer needed supplemental oxygen therapy or were discharged from the hospital. It's not known yet how large the effect of the Gilead drug was on the patients, and if it will make a meaningful difference in their

The trial, run by the National Institutes of Health, aimed to sign up about 800 patients to test the drug and give a definitive answer as to whether it can help treat the illness. A NIAID representative

declined to comment. Gilead released more

It's 400-million strong user detailed results from another study the company has been conducting, comparing a fiveday and 10-day course of the drug, but without a placebo group. The study showed both groups did about the same, suggesting that a shorter course of the drug might be about as effective as a long one. Results of the study weren't statistically significant.

The five-day regimen "could significantly expand the number of patients who could be treated with our current supply of remdesivir," said Merdad Parsey, Gilead's chief medical officer.

—BLOOMBERG

Lockdown in Punjab for two more weeks

THE STATE government also announced easing of restrictions in areas that don't fall in containment zones.

Announcing his government's decision in a televised address, Punjab CM Amarinder Singh said: "The decision on further course of action will be taken after two weeks, depending on the situation. The only solution is social distancing. If it is under control after two weeks, we will take a call."

Singh asked people to maintain discipline and underlined that if they step out, they must wear masks, maintain social distancing and return to their homes by 11 am. "If we have given relaxation, that does not mean you can call your friends home. Social distancing has to be ensured," he said.

All shops in rural areas registered under the Shops & Establishment Act, except those in multi-brand and single-brand malls, will also be allowed to open with 50 per cent staff strength, for four hours daily.

mitted all construction activities in rural areas. In urban areas, work on ongoing projects will be allowed, subject to availability of workers. In line with the Union min-

istry of home affairs' guidelines,

the state has also permitted

industries in Special Economic

Zones (SEZs), Export Oriented

The government has per-

Units (EOUs), industrial estates, industrial townships and rural areas to operate.

However, the management must arrange transport for workers, in-house facility for labour, medical insurance, tie-up with hospitals, arrangements for disinfecting the premises, thermal screening of employees etc. The workers will also be allowed to move on cycles or on foot. In Kolkata, chief minister

Mamata Banerjee said: "We are waiting for clarification from the Centre. But we have taken some decisions, which will be implemented from Monday. Standalone shops, (including) electronics, books, paint, laundry, hardware, cellphone recharge, tea and paan shops, will be allowed to open. Private buses will be allowed to ply in green zones, within the district, but with a maximum of 20 passengers."

As cases grow, spotlight on 4 states and 4 cities

THE TOTAL positive cases and 61% of deaths reported in Maharashtra. Similarly, Ahmedabad constitutes 67% of the total positive cases and 71% of deaths in Gujarat, while Indore constitutes 57.47% of the total positive cases and 52.5% of the deaths reported in the Madhya Pradesh. In the last one week, Mumbai added 355 cases on average every day. That was equivalent to 26% of the total cases in the entire state till date (9,318). The death count from Mumbai in just last one week was 21 per cent of the total number of deaths in the state reported till now (400).

The story is not very different in Gujarat. Ahmedabad, in the last one week, added 149 cases on an average every day. That is 27% of all the cases reported in Gujarat until now. In the same period, Ahmedabad reported 66 deaths that is almost 36% of all the deaths reported from the state so far.

A similar story is unfolding in Delhi. The city reported an average of 152 cases every day during the last week. That was almost one third of all its cases till now. However, Delhi has reported just six deaths in the

last week, which is barely 11% of the total deaths. The situation is similar for

Indore in Madhya Pradesh, and to a lesser extent, for other major urban centres like Hyderabad and Jaipur. Uttar Pradesh is an outlier,

however. The cases, as well as deaths, are more spread out, and there are six to eight urban centres that are sharing the burden of the epidemic.

SC junks Vodafone's ₹4,761-crore demand; to get only ₹733 cr

VODAFONE IDEA, which is pressed with adjusted gross revenue dues of Rs 58,254 crore, of which it has been able to pay only Rs 6,854 crore so far, had wanted the refund of all the assessment years totalling Rs 4,761 crore to be made before the scrutiny is over. Its reasoning was that if in the scrutiny it was found that it owed more as taxes itwould pay later. It was this plea which was dismissed by the court. Wednesday's setback before the SC was the second such for the company as earlier its plea was rejected by the Delhi

High Court also. Tax experts said that in case Vodafone Idea is dissatisfied with the final scrutiny it can challenge the order but it would have to go through all the regular channels by first appealing in the income tax tribunal and then upwards.

Terming the judgment as "significant" and the one which will "be talk of business circle for some time," Rakesh Nangia, chairman, Nangia Andersen Consulting, said that the ruling "reinforces the principle that one cannot approach the Supreme Court/High Court and seek relief against the procedures prescribed in the statute.

"Extraordinary remedy of writ has to be sought in extraordinary situation where the authorities have either violated the statutory provisions or exceeded their jurisdiction," he said. He said that the tax authorities also relied on a provision in income tax law, which gives

power to income tax authorities

to withhold refund, pending

scrutiny assessment proceedings. "The tax authorities also objected to issuance of refunds their health status can be monidue to outstanding tax tored and tracked.

demands in case of taxpayer for

issued, refund need not be

processed and that too when

this was never argued, has come

as a surprise. This will have large

earlier years," Nangia said.

"The HC had clearly held that mere issuance of a notice under section 143(2) is not enough to withhold refunds claimed in the return of income - exercise of discretion by way of an intimation/order was required. The revenue was not in appeal on this aspect. Therefore, for the SC to hold that once notice is

scale ramifications for every taxpayer," Vodafone's counsel Sachit Jolly told FE. Vodafone Idea is facing extreme liquidity pressure. Apart from the burden of the payment of AGR dues where it has sought deferred payment spread over some 20 years, which is currently before another bench of the SC; the company had to recently pay its current licence fee and spectrum usage charge for the

the government. This further strained its cash reserve position. The company had posted a net loss of Rs 6,453 crore during the October-December quarter on a revenue of Rs 11,089 crore. Its cash reserves of around Rs 12,815 crore at the end of December has now reduced to below Rs 3,000

period of January-March,

amounting to Rs 1,367 crore to

In the light of strained finances, Vodafone Plc, the parent firm of Vodafone India, on April 22 infused a sum of \$200 million (about Rs 1,530 crore) in Vodafone Idea, which was otherwise due in September 2020, under the terms of the 'contingent liability mechanism'. The CLM entered between

Vodafone and Idea Cellular at the time of merger, had envisaged that Vodafone Group needed to pay for adjusted gross revenue dues if the amount paid exceeded that of Idea Cellular. Centre clears way:

23L migrants can now go home

FORTHIS purpose, such persons

may be encouraged to use Aarogya Setu app through which

The MHA has asked all states and Union Territories to designate nodal authorities and develop standard protocols for receiving and sending such stranded persons. The nodal authorities shall also register the stranded person within their respective territories.

According to labour ministry sources, around 22.8 lakh migrant workers are now stranded away from their native places in various relief camps sett up by state government authorities or by their employers or in localities where they are generally clustered.

Chaliye, baat karte hain: The actor who came home with us

AND, OVER a period of 30 years and more, as he essayed one unforgettable part after another, he never let us down. If this sounds like a gush, yes, it is. An unapologetic, teary-eyed one, because he made things better, even in his no-account

Of his impressive body of

work, four films jostle for the top spot for me: Tigmanshu Dhulia's Haasil, in which he plays a local Allahabadi student leader; Vishal Bhardwaj's Magbool, in which he was a mobster with-many-moods-in-Mumbai; Mira Nair's The Namesake, in which his Bengali bhadralok immigrant finds his place in faraway New York; and Anoop Singh's Qissa, in which he plays a man desirous of something he could not have. These roles combine not just

the 'skills' of a schooled actor, but deep empathy, a generosity of spirit, and an unfettered intelligence, which shone through everything he did, good, indifferent, or flat-out fantastic. He did everything. Or at least

everything that Bollywood brought to his table, after having learnt that this tall, rangy, magnetic-eyed person could transform, into anyone, with a particular kind of magic. He could go high, dive low, get intense, do goofy and grumpy,

growl and guffaw. He could be dangerous and maniacal. He was also the loveliest, kookiest, most passionate lover you ever saw. It took the film industry many years to find Irrfan, and it isn't as if he was flooded with roles from the big studios immediately after his breakout

roles, post 2002, in Haasil and

But the filmmakers who did

Maqbool.

like his National School of Drama (NSD) mate Dhulia, and Bhardwaj, made the most of his and their own, innate knowl edge of the Hindi belt, long neglected by Bollywood. Their coming together was a great confluence. It brought a new language, new robustness to Hindi cinema, something that old-school Bollywood filmmak ers like Mahesh Bhatt recog nised.Bhatt's production house gave Irrfan a chance to go over to the other side, away from the raw, visceral gangland/heart land tales, and explore unfamil iarterritories. He lifted brainless comedies (Rohit Shetty's Sunday) with the same verve as he did gritty, hard-hitting tales (Dhulia's Paan Singh Tomar): it was all grist to his mill, acutely attuned to the world around

him. Of course, there was no confining him to Bollywood. Irrfan's work took him to the world, and he was the only Indian actor who well and truly crossed over. He had already made an early appearance in Wes Anderson's The Darjeeling Limited (2007). But the bigand-small parts in international productions quickened after Danny Boyle's 2008 Oscar-winner Slumdog Millionaire, and he showed up in Ang Lee's magical-realistic tale of survival, Life Of Pi, and in such mega-budget franchises as The Amazing Spiderman, and Jurassic World. But home was reallywhere his heart was. None of these much-publicised international outings could truly mine what Irrfan was capable of. He did those movies because he could, but saved the razzle dazzle for his 'desi dil-hai-Hindustani'outings. Fully switched on, he came up as close to us as possible, to start that conversation, as only he could: chaliye, baat karte hain.

I hope that those chats will never, ever end.

WWW.FINANCIALEXPRESS.COM THURSDAY, APRIL 30, 2020



Digital Banking no longer a thing of choice

From being a facility that banks offered as an alternative to the traditional banking channels, the corona crisis has brought Digital Banking to the forefront of the sector, creating new opportunities in the process

ABHISHEK PATHAK

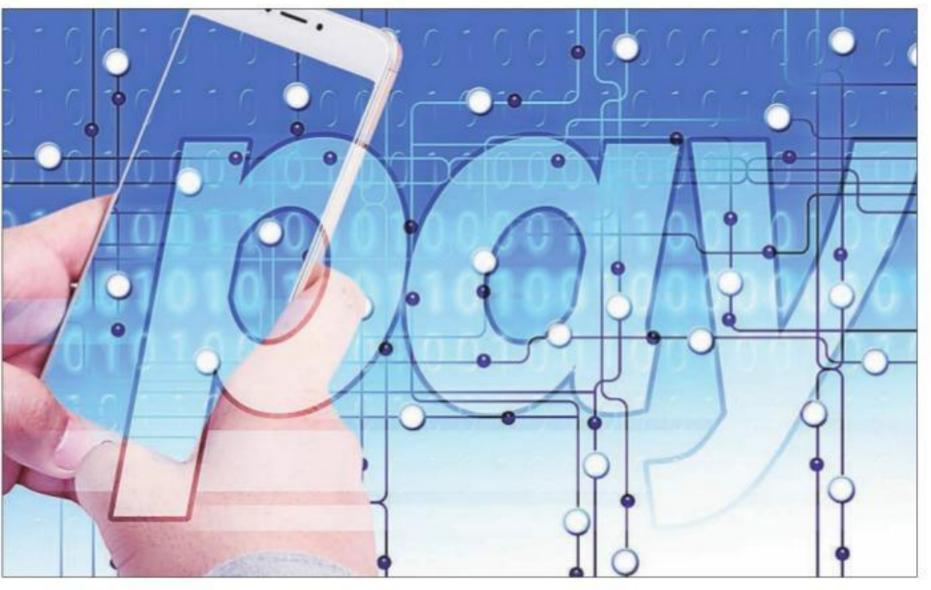
FINANCIAL EXPRESS

HE Banking sector in India has always emphasised strongly the importance of efficient online and mobile banking services visa-vis face-to-face meetings and physical branch visits; the coronavirus crisis means there is now little argument against this model.

The pandemic has hit all of us hard and a new reality has been thrust on us. Every economic activity in the country has been quashed and the industries are practically on their knees. Although the situation arising out of the corona pandemic is a novel experience for all of us, the extent of the damage to our economy and the mounting losses have also been an eye-opener, forcing us to reassess the way we operate and conduct our businesses.

Given the continuing lockdown and the contagiousness of COVID-19, footfalls in banks have diminished drastically and the banks have asked customers to use digital banking channels instead. Some of the banks have even ramped up their digital banking channels and operations by a large extent, to help customers tide over difficulties, asserting in a way that Digital Banking is no longer an option but a necessity.

To ensure the safety of citizens, bank employees and customers amidst the COVID-19 outbreak, Reserve Bank of India (RBI) Governor Shaktikanta Das recently asked customers to use Digital Banking



facilities as far as possible. Das also said, "In the context of COVID 19, RBI and the government together are giving emphasis on encouraging digital payments. And over a period of time, various measures have already been taken to establish safe, secure, stable and affordable retail payment system such as the National Electronic Fund Transfer (NEFT) and the Immediate Payment Service (IMPS)".

Stressing the importance of Digital Banking in times of the corona pandemic, the central bank said in one of its statements, "RBI wishes to bring to the notice of the general public that non-cash digital payment options (like NEFT, IMPS, UPI and BBPS) are available round the clock to facilitate fund transfers, purchase of goods/services, payment of bills, etc. In the context of the efforts to limit the fall-

out of the coronavirus pandemic by avoiding social contact and visit to public places, public can use these modes of digital payment from the convenience of their homes through online channels like mobile banking, internet banking, cards, etc. and avoid using cash which may require going to crowded places for sending money or paying bills".

In January 2020, NEFT and RTGS ser-

vices were made free of charge and NEFT was also made available on a 24x7 basis. In September 2019, the RBI expanded the scope of the Bharat Bill Payment System (BBPS) to cover all repetitive bill payments, which include school fees, insurance premiums and municipal taxes. Further, the Unified Payments Interface (UPI) is an immediate real-time payment system that helps in instantly transferring funds between two bank accounts through a mobile platform. It also allows multiple bank accounts to get onto a single mobile application.

Just recently, before the pandemic hit

THE CRISIS IS REASON TO CONSIDER THE OPPORTUNITIES OFFERED BY CLUSTER OR COLLABORATIVE BANKING

the country with virulence, the RBI had taken robust measures to boost digital payments. A new emerging trend is video-based banking, for which the RBI had recently issued guidelines with respect to onboarding of customers using digital KYC. To make this a reality, banks will have to tie up with video KYC solutions in the market. Video-based banking can be extended to existing customers as

well by having apt face and voice recognition technologies in place. To give it a more real-time feeling, banks can have a centralised cell and customers may use mobile/desktop to get their queries regarding transactions answered.

It is often said "desperate needs require desperate measures", and these unprecedented times are, perhaps, right to discover the opportunities offered by Cluster Banking or Collaborative Banking, by establishing common touch points and possibly having authorised agents in the long run.

Last but not least, though the corona crisis has pushed digitalisation to the forefront, there are still situations where cash rules the roost. Given the current circumstances, it is not possible for banks to replenish the ATMs and ensure their working with full efficiency. To fill this gap, banks can look to offer money on wheels with specific guidelines in place. Recently, ICICI Bank offered this facility in Varanasi. Many other banks like HDFC Bank, Axis Bank, and Kotak Mahindra Bank have also jumped on the bandwagon to ensure that there is no dearth of cash for citizens. Significantly, all the rules of the lockdown are being followed while providing this service to customers.

The time has come to embrace technology and look beyond the traditional ways of banking to ride out these testing times. For, these new-age measures are not just easy to follow but also cost-effective and sustainable.

Karnataka Bank: Leading the digital wave



Mahabaleshwara M.S, MD & CEO, Karnataka Bank

E have stepped into the new financial year at a difficult time when the entire world is suffering from the unexpected outbreak of COVID-19 pandemic. Karnataka Bank, in line with its vision statement "To be a progressive, prosperous & well governed Bank" has always lived up to the expectations of its customers by continuously integrating the latest developments in digital technology to its various products. As a result, today it is one of the preferred banks of millennial customers.

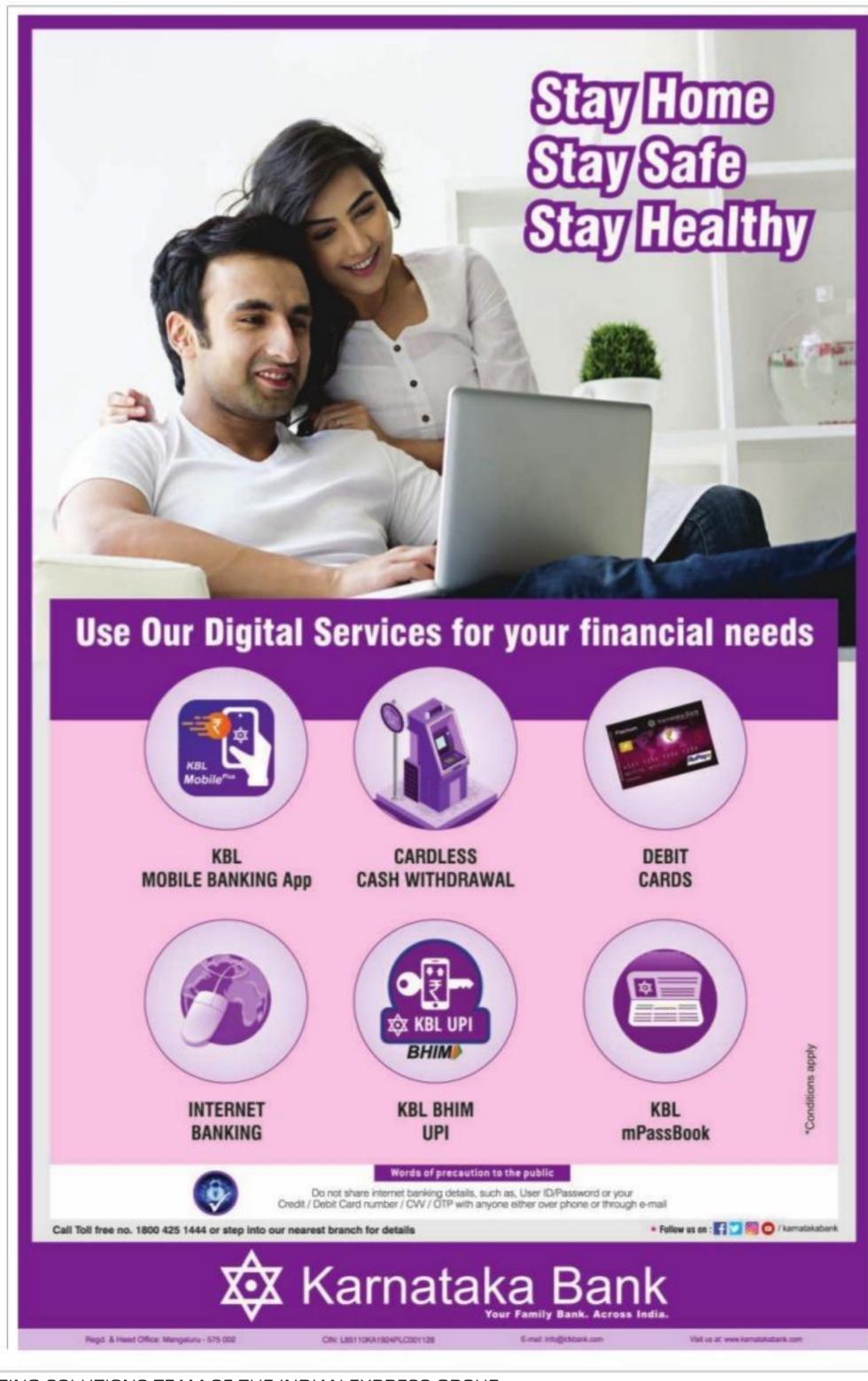
The financial landscape was already in a transition phase, embracing digital transactions and moving towards a cashless society. The outbreak of COVID-19 pandemic has hastened this process. Karnataka Bank is well prepared to take on the chal-

lenges posed to branch banking by Covid-19, as it possesses a robust, secure and advanced digital infrastructure that enables its customers including the business community to transact seamlessly. Its exclusive Digi Branch can not only open a savings account for its prospective customer but also lets the customer self-generate a personalised debit card in 10 minutes with minimal manual intervention.

The state-of-the art Digital Centre of Excellence incubated in Bengaluru is today helping design and develop new digital products and also facilitates process innovation to serve the banking needs of the customers better. A Digital mechanism for Home loans, Personal loans and car loans has already been rolled out where in-principle sanction is given in 15-20 minutes. The

bank is focussing on building collaborative partnerships with fintech companies to deliver best-in-class service and offer a comprehensive range of services to its customers. The digital journey is being extended to more retail/MSME products and thus Karnataka Bank is truly living up to the next generation banking experience.

"We are living in a very uncertain situation which calls for a prudent and measured approach to the way we transact and do business. This is time to conserve and consolidate. Let us make full use of the digital capabilities to rise above the adversities, to keep the business going even in times of social distancing. With a responsible and collective effort, I am sure we will turn things around soon," said Mahabaleshwara M.S, MD & CEO.



IIIDaIIES THURSDAY, APRIL 30, 2020

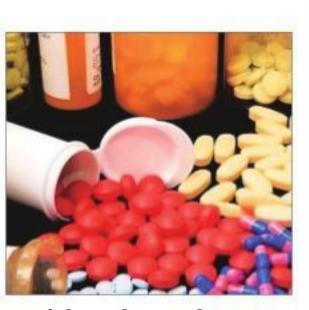


DELIVERY OF ESSENTIALS

Kalyan Krishnamurthy, Flipkart Group CEO

This partnership with Meru (for delivery of essentials) is a result of our teams exploring new, innovative ways to drive value for our ecosystem of sellers, brands, partners and customers, to ensure the safe and swift availability of grocery and essential goods

Quick View



Strides drug shows positive outcome in **Covid-19 treatment**

STRIDES PHARMA Science on

Wednesday said it has developed and commercialised Favipiravir antiviral tablets and stressed that the drug has demonstrated positive outcomes in Covid-19 treatment globally. Favipiravir is an antiviral medication that was initially developed to treat influenza in Japan. In February 2020, post the outbreak of Novel Coronavirus (Covid-19), Favipiravir was studied in China and several other countries as an experimental treatment of Covid-19. The drug has demonstrated positive outcomes, including a reduction in the duration of Covid-19 and improved lung conditions for the patients," the company said in a filing to the BSE.

IIT-Guwahati in tie-up for Covid-19 vaccine

THE INDIAN Institute of Technology Guwahati (IITG) on Wednesday said it has joined hands with Ahmedabadbased Hester Biosciences to develop a vaccine for Covid-19 and animal trials are likely to start by the end of this year. The vaccine will be based on recombinant avian paramyxovirus-based vector platform, IITG said in a statement. "IITG and Hester Biosciences expect the vaccine to be ready by the end of this year to start animal studies. The work is currently in its early stage of development," it added.

MG Motor, AB Industries to jointly make ventilators

MG MOTOR India on Wednesday said that it has joined hands with Vadodara-based MAX Ventilator, a part of AB Industries, for producing and supplying ventilators. AB Industries has been manufacturing ventilators for the past 25 years. Max Ventilator caters primarily to the private hospitals.

MYSUN raises \$4.2 m from existing investors

DELHI-BASED ROOFTOP solar solutions provider MYSUN has raised \$4.2 million from its existing investors in a structured equity deal. The company plans to raise \$35 million in FY21 as it eyes to expand its business in West Asia, Asia Pacific and Africa. It will use the capital to upgrade its technology infrastructure.

Amazon India launches fund for biz partners

AMAZON INDIA on Wednesday said it has set up a special fund to support delivery service partners and transportation partners associated with the company, and provide financial aid for April."This Partner Support Fund for small and medium businesses in logistics will be available to Delivery Service Partners (DSP) and select Transportation partners in India to help adjust their business model to the new realities posed during the lockdown," a statement said.

Ashok Leyland staff gives ₹41L to PM-CARES Fund

EMPLOYEES OF commercial vehicle manufacturer Ashok Leyland contributed ₹41 lakh to the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM-CARES Fund). The contributions were collectively made by employees of Ashok Leyland and their families to support the fight against the Covid-19 pandemic in the country, said a press release on Wednesday.

HUDCO marks its golden jubilee via webcast

ON THE occasion of HUDCO's golden jubilee, more than 1,000 officials and stakeholders from across the country joined a live webcast event to mark 50 years of distinguished service to the nation. In the wake of the coronavirus pandemic, the use of information technology to enable virtual celebration on the foundation day, was a historic first.

financiale

EXPOSURE

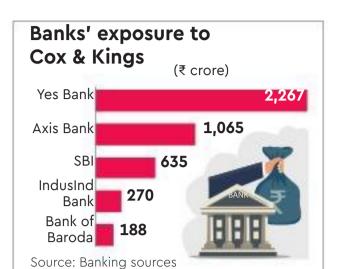
Banks set to declare Cox & Kings account as 'fraud'

ANKUR MISHRA Mumbai, April 29

LENDERS TO TROUBLED tour operator Cox & Kings are set to declare the exposure as a 'fraud' account after Pricewaterhouse Coopers (PWC) submitted an audit report, sources close to development told FE.

This classification will require banks to make provisions of 100% of the total amount due to them as per Reserve Bank of India (RBI) guidelines. FE reported earlier that State Bank of India (SBI) and IndusInd Bank had already red-flagged the account in December 2019. Cox & Kings' total dues to financial creditors stands at ₹5,900 crore. Many banks have already provisioned 15-25% till December 2019 for the account.

A May 2015 notification of RBI states that the initial decision to classify any



standard or non-performing asset (NPA) account as fraud will be taken by banks individually and it would be the responsibility of the lender to report the fraud status of the account on the Central Repository of Information on Large Credits (CRILC) platform. Banks take a decision to

declare an account as fraud based on the audit report. The time allowed for the entire exercise is six months from the date when the first member bank reported the account.

Suspecting a fraud, the lenders to Cox & Kings had roped in PwC for a forensic investigation into the matter and the role of senior executives of the company. The audit report submitted to lenders have reportedly found that transactions worth ₹21,000 crore between 2015 to 2019 were done mainly to siphon off funds.

Of all the banks, private lender Yes Bank has the largest exposure to Cox & Kings. Yes Bank has an exposure of ₹2,267 crore, followed by ₹1,065 crore from Axis Bank, ₹635 crore from SBI and ₹270 crore from IndusInd Bank. Cox & Kings has undergoing resolution at the National Company Law Tribunal (NCLT) since October 2019.

100 US companies may shift base to UP from China

DEEPA JAINANI Lucknow, April 29

AS MANY AS 100 American companies keen on exiting China after the Covid-19 pandemic are seriously considering Uttar Pradesh as their new destination.

Uttar Pradesh's minister in charge of MSMEs Siddharth Nath Singh on Tuesday engaged with them through a webinar, organised by the United States-India Strategic Partnership Forum.

Representatives of these companies showed interest in the fields of agriculture, electronics, medicine, scientific instrumentation, logistics, defence, aviation, food processing, MRO, etc.

The companies include Lockheed Martin, Adobe, Honeywell, Boston Scientific and Cisco Systems as well as global delivery services providers like UPS and

"Several companies expressed their interest in leaving China and are looking for other investment destinations, including India. We discussed with them the scope of investment in UP and informed them that the state is home to more than 90 lakh MSMEs and skilled labour. With a stable government in the state, coupled with creation of a robust support infrastructure in terms of roads, water supply, irrigation capacity and 24x7 power supply, UP is among the frontrunners on the growth trajectory among large states of the nation," Singh said.

The minister, along with a team of senior officers, including industrial development commissioner Alok Tandon and principal secretary, MSME and exports, Navneet Sehgal spoke to the representatives of the com-

They informed US companies that the state government had developed

The companies that showed interest include Lockheed Martin, Adobe, Honeywell, **Boston Scientific and Cisco** Systems, as well as global delivery services providers like UPS and FedEx

21 sectoral policies, mainly in the areas of defence, pharmaceuticals, food processing, electronics and education sec-

Rohan Mishra of Adobe showed inter-

est in increasing the plant capacity of his company, while Mastercard was keen on exploring opportunities in rural areas by providing the facility of digital payment to kirana stores. UPS and Fredix evinced interest to

invest in Jewar airport by developing logistic centres. Boston Scientific has plans to set up a medical equipment Speaking to FE, Sehgal said compa-

nies had queried about incentives that Uttar Pradesh would offer if they shift the base from China. "We told them about various incen-

tives such as capital subsidy, land subsidy, etc and also informed them that UP already has a vast network of MSME units, which could be used for multiple purposes," Sehgal said.

It may be mentioned that only a day before, Prime Minister Narendra Modi had advised the states to turn the coronavirus crisis into an opportu-

In fact, even before the prime minister's advice, UP chief minister Yogi Adityanath had tasked his ministers and officials with the job of chalking out ways in which the state could woo industries moving out of China after the outbreak of the coronavirus.

Cash-hungry Future Retail draws ₹300 crore from new credit line

BIJOU GEORGE, SUVASHREE GHOSH & PR SANJAI Mumbai, April 29

FUTURE RETAIL HAS used about half of an emergency credit facility for working capital, according to people familiar with the matter, which may see the debt-ridden retailerthrough India's five-week lockdown. Lenders allowed the firm — part of the

Future Group that is backed by both Amazon.com and Blackstone Group — to draw down ₹300 crore (\$40 million) of the ₹650crore credit line, the people said, asking not to identified as they aren't authorised to speak with the media.

Access to cash was the key reason behind S&PGlobal Ratings's decision to downgrade Future Retail last week to CCC- from B-. The



world's strictest shelter-at-home restrictions has hurt consumption in India, putting Asia's third-largest economy on course for a rare contraction. S&P said Future Retail's available cash and cash equivalents have fallen from December's ₹200 crore. It flagged the possibility of further downgrades, citing a "weakening debt-servicing ability and the likelihood that Future Retail or its related entities will restructure its debt within the next few months." Future Group hired EY to advise on

financing alternatives including a potential debt recast, the people said. Future Group sought ₹1,000 crore in emergency working capital across its five group companies, they added. Representatives for Future Group didn't immediately answer an email seeking comment.

Problems for the group mounted after Future Retail's shares plunged 74% in March, eroding their value as collateral for loans. The Supreme Court this month barred lenders from selling the stock helping pare losses. Future Retail's dollar notes maturing in 2025 fell by 0.82 cents to a record low of 24.6 cents on Wednesday. **BLOOMBERG**

Flipkart, Meru partner to facilitate ernment," Arora said. There is little clarity on how the pay structure for other delivery of staff members will be altered for the coming few months. The company has reportedly asked crew members to go on essentials Meanwhile, competitor IndiGo last week decided to reverse its decision to

FE BUREAU New Delhi, April 29

FLIPKART ON WEDNESDAY said it has partnered with ride-hailing cab operator Meru to facilitate door-step delivery of essentials to the e-commerce firm's customers. The service will be available across Bengaluru, Delhi-NCR and Hyder-

Apart from ensuring functionality of essential supply chains, the partnership will also support driver-partners with income opportunities, Flipkart said in a statement.

In line with the government's guidelines, Meru is providing its Ozone sanitised fleet to help Flipkart with its deliv-

"This partnership with Meru is a result of our teams exploring new, innovative ways to drive value for our ecosystem of sellers, brands, partners and customers to ensure the safe and swift availability of grocery and essential goods," said Flipkart Group CEO Kalyan Krishnamurthy, at.

Meru driver-partners will undergo Flipkart's training module for better understanding of its processes for safe and timely delivery of the grocery items, while Meru is educating and updating its driver-partners on various preventive measures like using alcoholbased sanitisers and wearing face masks to curb the spread of the virus, the companies said.

MERU

The service will be available across Bengaluru, Delhi-NCR and Hyderabad

TURBULENCE

SpiceJet pilots not to get April, May salaries

FE BUREAU Mumbai, April 29

INDIA'S SECOND LARGEST carrier SpiceJet will not be paying its pilots salaries for April and May, SpiceJet's chief of flight operations Gurcharan Arora has told employees. Pilots who have been operating cargo flights, however, will be paid for the number of hours flown. The move comes after passenger

flights have been suspended for a month amid a nationwide lockdown to curb the spread of the coronavirus pandemic. Cash-strapped SpiceJet had introduced pay cuts from March. Currently, 20% of the airline's pilots are flying and 200 pilots have flown over 550 flights since March 2020. "Over the coming weeks we intend to increase the number of aircraft flying (cargo + cargo on seat) to more than 50% and the number of pilots flying to 100%," Arora said.

The airline, which is currently using 16% of its aircraft to operate cargo



Currently, 20% of the airline's pilots are flying and 200 pilots have flown over 550 flights since March 2020

flights, intends to increase the cargo operations over the coming weeks, Arora has told employees. "Our rostering team will ensure that all of us get to fly these aircraft... The company management

team is working to ensure that all our jobs are protected and we are ready to ramp up operations," Arora wrote in an email to employees.

SpiceJet already introduced a 10-30% pay cut for most of its staff and sent its employees on unpaid leave for the duration of the lockdown. "We are geared up and ready to appropriately increase our flights in harmony with the gradual lifting of flight restrictions by the gov-

The lockdown, which is currently in place till May 3, is likely to get extended in most parts of the country. Passenger flights are unlikely to resume in full

unpaid leave from June.

swing anytime soon. Airlines across the globe have introduced cost-cutting measures in the wake of skeletal operations amid the pandemic. British Airways, for instance, announced plans to let go of around 12,000 employees in the wake of the crisis, which has dealt a severe blow to the

cut the salaries of most of its employees

"in deference to (the) government's

wishes of not reducing pay during lock-

aviation sector.

30% capacity to facilitate required social

distancing. The operations to its original

level is likely to be scaled up in gradual

manner," AAI said. The guidelines pre-

sume that airline operations will initially

be limited to Tier-I cities, major Tier-II

schedule with DGCA and simultaneously

apply for slots at CHQ for approval well

in advance to operate within the limited

watch hours to be made available at air-

ports, as initially the Summer 2020

schedule cannot be fully implemented,"

AAI said. Slots will be provided to ensure

staggered operations based on capacity

restriction to facilitate social distancing.

The airports regulator said airports and

airlines need to coordinate with local

and state authorities while restarting

civil aviation Hardeep Singh Puri said

flights will only resume "once we are con-

fident that the spread of the virus has

been controlled and it poses no danger to

our country and people". As revenues

dried up, cash-strapped airlines including SpiceJet and GoAir have already

taken measures including sending part

of its staff on unpaid leaves. Airline pas-

senger growth is expected to be negative

30% during financial year 2020-21, said

Earlier this month, the minister of

operations.

Care Ratings.

"Airlines are required to file their

cities and some state capitals.

Airlines unlikely to resume passenger ops from May 4; AAI issues guidelines for airport operators

ANWESHA GANGULY Mumbai, April 29

RESUMPTION OF PASSENGER flights, which have now been suspended for over a month, could be some time away since the nationwide lockdown is expected to be extended beyond May 3 in many states. Earlier this month, the government asked airlines to stop forward bookings until it gives them further clarity. So far, the Directorate General of Civil Aviation (DGCA) has not signalled airlines to restart bookings, sources said.

State-owned Air India, which has stopped forward bookings until March 2021, may operate some repatriation flights post May 3 for stranded Indians abroad. "There is some thinking in the government to start a few flights for stranded passengers after May 3, but a decision is yet to be taken," an official

Passenger flights, when they do commence, will likely do so only gradually and with several restrictions, a senior government official said. "We are still deciding on how this will be done. It is an ongoing discussion with airlines. The idea is to implement social distancing norms once it is safe to fly," the official said. One of the ideas being explored is leaving a few seats empty between passengers when flights resume.

Days before domestic flights were suspended on March 25, the DGCA had directed airlines to operate flights leaving one seat empty between passengers. A similar strategy is under discussion. "One of the options is to have one passenger seated per row," the official said.

Airlines, however, are not keen on this. Executives have told the government that if social distancing is observed by leaving seats empty, it may become unviable for already stressed airlines to restart operations. "We are getting zero assistance from the government and we are not flying. It is not sustainable," a senior airline executive said. "The government needs to reconsider this. No one knows if leaving a few seats empty will have significant benefit," another executive said.

Another possibility is to resume flights between "green zones," where the number spread of the pandemic is relatively contained. However, metro cities including Delhi and Mumbai are among the worst affected. Once operations resume, initially only around 50 aircraft, around 10% of India's total fleet, may be back in the air, according to the airline executive. Forward bookings on any given day stand at 5% of pre-Covid volumes at the moment. "People are also not confident to travel anymore. We are mostly seeing some pent up demand for



Days before domestic flights were suspended on March 25, the DGCA had directed airlines to operate flights leaving one seat empty between passengers. A similar strategy is under discussion

the executives said.

Meanwhile, anticipating the eventual resumption of passenger flights, the Airports Authority of India (AAI) on Wednesday came out with guidelines for airport operators. AAI said only one terminal would initially be used at airports.

domestic or international scheduled flights in phases, to start with, may be at

one-way travel from people who want to return home. There is demand from Delhi going to Patna and Kolkata," one of

"Airports shall be facilitating limited

INDIA EXTRADITION

Nirav Modi set for remote trial from May 11 in UK court

PRESS TRUST OF INDIA London, April 29

THE FIVE-DAY extradition trial of fugitive diamond merchant Nirav Modi will begin from May 11 in a part-remote setting, a UK court has ordered, amid the restrictions and social distancing measures put in place to contain the coronavirus spread.

Modi is fighting his extradition to India over the nearly \$2billion Punjab National Bank (PNB) fraud and money laundering case. The 49-year-old, who has been lodged at Wandsworth Prison in south-west London since his arrest last year, appeared before the court via video conferencing due to the social distancing procedures put in place across the UK courts in view of the Covid-19 pandemic.

He spoke only to confirm his name and date of birth during the hearing, which took place at Westminster Magistrates' Court

R RAVICHANDRAN

THETHREE-WHEELER industry

has reported 11% decline in sales

in FY20 to 11,33,858 units

against 12,68,833 units sold in

the previous financial year. While

the domestic sales during the fis-

cal year declined 9% to 636,569

units (from 701,005 units),

exports, which generally help the

industry offset the domestic

blues, de-grew 11.5% to

502,169 units (from 567,683

units). The industry, which usu-

ally push more vehicles into the

market in the last month of every

financial year, March, could not

do so this time due to the lock-

down — both domestically and

globally post Covid-19 outbreak.

by a whopping 50% to 59,813

units as compared to 120,578

units sold in the same month of

FY19, revealed the SIAM data.

Except TVS Motor, almost all

players, including market leader

Bajaj Auto, and Piaggio have

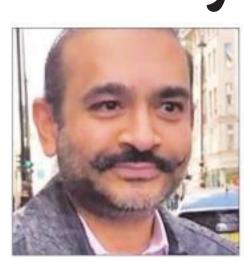
reported degrowth during the

While Bajaj Auto reported a

fiscal, the data pointed out.

The March sales plummeted

Chennai, April 29



Niray Modi is fighting his extradition to India over the \$2-billion PNB fraud and money-laundering case

in London. District Judge Samuel Goozee, who presided overthe case management hearing, expressed some reservations about the extradition hearing going ahead next month as scheduled under the current lockdown. But it was agreed between all the parties that a trial run of the court's CVP (common viewing platform) will take place

Three-wheeler industry reports

Aided strongly by

exports, TVS Motor is the

only one to report 12%

growth in its overall sales

to 173,993 units during

the period under review

15% drop in its FY20 sales to

662,773 units, Mahindra &

Mahindra reported a 17% drop

in its sales figure to 58,205

units. Piaggio, on the other hand,

also reported degrowth of 11%

TVS Motor is the only one to

report 12% growth in its overall

sales during the period under

review to 173,993 units. Other

players such as Atul Auto and

Scooters India also reported

13% and 20% degrowth,

respectively, the SIAM data

pointed out. Bajaj Auto's domes-

tic sales declined 8.53% during

the fiscal to 364,817 units and

the exports, on the other hand,

declined sharply by 22% % to

296,700 units. TVS Motor,

which purely depends on

exports to offset the domestic

exhorted the electronics indus-

try to explore the new opportu-

nities arising out of the adversity

and make the country the global

hub of electronics manufactur-

ing. "We have already notified

these schemes on April 2...We

will issue the guidelines by the

end of this week about how to

apply, how the scheme will oper-

ate. From May 15, we will start

receiving the applications,"

Meity secretary Ajay Prakash

the government is trying to

repeat the success story of auto

sector manufacturing in the

electronics sector by setting up

clusters led by big companies.

This model will also promote

component manufacturing in

India. So far, the country has

been primarily doing assem-

bling of mobile phones but it

expects to manufacture compo-

is to provide financial incentive

to large-scale manufacturing of

electronics products and attract large investments in the value

chain, including components

and semiconductor packaging.

The scheme offers an incentive

of 4% to 6% on incremental

sales (over the base year) of goods manufactured in India

The scheme will be initially

rolled out for mobile phones and

specified electronic components.

for a period of five years.

The objective of PLI scheme

nents also in future.

Through the three schemes,

Sawhney told FE.

Aided strongly by exports,

to 188,338 units.

11% drop in 2019-20 sales

during a lawyers-only hearing on May 7 ahead of the final hearing. "Some prisons are producing prisoners in person, so I will direct Wandsworth Prison to produce Mr Modi in person for the trial from May 11. If that is not practicable, his participation by live link remains a backstop," Judge Goozee concluded.

It was agreed that a limited number of legal representatives will be present physically in court for the trial as witnesses give their evidence via videolink. Modi will be able to observe the proceedings either from the dock, if the prison authorities agree to a physical transfer, or via the judiciary's common viewing system from Wandsworth Prison. The five-day hearing from May 11 relates to the government of India's extradition request certified by the UK government last year. The case, filed by the CBI and the ED, relates to a large-scale fraud upon an Indian PSU through the fraudulent obtaining of letters of understanding (LoUs) and the laundering of the proceeds of that fraud.

Two additional charges of "causing the disappearance of evidence" and intimidating witnesses or "criminal intimidation to cause death" were added on by the CBI and certified earlier this year. "The May 11 extradition hearing is going ahead and the new request (two additional offences part of the CBI case) has not been joined but will be dealt with at a separate later hearing, probably in July," said the Crown Prosecution Service (CPS), appearing on behalf of the Indian authorities.

CPS barrister Nick Hearn indicated that the government of India's representatives would be following the proceedings and giving instructions via the court's online common viewing platform.

OPEN TENDER

the president of India acting through Sr. Divisional Engineer Signal & Telecom (Co-Ordination), West Central Railway, Jabalpur for the following works:- NIT No.: JBP-N-TELE-TENDER-2020-3 Name of Work with Location: - Signal & Telecom work in connection with RUB work in Lieu of LC gates of Jabalpur division on West Central Railway. Approx Cost of the Work: ₹ 3981512.26 Cost of Tender Form (In ₹): ₹ 3000/- Address of the office of Railway: DRM (S&T)'s Office, 1st Floor, DRM Building, Jabalpur. Earnest Money (In ₹) : ₹ 79600/- Completion Period (In months): 06 Months. Date & Time for Closing & Opening of Tender: Closing on 15.00 Hrs. on 27.05.2020 & Opening after 15.00 hours. The complete information of the above e-tender is available on website "https://ireps.gov.in" and also placed on notice board of the Divisional Railway Manager (S&T) Office, West Central Railway, Jabalpur. Tenders other than in the form of e-bids shall not be accepted against above tender.

WEST CENTRAL RAILWAY

nvitation of E-tender on behalf of

DRM(S&T)JBP ल बात्रा के दौरान शिकायत हेतु 158 पर एवं मुख्का हेतु 182 पर सम्पर्क करें

Registered Office: Naman Midtown, 'A' Wing 21st Floor, Senapati Bapat Marg, Prabhadevi Mumbai - 400 013

Investment Manager for ITI Mutual Fund

ITI Asset Management Limited

E:mfassist@itiorg.com W:www.itimf.com CIN: U67100MH2008PLC177677

Long-term wealth creators

NOTICE-CUM-ADDENDUM TO THE SCHEME INFORMATION DOCUMENT ('SID')/KEY INFORMATION MEMORANDUM ('KIM') OF THE SCHEMES OF ITI MUTUAL FUND AND STATEMENT OF ADDITIONAL INFORMATION ('SAI') OF ITI MUTUAL FUND ('THE FUND') **Introduction of SIP Pause Facility**

NOTICE-CUM-ADDENDUM No. 9/2020

NOTICE is hereby given to all the investors/unit holders that ITI Mutual Fund ("the Fund"), ITI Asset Management Limited ("ITIAML") has decided to introduce "SIP Pause Facility" ('the Facility') for investors who wish to temporarily pause their existing Systematic Investment Plan ('SIP') in all open ended schemes of the Fund with effect from April 30, 2020.

The features, terms, and conditions for availing the facility are as follows:

- 1) Under this facility, Investor has an option to temporarily stop their SIP for specific number of instalments. i.e. Minimum 1 instalment and Maximum 6 instalments. SIP would restart upon completion of the period specified by Investor;
- 2) The minimum gap between the pause request and next SIP instalment date should be atleast 30 calendar days: 3) The facility shall not be available for SIP registered through Mutual Fund Utility ("MFU"), Stock exchange platforms, Channel Partners and
- Standing Instruction mode: 4) There would be no restriction on the number of times a SIP can be paused.
- The Trustee/AMC reserves the right to change, modify or withdraw this facility from time to time.

This Addendum shall form an integral part of the Statement of Additional Information (SAI), Scheme Information Document (SID) and Key Information Memorandum (KIM) of all existing and prospective schemes of ITI Mutual Fund, as amended from time to time. All other terms and conditions of the Scheme Information Document and Key Information Memorandum of the schemes of ITI Mutual Fund

> For ITI Asset Management Limited (Investment Manager for ITI Mutual Fund)

Place: Mumbai George Heber Joseph **Chief Executive Officer & Chief Investment Officer** Date: April 29, 2020

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

Union Mutual Fund

will remain unchanged.

Union Asset Management Company Private Limited

Investment Manager for Union Mutual Fund

Corporate Identity Number (CIN): U65923MH2009PTC198201

Registered Office: Unit 503, 5" Floor, Leela Business Park,

Andheri Kurla Road, Andheri (East), Mumbai - 400059 Toll Free No. 1800 2002 268/1800 5722 268;
 Non Toll Free. 022-67483333;

Fax No: 022-67483401;
 Website: www.unionmf.com;
 Email: investorcare@unionmf.com



NOTICE CUM ADDENDUM TO THE SCHEME INFORMATION DOCUMENT (SID) AND KEY INFORMATION MEMORANDUM (KIM) OF DESIGNATED SCHEMES OF UNION MUTUAL FUND

Temporary modifications in the features of Systematic Investment Plan (SIP) NOTICE is hereby given that Union Asset Management Company Private Limited, the Investment Manager of Union Mutual Fund, has

the existing schemes of Union Mutual Fund offering SIP Facility for the period April 29, 2020 to June 30, 2020 as follows: As per the existing provisions of the SID and KIM of the Schemes of Union Mutual Fund offering SIP Facility, if the Scheme fails to get the proceeds from three installments out of a continuous series of installments submitted at the time of initiating an SIP, the SIP is deemed as discontinued. This provision for discontinuation of SIP shall not be applicable for the period from April 29, 2020 to June 30, 2020 (both days inclusive). Consequently, any default in SIP instalments during the aforementioned period, will not be considered for the purpose of

decided to temporarily modify the below mentioned provision relating to Systematic Investment Plan (SIP) in the SID and KIM of all

All other provisions relating to the SIP Facility mentioned in the SID and KIM of the Scheme(s) of Union Mutual Fund offering SIP Facility

The SID and KIM of the aforementioned Schemes of Union Mutual Fund will stand modified to the extent mentioned above, for the above mentioned temporary period.

This Addendum forms an integral part of the SID and KIM of the aforementioned Schemes of Union Mutual Fund. All other terms and conditions of the SID and KIM of the aforementioned Schemes will remain unchanged.

For Union Asset Management Company Private Limited

(Investment Manager for Union Mutual Fund)

Place: Mumbai

Authorised Signatory

Date: April 29, 2020

discontinuation of SIP.

MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS, READ ALL SCHEME RELATED

DOCUMENTS CAREFULLY. Statutory Details: Constitution: Union Mutual Fund has been set up as a Trust under the Indian Trusts Act, 1882; Sponsors: Union Bank of India and Dai-ichi Life Holdings, Inc; Trustee: Union Trustee Company Private Limited (Corporate Identity Number (CIN):

U65923MH2009PTC198198], a company incorporated under the Companies Act, 1956 with a limited liability; Investment Manager: Union Asset Management Company Private Limited [Corporate Identity Number (CIN): U65923MH2009PTC198201], a company incorporated under the Companies Act, 1956 with a limited liability. Copy of all Scheme Related Documents can be obtained from our website www.unionmf.com.

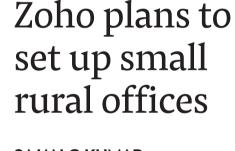
Meity plans to start receiving pleas from May 15 for ₹48,000-cr schemes

KIRAN RATHEE New Delhi, April 29

THE MINISTRY OF Electronics and Information Technology (Meity) is planning to start receiving applications from May 15 for the newly notified schemes worth over ₹48,000 crore to promote electronics manufacturing as it wants to utilise the opportunity in making India a suitable alternative to China. In the wake of the Covid-19 pandemic, there is a global backlash against China, and recently Union minister Nitin Gadkari has also been reported saying India should look at converting the world's "hatred" for China into an eco-

nomic opportunity. The sentiment of utilising the current opportunity to promote electronics manufacturing was stressed by IT and communications minister Ravi Shankar Prasad on Wednesday during his meeting with top executives of companies like Apple, Samsung, Xiaomi. According to a company official present in the meeting, which took place through video conference, Prasad highlighted that this was the best opportunity India had got in the past 30 years and it should be utilised fully. India can be an alternative to China in terms of electronics

manufacturing. Earlier this month, the government notified three schemes, involving total incentives of over ₹48.000 crore to boost electronics manufacturing in India and create 20 lakh direct and indirect jobs by 2025. The largest portion of the incentives, of around ₹40,000 crore, will be allocated to the production-linked incentive (PLI) scheme. The minister



SAJAN C KUMAR Chennai, April 29

AMID LOOMING CONCERNS over the impact of Covid -19 on the information technology companies, Zoho Corporation, one of the major SaaS companies, on Wednesday unveiled plans for setting up a slew of small rural offices run by 20 to 30 people to enable around 70% of its workforce to continue working from home even after the lockdown is lifted.

Though the company has cancelled bonus for its employees and may implement a pay cut if required in future, it will avoid lay-offs at any cost, the company said. It maintained that SaaS (Software as a Service) industry will see the muchexpected consolidation with the Covid-19 crisis and the economic recovery is going to be slower. Zoho is cutting back on its marketing spends and re-orienting products to suit the evolving marketplace.

Zoho Corporation CEO and co-founder Sridhar Vembu, at a virtual press meet hosted in a village near Tenkasi in southern Tamil Nadu, said: "We are going to ask our employees to exercise judgment in coming to the office. May be only 30% of the people will be coming to office. We are planning two small rural offices soon and, in the next six months to one year, we will have many more."

Zoho is adding 500-600 employees and will probably end the year with a headcount of about 8,300-8,400. Currently, almost 99% of the workforce are working from home. Zoho has rural offices in Tenkasi and in Renigunta. On the Covid-19 impact, he said almost 90% of the company's revenue is from overseas, which would have been considered a good thing in the normal circumstances.

Arvind Smartspaces

ARVIND SMARTSPACES LIMITED

CIN: L45201GJ2008PLC055771

Regd. Off: 24, Government Servant's Society, Near Municipal Market, Off. C. G. Road, Navrangpura, Ahmedabad-380009, Tel.: +91 7968267000, Email:investor@arvindinfra.com Website:www.arvindsmartspaces.com

NOTICE OF POSTAL BALLOT (THROUGH REMOTE E-VOTING)

Notice is hereby given, pursuant to the provisions of Section 110 of the Companies Act, 2013 ('the Act') read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 ('the Rules'), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations'), General Circular No. 14/2020 dated 8th April, 2020 and General Circular No. 17/2020 dated 13th April, 2020 issued by Ministry of Corporate Affairs ('the General Circulars'), that the Company is seeking approval of members for the special businesses as set out in the postal ballot notice dated 24th April, 2020 ("Postal Ballot Notice"). Members are informed that the Postal Ballot Notice along with relevant Explanatory Statement and e-voting instructions for remote e-voting have been sent to members who have registered their email addresses with the Company or Depository Participant(s) on their registered e-mail addresses as on the cut-off date.

The Postal Ballot Notice has been sent to email addresses of those members whose names appeared in the Register of Members / List of Beneficial Owners as received from the National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') as on Friday, 24th April, 2020 ("the Cut - Off Date"). The voting rights shall be reckoned on the paid-up value of the shares registered in the name of members as on the Cut - Off Date. A person who is not a member as on the Cut - Off Date should treat this notice for information purpose only.

Members should note that due to country wide lockdown imposed by the Government of India to combat the spreading of the Novel Coronavirus ("COVID-19") and in terms of the General Circulars, no physical ballot form is being dispatched by the Company and the Members can cast their vote using remote e-voting facility only.

Pursuant to the General Circulars, Members whose email addresses were not registered with the Company or Depository Participant(s) as on the Cut - Off Date, are requested to register their email addresses by sending an email citing subject line as "ASL - Postal Ballot - Registration of e-mail addresses" to our RTA i.e. Link Intime India Private Limited at ahmedabad@linkintime.co.in or to the Company at investor@arvindinfra.com with name of registered shareholder(s), folio number(s) / DP Id(s) / Client Id(s) and No. of shares held from the email address they wish to register to enable them to exercise their vote(s) on the special businesses as set out in the Postal Ballot Notice through remote e-voting facility provided by NSDL. For details of the manner of casting voting through remote e-voting by the members holding shares in physical form or who have not registered their email addresses with the Company or Depository Participant(s), members are requested to refer instruction no. 7 of the Postal Ballot Notice.

In accordance with the provisions of Section 108 of the Act read with the Rules, the General Circulars and Regulation 44 of the SEBI LODR Regulations, the Company is providing facility to its members to exercise their votes electronically in respect of items enlisted in the Postal Ballot Notice through the remote e-voting facility provided by NSDL.

Details of Postal Ballot Schedule:

Sr. No.	Particulars	Schedule
1	Date of Completion of dispatch of postal ballot notice	Wednesday, 29th April, 2020
2	Cut - off date for identification of voting rights of the members	Friday, 24th April, 2020
3	Date and time of commencement of remote e-voting	Friday, 1 st May, 2020 [09:00 a.m.]
4	Date and time of end of remote e-voting	Saturday, 30 th May. 2020 [05:00 p.m.]
5	Remote e-voting shall not be allowed beyond	Saturday, 30th May, 2020 [05:00 p.m.]
6	Scrutinizer	Mr. Hitesh Buch, (CP No.: 8195), Proprietor, Hitesh Buch & Associates, Practicing Company Secretaries
7	Contact details of the person at NSDL responsible to address the grievances connected to e-voting	Ms. Pallavi Mahtre, Manager, email: evoting@nsdl.co.in or call on Toll free No.: 1800-222-990

Members are informed that:

- Members can vote only through remote e-voting facility provided by NSDL as no physical ballot form is being dispatched or will be accepted by the Company.
- A member who has not received Postal Ballot Notice on their registered email address along with relevant Explanatory Statement and e-Voting instructions for remote e-Voting may obtain the same by sending an email to our RTA i.e. Link Intime India Private Limited at ahmedabad@linkintime.co.in and to the Company at investor@arvindinfra.com.
- A copy of the Postal Ballot Notice and the procedure for registration of email addresses of members are also available on the website of the Company at www.arvindsmartspaces.com. The Postal Ballot Notice along with Explanatory Statement is also available on website of BSE Limited (www.bseindia.com) and National Stock Exchange of India Limited (www.nseindia.com) ("Stock Exchanges" where the equity shares of the Company are listed).
- Mr. Hitesh Buch, (CP No.: 8195), Proprietor, Hitesh Buch & Associates, Practicing Company Secretaries has been appointed as Scrutinizer for conducting remote e-voting process in accordance with the law and in a fair and transparent manner.
- For any queries/grievances, in relation to voting through electronic means, members may contact Registrar and Transfer Agent (RTA) i.e. Link Intime India Private Limited at ahmedabad@linkintime.co.in, the Scrutinizer at pcs.buchassociates@gmail.com or the Company at investor@arvindinfra.com
- The result of the voting by Postal Ballot (through remote e-voting) shall be declared on or before Monday, 1st June, 2020. The results declared and the Scrutinizer's Report shall be made available at the Registered Office of the Company's website and on the website of NSDL at www.evoting.nsdl.com besides being communicated to the Stock Exchanges where the Company's shares are listed.

For Arvind SmartSpaces Limited Prakash Makwana

Company Secretary

Place: Ahmedabad Date: 29th April, 2020

financialexp.epap.in

After Bajaj Auto, Piaggio came second with its domestic sales at 152,386 units (10%

blues, saw its domestic sales at a

meagre 11,934 units during the

fiscal (a decline of 29%), but it

did well on exports with 16%

growth to 161,977 units.

degrowth), followed by Mahindra & Mahindra with 58,145 units (degrowth of 12%). Within the vehicles industry, passenger vehicle sales were at 10,17,051 units in the fiscal under review (a decline of 10%), while the sales of the goods variant were at 116,807 units (a decline of 14%) against the same period last fiscal, the SIAM data added.

Icra had in its earlier analysis said that abolition of permit regime in large three-wheeler markets like Maharashtra and Gujarat along with issuance of fresh permits in Delhi, Karnataka, Andhra Pradesh and Telangana had extended the much-needed impetus to the domestic three-wheeler volumes in FY2018 and H1 FY2019. However, the segment had been declining since the latter half of FY2019.



THURSDAY, APRIL 30, 2020



REST IN PEACE

Prime minister of India Narendra Modi

Irrfan Khan's demise is a loss to the world of cinema and theatre. He will be remembered for his versatile performances across different mediums. My thoughts are with his family, friends and admirers

Corona's many facets complicate the treatment

It is not just the lungs, it affects the heart, kidneys, brain... this is making treatment—and a lasting cure—difficult

HE CENTRAL GOVERNMENT'S new guidelines advising home isolation for Covid-19 patients with 'very mild symptoms'—as certified by a doctor—will give the healthcare system more room to deal with moderate and severe infections, but it is not clear this is the best way forward since both researchers and doctors do not yet have a complete picture on how SARS-CoV-2 attacks the body. While it is true that risks are different for different populations, incidence of co-morbidities and even vaccine coverage, this could be a reason why different lines of treatment—like HCQ that US president Trump held out as a likely cure—are reported to have worked in some cases and failed in others. Based on global experience, the Indian government asked industry to help dramatically ramp up production of ventilators, but 30,000+ infections later, India has put just 80 patients on ventilators. The post-mortem of many victims, on the other hand, has shown that many died of kidney failure.

An article in New York, a Vox Media owned magazine, talks about how "the clinical shape of the disease (Covid-19), long presumed to be a relatively predictable respiratory infection, is getting less clear..." Indeed, while fever, dry cough, and impaired respiration are nearly universally accepted as symptoms, and the US Centers for Disease Control lists fever as a top symptom, according to a report in The Washington *Post*, as many as 70% of the Covid-19 patients considered sick enough to be admitted to New York hospitals didn't have fever. The New York article reports that, in the case of Boston's Brigham and Women's Hospital, as few as 44% of Covid-19 patients had fever, while cough was present in 68-83% of the patients, and shortness of breath in 11-40%. Nausea and diarrhoea, at the higher end of the range for this symptom (17%), was just as common as shortness of breath (at the lower end of its range).

An article in *Science* magazine talks of pathologists and clinicians beginning to realise that though the lungs are "ground zero", the heart, blood vessels, kidneys, intestines, and even the brain are vulnerable to the virus. Researchers at the Wellcome Sanger Institute and elsewhere have highlighted the role of a cell-surface receptor called ACE-2, which normally helps the body regulate blood pressure, in facilitating the virus's attack. A paper in *JAMA Cardiology* talks about how a fifth of the patients in a group of 416 admitted in a Wuhan hospital showed heart damage, while another Wuhan study talks of arrhythmia in 44% of the patients it considered. Another study talks of how blood clotted abnormally in 38% of the 184 Covid-19 patients in a Dutch hospital's ICU—clots carry a compounded risk as they could get lodged in the brain and cause a stroke, or block vital arteries. Some patients have also reported low blood oxygen levels without any shortness of breath, which, researchers believe, could be due to the virus possibly altering the balance of hormones regulating blood pressure and causing arterial constriction. As per a pre-print article in *medRxiv*, 27% of 85 patients hospitalised in Wuhan had kidney failure, while another from the same preprint server reported incidence as high as 59% among 200 patients. Covid-19 patients have also exhibited several central nervous system dysfunctions and complications. With viral RNA found in 53% of stool samples, as per a study published in the American Journal of Gastroenterology, indicating an attack on the intestines, researchers believe there could be many more signs of the disease, as well as sites of attack in the body. That makes it difficult to judge whether those manifesting 'mild symptoms'aren't masking a deeper onslaught within, or won't worsen.

Respect taxpayer money

Don't use it to bail out errant NBFCs

ITH BANKS HAVING pretty much vetoed exclusive lines of credit from the Reserve Bank of India (RBI) to be used to buy corporate bonds held by mutual funds, NBFCs, and MFIs, or even lend to them, there is a clamour for a government or RBI-led bailout a la the US Fed. The demand, especially from NBFCs, who say they will go belly-up if the junk bonds that they hold are not bought, is preposterous. There can be no justification whatsoever for any kind of sovereign back-stop or partial credit guarantee for NBFCs; no one held a gun to their heads, compelling them to grow at a breakneck speed by creating poor quality assets.

Indeed, the problem of poor asset quality, whether at banks or NBFCs, is not a two-month phenomenon, it has existed for several years now. Banks have paid for it and, to their credit, are treating capital the way it should be treated—preciously. The rest of the financial sector needs to learn. NBFCs have grown their balance sheets excessively, creating assets without having adequate liabilities to fund these. For a long time, many were borrowing short-term money from MFs to fund longterm assets, with the regulators seemingly unconcerned. Asking the taxpayer to bail out irresponsible private sector NBFCs is sheer injustice. A solution must be found without the government playing any role. Perhaps, the quality assets and bonds that NBFCs hold can be bought by banks, MFs, or insurers. A crack team can be appointed to recover the rest of the bad assets from errant borrowers since the NBFCs themselves are unlikely to work hard enough at this. Indeed, the problem with bailouts often is that the bad loans are simply written off, and little effort is made to recover these, so the borrowers go scot-free.

To be sure, balance sheets will need to be drastically downsized, even shrunk, and some businesses will need to be sold, or even wound down. That is the price ambitious and irresponsible promoters must pay, not the hapless and honest taxpayer. The US Fed may have opened up a line of credit to buy corporate bonds, with the US government providing \$75 billion of equity capital, but the Indian government cannot be bailing out private sector NBFCs that grew and lent recklessly to risky sectors like real estate. That would be a *suit-boot-ki-sarkar*.

As for MFs, many of them are backed by strong parents—in India and overseas and this is the time for them to support their offspring. Let the MFs pool together whatever capital they have, house the illiquid bonds in an SPV, and work on recovering the money. They should also be better capitalised in the future. Fund managers must pay for undue risks, and investors for being greedy and gullible. Taxpayer money deserves a little more respect.

NoSUSPENSION

Schools are functioning despite extraordinary challenges, no ground to deny them fees

HE DELHI HIGH Court has rightly dismissed a petition seeking exemption from payment of school fees, including tuition fees, for the duration of the lockdown. The petition argued that the crisis had led to job losses and pay cuts, and parents should not be forced to pay fees to schools as the premises are shut and only online classes are being conducted. It invoked Rule 165 of the Delhi School Education Rules, 1973, which states that if a school is shut on the 10th day of a month—the period by when fees need to be paid—the payment can be deferred till the 10th day after it reopens. Though it is unclear how this rules applies, the petitioner argued that since schools remain shut, even tuition fees shouldn't be charged. However, the High Court rejected this invocation of Rule 165, ruling that it specified only conditions relating to the paya-

bility of fees, and not the chargeability of these. It is much more difficult for teachers to take classes online, as the High Court rightly noted, and their efforts cannot be ignored. Schools are incurring considerable expenditure in arranging for, and maintaining the required digital infrastructure. Schools hiring platforms to deliver e-lessons also need to pay the fees these charge. To suggest that schools should not charge tuition fees because they are shut is without foundation, because their fundamental deliverables have not been suspended. The current economic milieu has put pressures on all sectors. The fact that schools have not stopped teaching is something that should be appreciated and supported by guardians and the society at large.

CAPITAL COST

EVEN A 25% FALL IN THEIR INCOMES DUE TO THE LOCKDOWN WILL MAKE 354 MN MORE PEOPLE POOR. FIXING THIS WITH CASH TRANSFERS WILL COST THE GOVT ₹19,500 CR PER MONTH

Covid-19 may double poverty in India

N THE SECOND week of April 2020, UN's International Labour Organization (ILO) claimed that about 400 million workers from India's informal sector are likely to be pushed deeper into poverty due to Covid-19. There is no dispute that poverty in the country will worsen, but the question is, by how much? We try to answer this using National Sample Survey Organization (NSSO) and Planning Commission data.

Through its quinquennial consumption expenditure surveys, NSSO presents estimates of monthly per capita consumption expenditure (MPCE) of households in the country. This data forms the basis for estimating poverty levels, as was done by the erstwhile Planning Commission. From NSSO's consumption data, the Commission estimates poverty thresholds, based on which poverty ratios in Indian states and UTs were estimated. It may be noted that MPCE is taken as proxy for income.

The latest available data is for the year 2011-12 (2017-18 NSSO Survey report is pending for release) and in that year, India had about 270 million poor people, or about 21.9% of the population. Using NSSO's unit-level MPCE and Planning Commission's state-level poverty data as our base, we simulate the impact of income shock due to Covid 19 on poverty in India. Then, using population data for 2019-20, we extrapolate to estimate poverty at current levels.



Saini is Senior Consultant (External), ICRIER & Khatri is Research Assistant, BKS. Views are personal

We simulate for two income shock scenarios. In the first, all individuals lose a month's payment, which implies a loss of about 8.3% in average MPCE (we round this up to 10%). In the other, individuals suffer income loss for three months, implying loss of about 25% in average MPCE (results for this shock are presented below). We assume (i) a uniform shock across fractiles (based on MPCE, NSSO distributes population into 12 fractiles) and (ii) incomes to return to pre-Covid levels after the three month (March - May) disruption.

Let us illustrate our calculations using the example of Uttar Pradesh. In 2011-12, poverty threshold levels for the state (per person per month) were ₹768 and ₹941 for rural and urban areas, respectively. Based on this, the state's poverty ratio was estimated to be 29.4%. If we introduce an income shock of 25%, then, measuring against the same poverty threshold levels, UP's poverty ratio comes to be 57.7%. Upon applying this new ratio to UP's 2019-20 population estimate, we find that about 71 million more poor people

would be impoverished in the state.

Using the same method for all states and UTs, we find that with the 25% shock to incomes across all fractiles: (i) India's overall poverty rate rises to 46.3%, i.e., more than twice the 2011-12 levels, and higher than even the 1993-94 levels (see graphic); and (ii) this means that India will have an additional 354 million poor, taking the total count of the country's poor to about 623 million.

At the state level, we find that the shock (i) more than doubles poverty in 27 of the 35 studied states and UTs (see graphic), and (ii) five states—UP, Bihar, Maharashtra, West Bengal, and Madhya Pradesh—account for more than 50% of the 354 million newly added poor.

As mentioned before, for the sake of simplicity, we made some assumptions. First, we assumed a uniform income shock across all fractiles. There is enough evidence that people in the lowest fractiles (the ones who are already poor, or at threshold), most of whom work in the informal sector, are the worst hit. This indicates that the income shock is not

likely to be uniform across fractiles. Second, in our worst-case scenario, we assumed a 25% income shock. Sadly, there is growing and widespread evidence of job losses among low-income fractiles, indicating that an income shock much greater than this is likely for the people in these fractiles. Thirdly, our assumption about incomes eventually recovering to pre-Covid-19 levels after three months is also likely to be overly optimistic. Income levels in the coming months will be determined by how the economy recovers, and how lost employment is regenerated. Nevertheless, the above exercise is useful as it gives us at least a base estimate.

In summary, we can infer that due to Covid-19,(i) poverty will grow, with India adding about 354 million more poor people, and (ii) inequality will worsen.

We use our MPCE analysis to propose a solution. We found that if the Centre can make direct benefit transfers (DBT) of ₹312 per person per month to the poor, most people in most states can come back to their pre-Covid levels of MPCE. That the country's economic situation was not so bright even in pre-Covid times is another matter. Given there are likely to be about 623 million poor people, the DBT transfers will cost the government about ₹19,500 crore per month. If the Centre can increase the transfer amount to about ₹750 per person per month, it will not only help the poor recover from the economic damages resulting from the pandemic but also assuage their poverty. This DBT transfer would cost the state about ₹46,800 crore per month. The government may want to consider transferring the DBT amount at least for the next six months, and in addition to other benefits like increased PDS entitlements, subsidy on cylinders, etc.

This pandemic is as much a social and economic crisis as it is a humanitarian one. Considering the uncertain path that lies ahead, helping the country's poor become self-sufficient and better prepared can prove to be the best weapon against the deadly virus, and such a DBT can go a long way in that.

Trends in all India poverty ratios Poverty ratios pre and post 25% income shock (percent population) due to Covid-19 Poverty Ratio (% population): 2011-12 and estimated 45.3 45 **Estimated** @ 25% 40 35 30 25 20 @ 10% 15 2009-10 2011-12 Q1 2020-21 Source: Planning Commission and authors' calculations; *Includes estimate for Telangana 🕳 2011-12 🥃 After 25% decrease in MPCE

South Korea's Covid-19 success story

The country's NGOs and trade unions were critical in monitoring the situation, and reaching vulnerable groups

SOUTH KOREA EXPERIENCED one of

the world's largest initial outbreaks of Covid-19 outside China. But, unlike the United States and many European countries, we have been able to contain and drastically reduce the spread of the virus, at least so far—and without imposing a nationwide lockdown. Our response may provide insights that can help other governments and civil-society groups working to combat the pandemic. So, how did we do it?

As is widely known, South Korea's government focused on aggressive testing and contact tracing to contain

community transmission, and established a strict triage system to protect healthcare workers. But, testing and tracing alone did not stop the spread of the virus. The country's civil society including non-governmental organisations and trade unions—played a critical role by monitoring the situation closely, helping to hold the authorities accountable, and reaching the most vulnerable social groups.

The government procured highquality diagnostic kits based on a tightly coordinated transfer of public-funded technology to private manufacturers, and quickly established a mass testing system in which public-health centers played a central part. These early interventions paid off—the country now has more than 600 testing sites, including 80 drive-through centres, capable of testing a total of 20,000 people per day. Moreover, individuals with suspected Covid-19 symptoms and contact history are legally entitled to be tested free of charge.

Each time a new case was identified, local governments used contact tracing to quarantine potential carriers and publicly disclosed their individual travel histories in order to inform nearby residents of their potential exposure. This helped contain infection clusters. And, the triage system in hospitals helped prevent patients with severe symptoms from indiscriminately infecting health-

For contact tracing, the authorities relied on mobile-phone GPS data, creditcard transaction records, and CCTV footage. While this use of personal data is legal in South Korea and proved effective in combating the virus, it also raised significant privacy concerns. Over the last two months, some patients whose detailed travel history was made public have been blamed, as if they had recklessly put others at risk of infection. The country's National Human Rights Commission and advocacy organisations have called for an appropriate balance between protecting the public and respecting individual

care workers and other patients.

continues today. Trade unions, NGOs, and the public were also instrumental in pushing the government to protect vulnerable citizens, respect their basic human rights, and address the deeply rooted inequalities highlighted by social-

rights, and this debate

distancing measures. Many low-wage workers, for example, could not work remotely or take paid leave to support themselves and their families. A call centre in southwest Seoul, where workers were crammed into a small, poorly ventilated office, emerged as one of the country's biggest Covid-19 clusters. And, one delivery worker died on the job, collapsing from exhaustion because of the huge increase in online orders. Unions informed the public and policymakers about such problems, based on reports from their rank-and-file members, and advocated for greater employment security, paid sick leave, and adequate protective gear, including facemasks.

Similarly, public hospitals, which have long suffered from underinvestment, began to take the lead in accommodating the influx of patients. At the

MYOUNG-HEE KIM

Director, Center for Health Equity Research, People's Health Institute, South Korea. Views are personal

> same time, the Covid-19 crisis highlighted the inadequacy of South Korea's private hospitals, which account for 90% of the country's hospital beds. When the virus struck, they lacked both the relevant equipment and isolation units, because these were not profitable in normal times. As a result, civil-society groups are now demanding an expansion of the country's public healthcare system. In addition, NGOs cooperated closely

with local service providers to identify gaps in care. NGOs monitored assistedliving facilities, homeless shelters, and vulnerable individuals at home to ensure that these populations were

As wartime-like

measures are

adopted to fight

Covid-19, civil

society must ensure

inequalities are not

exacerbated

receiving proper attention. And, community volunteers stepped in to provide additional support where local governments lacked the capacity to do so.

Finally, the government responded to civil-society organisations' demands that migrants and refugees—often the targets of racism and anti-immi-

grant rhetoric—have access to testing and treatment. For example, the Ministry of Justice announced in early March that undocumented migrants could be tested for Covid-19 without risking deportation, and published multilingual information materials. NGOs working with South Korea's migrant communities are now disseminating critical information about medical access and paid leave to help support these groups.

As governments around the world increasingly adopt wartime-like measures to fight the pandemic, civil-society groups must prevent policymakers from responding in ways that further exacerbate inequalities or marginalise the most vulnerable groups. Such efforts were crucial to South Korea's success, and they can help other countries beat the virus, too. Copyright: Project Syndicate, 2020. www.project-syndicate.org

LETTERS TO THE EDITOR

Point of fact

"Ending an Apartheid" (April 29), the authors Manish Sabharwal and Shantanu Rooj mention that 'Wimbledon is played in England but no British never wins.' It must be pointed out to all that Andy Murray is a British national who wont the Wimbledon Singles in 2013 and 2016. In fact, in 2013, he became the first British man to win the championship since tennis transitioned to a professional sport in 1968.

Appropos of the article titled

— Anil Kumar Kanungo, New Delhi

Policy for migrants

Migration is a necessity for the growth and development of any nation. It is a worldwide phenomenon. Over 150 districts in India have had a history of migration for over a century now. To earn their livelihood, migrants used to go to far-flung areas. But, in the wake of sudden lockdown announced on March 24, lakhs of migrant labour remained stranded as every kind of transport was prohibited. With over a month of the lockdown having passed, migrant workers have exhausted their earnings and have no shelter over their heads, while food remains in short supply, and they are vulnerable to Covid-19. A large number of migrant labourers have already started walking back hundreds of miles to reach their homes. Considering the gravity of the situation, some state governments have provided bus facilities to bring back their migrants. This is a sectarian action and lakhs are sill stranded across the nation, facing miseries. The central government must adopt a uniform policy to enable migrant labourers to move across the country after adopting standard procedures of travelling. — Satish Khosla, Chandigarh

•Write to us at feletters@expressindia.com

financiale

There has been a surge in report of asymptomatic SARS-CoV-2 infected cases from across the world. Dr Srinath Reddy, president of the Public Health Foundation of India and a member of the WHO committee steering the SOLIDARITY trial sheds light on the implications of this and other Covid-19related hot topics in an interview with Sarthak Ray. Edited excerpts:

A senior ICMR researcher said that 80% cases could be asymptomatic. Is 'flattening the curve' even possible in such a scenario?

The ICMR protocols for determining who should be tested have changed over time, becoming less restrictive, but not including the general population at any time. From the cumulative numbers of all persons tested, a large proportion of the persons who were found to be positive for viral presence by the RT-PCR were classed as asymptomatic. Some of them could have developed symptoms later on, if they were tested in the pre-symptomatic phase. Since all antigen-positive persons are isolated and followed up, it should be possible to ascertain what proportion of these remained asymptomatic for at least two weeks after the test. Some could have been 'pauci-symptomatic', that is, with minor symptoms that were not reported or recorded. Some others could have had symptoms like loss of smell or loss of taste, which have only been recently added to the recognised symptom list by the US Centers for Disease Control. However, it is also likely that a large number were truly asymptomatic and remained so, as is also being reported from other countries.

We cannot do a population wide 'search and sieve' testing to detect all asymptomatic persons who neither have travel exposure nor report contact history but might still be infected. We can do a random sample testing of the population to determine the extent to which such persons are present in the whole population, at the time of survey. These numbers will change over time. There may also be a high proportion of false positive reports if asymptomatic persons are tested in the general population. Nevertheless, the protective personal behavioural triad of physical distancing, hand washing and face masks offer the best protection against the spread of infection from asymptomatic virus positive persons. The shape of the curve related to the

number of infected persons should be assessed by comparing case numbers obtained while using the same eligibility criteria for testing, and after adjusting for day-to-day variations in the numbers of tests performed. If the eligibility criteria have remained the same over the past 10 days, and the testing number adjusted curve is steadily shifting to a lower slope, that trend may be taken as evidence of a slowdown in transmission. During lockdown, even asymptomatic cases (tested and untested) would have been in enforced isolation.The real challenge will come after the lockdown ends, when undiagnosed infected persons may become mobile in the community. We must continue the triad of general protection measures till the tested positive cases are nil, and no symptomatic cases emerge for a month. The assessment must be on a district-by-district basis, with situation-specific decisions based on local data, and not on a single national curve.

With such a high level of asymptomatics, would testing alone give us the true picture? The Santa Clara and Los Angeles studies relied on antibody testing.

Clearly, it is not feasible to conduct widespread RT-PCR testing in a large population sample. Even pooled testing will not be feasible in large surveys which involve throat swab collection, due to logistical challenges. Antibody testing, as done in Santa Clara and Los Angeles, is far more feasible, but may yield a large number of false positives in a population survey. Still, a random sample population survey can be conducted in each district, with antibody testing, to get an estimate of the comparative prevalence of asymptomatic positives.

In such a scenario, what needs to be done? We have to use a combination of strategies. Symptom-based and contact-based anti-



RECORD CAFE: DR SRINATH REDDY

Fighting corona: Look at local data, not a national curve

gen testing must be supplemented by symptom-based syndromic surveillance for influenzalike illness through house-tohouse visits by frontline health workers supported by community volunteers. Random sample surveys with antibodies will give us additional information on persons without symptoms. It is unrealistic to think we can catch every single infected person capturing both symptomatic and asymptomatic virus visited persons—in our large population. We must try to identify and isolate as many as we can, during the infective period, and rely on the protective triad of personal safety measures to prevent spread in the general population. Mass testing was not adopted as the prime strategy in Vietnam, which has Asia's best record of containment. We too must be adept in using multiple methods of detection and several

WHO is warning against ignoring the possibility that the virus could become endemic.Chinais reportedly seeing a second wave...What does this mean for us? This virus came from our forests and will stay on this planet, perhaps as a seasonal visitor to different countries at different times of the year. We, in India, too must assume that it will be a recurrent threat. A vaccine is needed for protection, especially for the elderly and others with pre-existing health disorders. Will the virus remain stable or will it mutate to more or even less dangerous forms? Long-term prospects of mass immunity, acquired through exposure to the virus or a vaccine, will also depend on whether and for how long the virus will remain stable. We have many

measures of containment.

uncertainties about the behaviour of this newvirus. However, with science and social solidarity, we can overcome its challenge even if it stays with us.

Does plasma therapy represent a cure? Or is it, at the very best, a disease management tool in severe cases?

Passive antibody therapy has been used in seriously ill patients with other viral diseases, with some success. Even in Covid-19, there are a few anecdotal reports of success. They were mostly based on use for compassionate indications. Large-scale trials have started in some countries.

However, there are uncertainties about the nature and duration of acquired immunity. Do the antibodies provide full or partial protection? Or is immunity against this virus based on cell-mediated immunity, the Gemini twin of the immune response? Even if humoral immunity mediated by antibodies is the key protective response, what levels must be attained by the infected donor to be protective for the recipient? Also, howlong will this protection last? Despite these uncertainties, passive antibody therapy has sufficient scientific rationale to be tried in clinical trials and, even as they are being completed, to be tried for compassionate use in very sick patients.

Dr Robert Gallo has talked of harnessing OPV's innate immunity activating capacity... Is there any trial planned for India? The polio vaccine is a non-specific booster of innate immunity, like the BCG vaccine. It may have a protective effect, through this mechanism, as suggested by Russian

research of half a century ago. Does it also block the Covid-19 virus through gut immunity? Some patients of Covid-19 present with diarrhoea, and the virus has been isolated from stool samples. Does the polio vaccine prevent the gut entry of the Covid-19 virus through the intestinal immunity that it is known to promote? That is speculative. Anon-specific potentiation (increase in strength) of innate immunity is, however, both plausible and possible.

I am, however, not aware of such a trial starting in India. Perhaps the health minister, Dr Harsh Vardhan, who played a prominent role in the eradication of polio in the country through the polio immunisation programme, can lead such a trial.

HCQ, remdesivir, etc, have seen contradictory research reports emerge around them...What are the underlying factors? How do we get more clarity on these? Clinical trials, for evaluating drugs, require randomisation of patients to active and control groups, comparing the investigational drug with current standard therapy. They also need a large enough sample size to detect a clinically meaningful protective effect. It is necessary to show impact on major clinical outcomes such as recovery time from serious illness or improved survival with lower mortality in the active group. The trials so far have been inconclusive because of small sample sizes, nonevent based intermediate outcomes like viral load, variable drug combinations and non-comparable dosage schedules. Larger, more standardised and clinical event based trials are now underway, including the WHO led multi-country trial SOLI-DARITY, which evaluates several treatment options. As Louis Pasteur advised his young research fellows, "Keep your enthusiasm, but let strict verification be its constant companion".

New guidelines talk about home isolation of very mild cases... Can symptoms progressively worsen? In such a case, what does this mean for mortality?

There is at present no evidence-based specific treatment for Covid-19. The care is supportive, and is based on the clinical severity of the disease. Many of the infected persons have no symptoms or mild symptoms. They can be managed well at home. Primary healthcare teams should regularly visit the homes to provide advice. Now that tele-consultations are permitted, medical advice can be obtained even by phone. If the condition worsens, the person can be transferred to a nearby designated hospital. Home-care for mildly symptomatic cases will also create space for the more serious patients and reduce the pressure on the healthcare providers. That may, in fact, save more lives by enabling better and more focused care for serious patients. Please also note that hospitals are also places where patients can catch other infections, called nosocomial infections. Serious patients have to be in hospitals for care and protection, but why should mildly symptomatic persons subject themselves to that risk?

The govt has directed hospitals not to ask every patient to get tested for Covid 19 before offering treatment. Given the spectrum of symptoms now associated with SARS-CoV-2 infection, and the shortage of proper PPE for healthcare workers, what, in your opinion, could be the best recourse?

Under ideal circumstances, we should know the viral status of every patient. However, that is not possible for reasons that go beyond the availability of testing kits. An RT-PCR test takes several hours for the result to be available. We cannot make a patient who comes with a non-Covid-19 problem wait till that result is available. Also, the fact that a patient who tests negative today can get infected two days later does not provide a non-Covid warranty for the revisit a few days later. We have to screen for Covid-19 symptoms, fever and history of close contact when a person first registers at the outpatient service, like was done at airports. Those who do not pass that screening may be tested. Even sample collection for antigen testing requires PPE for the tester. So, the shortage of PPEs is not an argument for mass screening of all non-Covid-19 patients seeking healthcare.

The true toll

ATISHA KUMAR



O QUANTIFYTHE EFFECT of a shock in real-time

Govts may not be able to isolate the true toll of the Covid-19 pandemic, including India, for many months or years to come

is fraught with measurement and data issues. As India grapples with this pandemic, estimating the toll is even more challenging. Is the disease progressing slower in India than in many developed nations, or is the data reflecting testing gaps? Indian states' mortality figures highlight that fewer deaths occurred in March compared to the same month in previous years, and historical monthly averages. The absence of missing deaths suggests that, for March, India's official coronavirus mortality tally may be close to the actual toll, and the disease may not have progressed widely, at least until March 31. But, data gaps also emphasise that timely and accurate data will be important to combat the crisis. Initially, limited access to testing restricted Covid testing to

those exhibiting severe symptoms or travel exposure. Today, even as more people are tested, the sample is not representative of the population. Further, the false-negative rate on tests is up to 30%. The number of cases may likely be higher than the number of positive tests. Despite being a lagging indicator, the death toll due to coronavirus offers a more reliable estimate than the confirmed case count. But the official death toll attributed to the virus may also be lower than the number of actual deaths due to misdiagnoses and lagged reporting.

Globally, experts are looking at "excess mortality" or mortality gaps as another measure of the coronavirus death toll. This approach compares the number of deaths during a certain period to the historical average. For instance, a *New York Times* article compared the number of confirmed Covid-19 deaths with the number of burials taking place in Jakarta, Indonesia in March. Jakarta's official death toll for March was 84. Yet, the city witnessed 1,600 more burials in March relative to the past. These deaths could likely be Covid-19 related. Using India's mortality data

Absence of missing deaths suggests that, for March, India's official **Covid-19 mortality** tally may be close to the actual toll

from the National Health Management Information Portal, I focus on 10 states with the highest number of coronavirus cases as of April 23: Maharashtra, Delhi, Gujarat, Rajasthan, Tamil Nadu, Madhya Pradesh, Uttar Pradesh, Telangana, Andhra Pradesh and Kerala. For each state, I compare total monthly deaths for individuals aged six and above in March 2020 and previous years. Deaths considered as infant and maternal mortality cases are excluded.

Unlike other middle-income countries such as Indonesia and Turkey, India witnessed fewer reported deaths in March this year. Seven of these ten states saw 46% fewer reported as compared to last year. In contrast, the decrease in deaths between March 2019 and March 2018 was 7%. For example, Maharashtra witnessed 14,804 deaths in March 2020, lower than the 18,584 deaths in March 2019.

The decrease in deaths due to other causes maybe falling owing to reasons unrelated to Covid-19. Thus, I exclude deaths from probable causes such as malaria, previously known illnesses, HIV/AIDs, encephalitis and accidents/burns. As some Covid-19 deaths may have been misattributed to other respiratory illnesses, I retain reported deaths due to tuberculosis, respiratory diseases including infections (other than TB), and other fever-related causes, heart disease/hypertension-related or unknown causes. Again, though, the same set of states witness fewer monthly deaths in March 2020 compared to historical averages. Maharashtra experienced 2,163 fewer deaths in March 2020, a 19% decline.

What does the absence of "excess mortality" suggest? Besides, showing that India's official tally may be close to the actual reported deaths, it reinforces that India was affected at a later stage relative to other countries. But there could also be other factors at play. First, delayed reporting may be playing a role. Second, physical distancing increased vigilance and targeted medical care due to the lockdown could have driven fewer deaths in March. Third, many deaths are not recorded or noted late in developing countries. Despite these issues, the state-level data remains important for studying the pandemic.

State health departments, which are already working round the clock to fight Covid-19, should prioritise reporting health indicators in an accurate, granular and timely manner. This will enable policymakers to follow the disease's progression and assess the effectiveness of measures.

HE 9-MINUTE LIGHTS-off on April 5 was an interesting event in many ways—the appeal of the PM's call, the extent of public participation, and the expert management of the national electricity grid. Switching off, and then bringing back in just a few minutes, a massive 32,000 MW of power, is a great technical accomplishment.

This accomplishment, though, shouldn't hide the fact that even pre-Covid, India's power sector has been facing a mounting financial crisis. It would now be easy to sidestep this problem and provide an unconditional bailout to the discoms yet again. Still, this event could also be seen as a lightbulb moment, an opportunity to take a step back, to address key issues, and plan for a more sustainable future. What are these issues?

First, as India continues to integrate renewable energy (RE) in keeping with energy security and climate change goals, a market-based, automatic mechanism for integration of infirm renewable power into the grid is non-negotiable. The 9-minute event demonstrated the technical capacity for managing grid flexibility. But, one must also remember that this was a planned event—grids had time to slowly back down supply. With renewable power, this luxury isn't available—weather patterns change and forecasting is never 100% accurate. The management of the event has reassured us that the grid is robust enough to integrate more RE. Which is timely, given the high growth forecasts for renewables.

India's lightbulb moment

Not using this crisis for meaningful energy sector reform would be a waste

VIBHAV NUWAL, **HIMRAJ DANG &** MAHUA ACHARYA

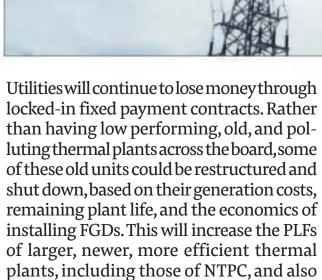
Nuwal is director, REConnect Energy; Dang is consultant; and Acharya, Asia director, CPI

If, we can design a market that competitively discovers costs and imposes penalties to renewable gencos across a nationwide grid, the "must-run" status of RE will be earned without regulatory support. The ability to manage power spikes associated with the 175GW of RE planned by 2022 can be augmented with the use of Li-ion battery storage. Approximately 25MW of such is needed per 1,000MW of capacity generated in each grid. The Central Electricity Authority has researched this extensively and concluded that with minimal backdowns, the surge of renewable power expected in the future can be fully dispatched.

Second, what to do with idle, old, and inefficient coal plants. The past decade has seen a steady decline in energy generation

from fossil fuels—plant load factors for the 2019-20 period are at 56%, down from 78% a decade ago. Coincidently, many of these same plants were to install air pollution equipment, as part of the country's commitment to COP21. The plan to retrofit 440 power units aggregating to 166.5GW with flue gas desulphurisation (FGD) systems by December 2022 is way behind schedule. As an example, only two out of 33 plants in the highly-polluted NCR have met their FGD targets, and this tardiness can no longer be permitted given our renewed concerns for public health.

The trend of low power demand, now furthered in the post-Covid economy, and increased RE generation, will continue to put a ceiling on the PLF of the thermal fleet.



Third, we have another chance for 'Make in India,' an opportunity to bring in fresh Covid-influenced industrial investment from Korea and Japan, which are diversifying away from China. But for this, India must lower industrial power tariffs to meet the

problems with air pollution.

competition. Industrial power in Vietnam is for example, 40% cheaper than in India; this is the case across ASEAN. Lowering industrial tariffs obliges the unravelling of the crosssubsidy regime. The key issue is of agricultural tariffs, and a permanent solution is needed. The political consensus seems to be veering towards a DBT subsidy similar to PM-KISAN, and freeing up all tariffs thereafter, with no scope for unfunded subsidies. help mitigate the country's now permanent There is a precedent for from the successful marketisation of fuel oils. Finally, making these long-delayed

changes would also address the perennial and oldest issue of the financial health of the discoms.Discoms now owe over ₹8.8 billion to generators. The current industrial lockdown has hit finances even harder with dis-

coms left catering to low-paying households and loss-making agriculture.

The proposed Electricity Amendment Bill, 2020, is an ambitious step in the right direction—with bold moves to institute cost-reflective tariffs, remove subsidies, and strengthen the sanctity of contracts through greater enforcement and provision of payment security to generators. Each state can be asked to endorse the legislation with its variant, which could become a condition to accept the Centre's band-aid assistance. However, the proposed Bill could have

gone further to introduce the radical reforms needed. In the current draft, many of the reforms proposed earlier—carriage and content separation, more effective RPOs, and default open access to RE—have either been dropped or watered down. Nevertheless, a bold reform move would be the complete abolition of cross-subsidy at a defined future date. The discoms should also be required to implement "DBT" for paying any subsidy on electricity (rather than this being borne by the discom, as is the case presently). Removing the cross-subsidy will create the urgency to solve the subsidy problem, and concurrently make power tariffs more competitive—something we need to attract factories relocating from China.

It is said that India reforms only when there is a crisis. We have a monster of a crisis now, and to not use this crisis for meaningful reform would be a waste of talent, leadership, and this rare lightbulb moment at every level.







Free America now: Elon

Musk slams lockdowns

TESTING TIMES

Joe Biden, Democratic presidential candidate

There are nearly 330 million people in the United States — and according to the Trump White House, we've only conducted 5.4 million Covid-19 tests. It's abysmal. Donald Trump needs to scale up testing, and he needs to do it immediately.

PANDEMIC FALLOUT

US economy shrank at 4.8% rate last quarter as virus hit

Lockdowns trigger a recession that will end the longest expansion of the American economy on record

AGENCIES Washington, April 29

THE US ECONOMY shrank at a 4.8% annual rate last quarter as the coronavirus pandemic shut down much of the country and began triggering a recession that will end the longest expansion on record.

The US economy contracted in the first quarter at its sharpest pace since the Great Recession as stringent measures to slow the spread of the novel coronavirus almost shut down the country, ending the longest expansion in the nation's history.

The Commerce Department said gross domestic product fell at a 4.8% annualised rate in the January-to-March period after expanding at a 2.1% rate in the final three months of 2019. Economists in a Reuters poll had been looking for a GDP contraction of 4%, though estimates ranged to as low as negative 15%.

The decline reflected a plunge in economic activity in the last two weeks of March, which saw millions of Americans seeking unemployment benefits. The snapshot will reinforce analysts' predictions that the economy was already in a deep recession.

Most of the key components of US economic output — including consumer spending, which accounts for two-thirds of economic activity — fell sharply.

"The economy is in free fall, we could be approaching something much worse than a deep recession," said Sung Won Sohn, a business economics professor at Loyola

China responsible for

CHINA POSES A threat to the world by

hiding information about the origin

of the coronavirus that it allowed to

Secretary of State Mike Pompeo said.

spread to other countries, US

President Donald Trump's top

China over the virus.

from falling sales

diplomat, speaking in a television interview Wednesday, ratcheted up

the accusations between the US and

Samsung warns of Q2 hit

SAMSUNG SAID ON Wednesday it

current quarter due to a coronavirus-

related slump in sales of smartphones

and TVs, although the chip business would remain solid. The world's top

expected profit to decline in the

maker of memory chips and

first quarter, fueled by solid

shrinking 6.3%

chip demand.

smartphones reported operating

Germany sees output

the coronavirus to plunge the

confidence at companies and

households plummets across

economy into its worst recession

since the nation began its recovery

in the aftermath of World War II, as

Europe. Gross domestic product is

GERMANY EXPECTS THE impact of

profit rose 3% to \$5.2 billion in the

outbreak: Pompeo

Quick

MAPPING THE VIRUS

pre-market trading.

country's really rocking again.

Sales of plane tickets leaving Beijing surged shortly

municipal emergency response to the coronavirus

level now. Trip.com ADRs gained as much as 12% in

Trump's senior adviser and son-in-law Jared Kushner

said: "You'll see by June a lot of the country should be

Sweden may be a good example of how governments

back to normal and the hope is that, by July, the

can rely on the public to help fight Covid-19,

told reporters on Wednesday in Berlin.

according to Mike Ryan, head of the World Heatlh

Organizations's health emergencies programme.

Germany will extend its warning for all tourist trips

abroad until June 14 and cannot promise that it will be

dropped after that date, Foreign Minister Heiko Maas

between countries is likely only if each considers the

Bosch plans to produce more than 1 million tests in

2020 that can diagnose Covid-19 in less than 2 1/2

Until a vaccine is developed for Covid-19, travel

other to be low risk, London Heathrow CEO John

after the local government announced it will lower its

outbreak to the second-highest level, from the highest

Total cases

3.1 million

Deaths pass

218,000

■ European lockdowns ease as cases drop, economies reel ■ Deutsche Bank, Barclays and

- StanChart warn of pain ahead ■ China is attempting to prevent
- a second wave of infections ■ Travel demand surges after
- Beijing lowers emergency level ■ White House turns to military
- for new supply chain mission ■ GE signals more pain ahead; cash flow worsens



hours and intends to triple output to 3 million next year, the German engineering giant said. A new test that allows diagnosis in less than 45 minutes is in "final development stage," the company said. The number of new Spanish coronavirus cases and

deaths held steady at low rates as the country prepares to ease some restrictions on public life. The number of fatalities rose by 325 to 24,275 in the 24 hours through Wednesday, according to health ministry data.

Marymount University in Los Angeles. "It's premature to talk about a recovery at this moment, we are going to be seeing a lot of bankruptcies for small and medium sized businesses." The first-quarter decline was the steepest pace of contraction in GDP since the first quarter of 2009.

Many factories and nonessential businesses like restaurants and other social

venues were shuttered or operated below capacity amid nationwide lockdowns to control the spread of Covid-19, the potentially lethal respiratory illness caused by the virus.

"For employees who have moved to work-from-home status, it is highly unlikely that labour input remains at 100%," said Kwok Ping Tsang, a professor of economics in the Virginia Tech College of Science.

Carmakers reel from virus hit; Mercedez bucks trend

AGENCIES April 29

AUTOMAKER VOLKSWAGEN SAW car sales and operating profit plunge in the first quarter as the coronavirus outbreak closed dealerships and halted production. But the company said it had strong cash reserves and aimed to make a profit for the Global sales fell 23% to 2 million vehi-

cles in the first three months of the year, from 2.6 million in the year-earlier quarter, the company said Wednesday. Operating earnings excluding financial items such as interest and taxes shrank by 81% to 0.9 billion euros from 4.8 billion euros (\$5.2 billion) a year earlier.

The company said Wednesday that despite the disruption from the virus it remained financially strong with what it termed a "robust" cash pile of 17.8 billion euros (\$19 billion). Sales revenue fell by 8.3% to 55.1 billion euros.

Meanwhile, Ford said on Tuesday its second-quarter loss would more than double to over \$5 billion from \$2 billion in the first quarter due to the impact of the coronavirus pandemic, but added it had enough money despite the crisis to last the rest of 2020.

"We believe the company's cash is sufficient to take us through the end of the year, even with no additional vehicle wholesales or financing actions," chief financial officer Tim Stone said in a statement.

Daimler said it expected the operating profit of its Mercedes-Benz Cars & Vans division to be above the prior-year level, even as the corona pandemic forced the Stuttgart-based car and trucks maker to abandon its outlook earlier this month.



Daimler said it expected the operating profit of its Mercedes-Benz division to be above the prioryear level, even as the pandemic forced the Stuttgart-based car and trucks maker to abandon its outlook earlier this month

First-quarter earnings before interest and taxes was 617 million euros (\$669.45 million), down from 2.8 billion euros in the year-earlier period, of which 510 million euros came from the Mercedes-Benz cars unit.

Daimler expects group revenue and EBIT to be below 2019 levels but given substantial one-off charges in the yearearlier period, the Mercedes-Benz Cars & Vans division is now seen delivering EBIT above prior-year, the company said.

Last week Daimler pre-released preliminary results, showing a plunge of nearly 70% in first-quarter operating profit and warned that the cash flow it uses to pay dividends would fall this year.

BLOOMBERG New York, April 29 **SPEED BUMP**

TESLA SHARES HAVE soared in spite of production shutdowns, likely demand disruptions and uncertainty about how soon the electric-car maker can restore morenormal operations.

The advance puts chiefexecutive officer Elon Musk in position to receive the first tranche of stock options he's eligible for as part of a pay package that set moonshot goals two years ago. Before he can cash in, the billionaire is advocating for the US to reopen and may need to deliver earnings that keep investors bullish.

"Give people their freedom back!" Musk tweeted ahead of Tesla releasing first-quarter results Wednesday. "Elon Musk: FREE AMERICA NOW," he wrote in another post.

If he can succeed in sustaining a market capitalisation that's now double the combined value of General Motors, Ford and Fiat Chrysler, Musk is on the cusp of receiving options worth roughly \$700 million on paper. But it's unclear if he'll be able to assure the market that his lone US vehicle-assembly plant in California will resume production soon, or that would-be customers now in quarantine are champing at the bit to buy Model Y crossovers and Model 3 sedans once they reemerge.

"Elon Musk is going to push really hard to reopen," Joe Osha, an analyst at JMP second quarter is when the real impact



- Musk is on the cusp of receiving options worth roughly \$700 million on paper
- He can cash in only if Tesla's market capitalisation sustains
- Carmaker's m-cap currently is double of GM, Fiat Chrysler and Ford's combined

starts to hit."

While Tesla suspended production in Fremont, California, on March 23, the company still managed to build almost 103,000 vehicles and deliver about 88,400 in the first quarter. S

Since the company reported those better-than-expected numbers on April 2, the stock has surged 69%.

The build-up of inventory from production exceeding deliveries by a wide Securities, said in a phone interview. "The margin probably weighed on Tesla's free cash flow.

Apple, Google release contact tracing tools to app makers

BLOOMBERG Los Angeles, April 29

APPLE AND GOOGLE released the first versions of their Covid-19 contact-tracing tools to public health organizations on Wednesday so the agencies can start building applications ahead of the system's launch in mid-May. The tool set is a combination of soft-

ware updates for iOS and Android, and software development kits to help developers build and test their apps. Apple released an early beta version of its software update that incorporates the technology, iOS 13.5, while Google is rolling out an update via its Google Play app store. The first phase of the system will let

health agencies build apps that allow a person who tests positive for Covid-19 to input their diagnosis. The system will then use Bluetooth technology to learn who the person has come into contact with and then notify those people of a possible exposure. Apple released Xcode 11.5, a new ver-

sion of its software development kit on Wednesday, while Google is providing an update of its SDK to select developers.

The companies also said that on Friday they will release sample code to help developers understand how the exposure-notification system will work, along with more information on which types of apps will be allowed.

Google challenges Zoom with free video conferencing offer on Meet

REUTERS April 29

GOOGLE ON WEDNESDAY said any user will soon be able to host free video conferences on Meet, turning its previously business-only tool into a bigger rival to Zoom and others battling for users during the coronavirus outbreak. Zoom, Microsoft's Skype and Face-

book's Messenger introduced features this month to attract users as people barred from going out to socialize seek free options to connect with friends and family by online video. But Meet, which has 100 million daily

users, had required a Google business or education account to set up calls. While Google has long offered free versions of business tools including Gmail and Google Docs, there has been no equivalent for Meet, a newer service launched three years ago.

The company gradually will open Meet in the coming weeks, and users can sign up

Boeing cuts 787

production and

REUTERS

global travel demand.

premarket trading.

April 29

thousands of jobs

BOEING REPORTED A loss for the second

straight quarter and said on Wednesday it would cut its workforce by about 10% as

the planemaker further reduces 787

Dreamliner production against a slump in

of getting sufficient liquidity to fund its

operations, sending its shares up 5.4% in

its entire \$13.8 billion credit line, is work-

ing with investment banks on a potential

bond deal worth at least \$10 billion,

Reuters reported on Tuesday.

the US-China trade war.

The planemaker said it was confident

Boeing, which last month drew down

Demand for Boeing's bigger and more

Boeing said it plans to cut the jet's pro-

profitable 787 jet had waned as a result of

to know when their account gains access.

Google has provided free video conferencing for nearly 12 years through its Hangouts service, but it features outdated security and technology and its popularity has waned. The company also maintains Duo, a video calling app accessible only on smartphones.

Oracle wins cloud computing deal with Zoom

ZOOM SAID ON Tuesday it has started using Oracle Corp's cloud computing service to help handle the surge in online video call volumes brought on by the novel coronavirus pandemic.

As corporations and schools shift to remote work and billions of people subject to stay-at-home orders seek ways to remain connected, Zoom has seen daily meeting participants rocket from 10 million in December to 300 million. But it has also experienced a backlash as the increased use exposed privacy and security flaws. Zoom set out a 90-day plan to fix

-REUTERS the security issues.

Airbus profit plunges 49%; CEO warns of 'gravest crisis'

REUTERS Paris, April 29

PLANEMAKER AIRBUS ON Wednesday posted a 49% slump in first-quarter adjusted operating profit to 281 million euros (\$304.7 million) as revenue dropped 15% to 10.631 billion euros amid the "gravest crisis the aerospace industry has ever known".

Europe's largest aerospace group also reported a negative cashflow of 8.03 billion euros, including a previously published record fine of 3.6 billion euros to settle bribery and corruption investigations in Britain, France and the United States.

Planemakers, airlines and suppliers have been left reeling by the coronavirus pandemic, which has crippled passenger travel and catapulted major economies into recession.

Airbus suspended its profit outlook, scrapped its dividend and negotiated new commercial credit lines last month as the



We think we're doing the right things to go through the crisis and not

jeopardize our main goal to compete again

- GUILLAUME FAURY, AIRBUS CEO

delivery of aircraft.

spread of the coronavirus began to impact airline operations and almost halted the

duction to seven units per month by 2022. forecast to shrink by 6.3% in 2020.

SELECTIONS FROM

The **Economist**

EVEN BEFORE THE recession, investors were deeply pessimistic about the car industry. Sitting on \$1.3 trillion-worth of legacy investments in factories that rely on a technology that ought to become obsolete—the internal-combustion engine—the likes of Ford, Renault and Volkswagen don't exactly look well positioned for the 21st century. Now, with car sales collapsing, a dinosaur business that employs 10 million people directly faces a moment of truth. Long synonymous with hubris and the inept allocation of capital, it needs to look to the future. Motors and others received bail-outs. Most firms have more cash and bigger margins. But this logic gets them only so far. Production in Europe and North America is now 50-70% lower than a year ago. Car firms have high fixed costs, so when they run below capacity they lose money fast. The top eight Western carmakers could burn over \$50 billion of cash this quarter, reckons Jefferies, a bank. At that rate, they may run out of money by the end of the year. There are other dangers. As recession

bites, people may default on carloans, many of which are owed to carmakers' finance arms. The value of second-hand cars is dropping, harming these finance arms through their leasing operations. There may be a permanent fall in commuting, as more people work from home—road-passenger numbers in China are still 57% below their pre-covid level. This prospect helps explain why oil prices have collapsed. Investors are jumpy on April 17th Ford raised \$8bn of debt at

LEADERS PIMP THE RIDE

The car industry faces a short-term crisis and long-term decline

It can still be viable, with the right fixes

painful interest rates of 8.5-9.6%. The only firm that commands their confidence is Tesla, an electric-car specialist, whose shares

Given its carbon footprint, isn't there an argument for the creative destruction of the

lions of jobs are at risk and the big firms account for about 60% of the industry's investment, a rising share of which is, belatedly, going into green technologies. Adaptation would be far preferable to extinction. And yet there is a risk that government aid ossifies car firms before they have mod-

which are on the menu in Germany—could encourage consumers to buy dirty, internalcombustion-engine cars. On March 31st America watered down emissions standards in order to help Detroit.

ernised.State"cash for clunkers"subsidies—

Subsidies for idling workers help in the short run, but if they go on for long they risk preventing firms from shifting resources from old to new technologies.

The industry should take control of its own fate. Car firms need to be pioneers in operating factories under new health protocols, from redesigning the choreography of assembly lines to providing health tests for workers. Big Western firms are starting to reopen some plants. This won't be lucrative, but it will stem short-term losses.

Firms should also avoid slashing investment indiscriminately, as they did in 2007-09 when capital spending dropped by 29%. Most car firms have two parts, a vast legacy operation and a small, loss-making, fast-

growing one making hybrid and fully electric cars. The danger is that they cut spending on the new bit, slowing the development of battery technologies and the launch of new electric models. Better to pare dividends, loss-making foreign adventures and legacy investments. The final priority is consolidation. Too

many mid-sized carmakers are clinging to their global aspirations, despite a number of mergers in recent years, such as Geely's purchase of Volvo and Fiat Chrysler's planned union with psa (Fiat's biggest shareholder owns shares in the parent company of The Economist). The world still has more than 1,000 factories making legacy cars. Renault and Nissan continue their halfway house of an alliance, which brings more complexity than synergy. Adapt, invest in the future and join forces. That is the way to a viable car industry—for the climate, workers and investors, too.

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financiales.

Executives say they are better placed today than in 2008-09, when General

are up by 64% this year.

carindustry? If only it were that simple. Mil-

The coronavirus pandemic has forced major-

ity of businesses globally to work from home.

Committed to ensuring business continuity

for its customers, Dell Technologies is promoting greater engagement through collaboration

tools and promoting online productivity tools.

"We believe that a modern workforce is a con-

nected workforce and the current situation

requires a digital workplace—personalised

team member experience, simplified IT con-

sumption and enabled dynamic teams,"Alok

Ohrie, president & managing director, Dell

Technologies, tells Sudhir Chowdhary in an

Given the current situation, what are the

measures that Dell Technologies is taking

Our top priority is the safety and well-being

of our team members, customers, partners

and the community in which we work and

live. We quickly enabled a work-from-home

posture globally and have adopted technol-

ogy to stay connected with our teams and

customers. We are fully prepared to support

about a decade ago and flexible working is

in our DNA. We had implemented this as a

company initiative many years ago. Dell has

the infrastructure, automation, monitoring

tools and network topology, which has been

empowering work from home for our team

members. Our infrastructure is being used

to manage our facilities remotely, securing

workspaces and seamless connectivity, to

enable all our team members to be produc-

Activated corporate crisis management

teams (CMT) have been set to collaborate,

assess and respond to team members;

Solving the Covid-19

infection puzzle

REDCLIFFE LIFE SCIENCES, a fast-

growing healthcare, and molecular

with the Birbal Sahni Institute of

BSIP, which is accredited by the

diagnostics company, has joined hands

Palaeoscience (BSIP), Lucknow in a bid to

and discoveries around Covid-19. While

contribute to the ongoing diagnostics

department of science and technology

(DST), has been appointed as the sample

analysing centre, Redcliffe will provide

infectious diagnostic testing services for

Covid-19. The partnership is in line with

Redcliffe's efforts towards helping in the

support with some equipped institutions

Ashish Dubey, co-founder, Redcliffe

Life Sciences, said, "With our combined

capabilities, we hope to become a game-

changer in the efforts towards tackling

 $governmental\,ef forts\,in\,this\,direction."$

capability to undertake whole genome

sequencing (WGS) to tackle Covid-19

spread. The company has approached

Get the latest updates on

MICROSOFT HAS INTRODUCED new

help citizens stay up-to-date with the

latest on the pandemic. These include

the integration of the Apollo Hospitals

bot for self-assessment and a hub for

telemedicine support from reputed

healthcare organisations. The Tracker

will also offer content on Covid-19 in nine Indian languages. The Bing COVID-

19 Tracker serves as a single, credible

hub of news and official government

information. It allows users to track novel coronavirus infections across the

globe and in India (www.bing.com/covid

can get statistics on infection, recoveries

districts. They can also save locations of

their near and dear ones to quickly view

The Tracker provides authentic

information on helpline numbers and

testing centres as well as guidance and

including those from the government,

ICMR and WHO. Users can stay on top of

the latest news – both national and local

with embedded stories and live feeds

from national and regional language

/local/india) at a hyperlocal level. Users

and fatalities in their own states and

stats of those areas at one place.

advisories from credible sources,

features on the Bing Covid-19 Tracker to

Bing Covid-19 tracker

the ministry of health and ICMR to assist

Recently, Redcliffe announced the

research around the recent health

pandemic and discussions to offer

that have BSL2 facilities.

the pandemic and assist the

in their efforts in this area.

Some of the key steps undertaken are:

tive from any location.

Tech

Our remote/flex work journey started

this flexible work environment.

interview. Excerpts:

to manage its workforce?

GOOD HEALTH MATTERS Vishal Gondal, Founder & CEO, GOQii

Businesses which are

will thrive in this

unpredictable time

In this time of the COVID-19 pandemic, it is extremely imperative for individuals to eat right and exercise enough to build strong immunity.

■ INTERVIEW: ALOK OHRIE, President & MD, Dell Technologies India

Flexible working is in our DNA

flexibility to all the team members to choose the work style that best fits their needs; Educating all the team members about the importance of health and safety, based on WHO guidelines; Digital enablement through modern operating models with the help of cybersecurity, infrastructure and team member experience teams. We are promoting greater engagement

through collaboration tools and promoting online productivity tools. A modern workforce is a connected workforce and the current situation requires a digital workplace member personalised team experience, simplified IT consumption and enabled dynamic teams.

What are the customer concernsyou are hearing about in this environment?

Given the current situation, businesses are required to be closer to their customers and their business partners than ever before. Dell Technologies has rolled out its own workfrom-home guidance and has been supporting customers accordingly. We have our business continuity plans and our supply chain and services teams are working to help customers meet their businesscritical technology needs. To ensure business continuity:

Mobilised remote workforce by providing ■Ourservices and sales teams,

supply chain and partners are working to meet our customers' business-critical technology needs;

■We are providing up-to-date information to our customers, partners and sales people; ■ All Dell Technologies' products are manufactured in accordance with our global health and safety policy and undergo rigorous screening prior to shipment regardless of factory location;

■Our tech support teams continue to serve our customers' needs globally, by working from home where needed or shifting support calls to other locations.

What is the feedback you are receiving from partners and external stakeholders? Our partners are as much concerned about the ongoing changes, as all of us. The current situation demands businesses to collaborate and address the challenges together. Businesses which are agile, responsive and are able to address changing needs of the customers will thrive in this unpredictable time. Customers and partners are looking up to technology players like Dell, to enable business continuity response processes to mitigate fluid situations. Flexible supply chains, technology-driven organisations, which allows flexible workforce, will see opportunities of growth.

We understand that financing and cash flow liquidity play an important role in any business continuity plan. Many of our partners may need help in this area, as they try to serve their customers and help their ruptions, while engaging with customers, ner HOPE Foundation.

employees remain productive during this difficult time. Keeping that in mind, we have launched a Partner Relief Package to provide immediate financial relief to our metaled partners, while helping them build capabilities and pipeline for the future.

In addition to this, Dell Technologies Working Capital Solutions (WCS) Programme and Dell Financial Services (DFS) are working on ways to continue supporting partners, to help them support their customers. We are

also introducing new teambased pricing options for solutions providers to make all training more affordable for our partners' teams.

Have you seen a surge in demand for laptops and cloud enterprise services?

We are seeing interest in remote work solutions including business PCs, Workspace One, Virtualisation and SD-WAN solutions, monitors, and other peripherals. We're using our flexible supply chain to fulfill orders as quickly as possible, exploring all sourcing, production and logistics strategies to best meet our customers' needs.

We have enabled all our team members to take the devices home, where applicable, to ensure productivity. Video conferencing and frequent communications are very critical, currently. Virtual platforms like Zoom and Skype are ensuring that there are no dispartners and even team members.

Are you working on any special projects with the government considering the present situation?

Our priority is to preserve the health and safety of our team members and their families, and support our customers, partners and our communities. We have developed a focused approach to support the government through various efforts nationwide. Some of the key initiatives are:

■ Dell is technology partner to ministry of family health and welfare for the Ayushman Bharat Non Communicable Diseases (NCD) programme and has developed a technology platform which is being used across 21

states. The Dell team is enhancing the NCD software system with a module for Covid19 Risk Assessment and monitoring of agile, responsive and are NCD patients. able to address changing

■ In collaboration with the needs of the customers health ministry, Dell has prepared a Covid-19 awareness video for community health workers, which is available on the ministry

website in 10 regional languages. ■ Through our partnership with Invest India—a national investment promotion and facilitation agency of NITI Aayog, we are contributing ₹3 crore to provide Personal Protection Equipment (PPE) for healthcare workers. We have provided 25,000 N95 masks to healthcare professionals through

■ To help the daily wagers, who have been the worst-hit community in India, due to lockdown, we are focusing on fund-raising efforts to support them with our NGO part-

BLURAMS DOME PRO CAMERA

Make your homestay carefree

An affordable pan-andtilt camera for home security; use it to monitor pets, babies or the elderly at home

SUDHIR CHOWDHARY

THE CURRENT PANDEMIC situation has brought about drastic lifestyle transformations. People are working from home and with ample time at hand, some of the tech-savvy lot are experimenting with various products and technologies on how to make their days at home smart. Given that there are plenty of distractions at home, a smart security camera from blurams promises to make everyone live a carefree life (work-focused too). The device is known as blurams Dome Pro that comes with facial recognition feature. It's available on Amazon.in for an affordable ₹4,500; here's a look at its key features and performance.

There are plenty of security cameras available in the market, so what is special about this blurams product? Well, the company claims it's the first smart security camera (in India) with facial recognition feature. For an ordinary user this means the Dome Pro will help create a database of friends and family members

who regularly visit one's house. Appearance-wise, the Dome Pro is a well-designed and pleasing piece of equipment that will surely go well with the décor of your house. You can set it up as a tabletop camera or mount on a wall or ceiling. At my end, I set it up in my daughter's room with a view to check at

regular intervals whether she's busy with her online school sessions and also to keep a tab on the family Labrador. You can deploy the Dome Pro for home security, pet care, elderly care, and even as a baby monitor. Outside of your home, it can find judicious use for your workplace security. Sum total, put the Dome Pro anywhere you want to monitor from

SPECIFICATIONS

Camera dimension: 166 x 88 x 88mm

Image sensor: 1/2.80-inch 2MP

CMOS Sensor ■ Image/video

resolution: 1080 (1920 x 1080 pixels) ■ Viewing angle: 122

wide angle

■ Video compress: H264+

Audio: 2-way audio, Built-in microphone &

■ Local storage: Upto 128 GB Micro SD

■ Estimated street price: ₹4,500

speaker

your mobile device. Setting up the device is simple and straight forward. To begin with, download the blurams app and sign up for a

free blurams account. Then, click the '+' icon on the Home page and choose the blurams Dome Pro. Once you are past this, click the bottom button and enter the correct Wi-Fi information. Scan the QR code on the app and after hearing the beep sound, click the button and waiting about 20 seconds for the set-up to finish. Voice prompts confirm the success of each step.

The Dome Pro security camera comes

equipped with a built-in Bluetooth chip which enables family members to view four cameras on one screen via their Android/ iOS phones and Web app for privacy. Other features include distortion correction, 3D noise reduction, 2way audio, built-in microphone and speaker, upto 128GB microSD cards, 24 hours free cloud storage services for the lifetime.

The Dome Pro camera has an 8-meter range with 8pcs IR-LEDs for night vision, which turns on automatically in low light so one can see clearly even in the dark. The security camera works with Alexa and Google Assistant and offers two-way audio, "listen and talk back" through the camera from a smartphone.

Here are some of the things that I liked about the Dome Pro camera. First is the two-way audio. Unique with the function of noise reduction, the builtin microphone and speaker enables you to know real-time situation at home and have flexible conversation with your family or intruders in the distance. Second is its optional cruise mode. Basically under motion-tracking function, this camera detects and tracks motions of moving objects. Its auto-cruise mode offers a 360-degree coverage to scan the entire room and upto 10 custom locations to cruise. Third, the camera can facilitate all-day monitoring with automatic IR-CUT. The Dome Pro provides clear night vision up to 22 feet away. Like I said earlier, it is ideal for home, office, baby,

pet or elder remote monitoring. **My takeaways:** The Dome Pro is a perfect blend of design, performance and great experience. It gives advanced security features at an affordable price. Features like facial recognition or motion/sound/human detection makes it easy to keep an eye on your kids or elders from anywhere and through siren alarm, one can deter human intruder. Overall a great camera and hence finds a strong recommendation.

● TECH & COVID-19

Digital learning to beat the pandemic

TCS iON's CoronaWarriors programme is a free online self-certification course for frontline health workers

FE BUREAU

WITH RISE IN Covid-19 cases, it has become critical for India to prepare its health workers as frontline warriors to deal with patients and suspects. Towards this, TCS iON has introduced CoronaWarriors, a free online self-certification course on its digital learning platform. It aims to prepare the frontline health workers with prevention and control measures.

TCS iON is a strategic business unit of

Tata Consultancy Services focused on enabling institutions, government departments and organisations from multiple industry sectors to be efficient in their recruitment/admissions process, learning and skilling and overall business operations with the use of 'Phygital' platforms. These are platforms that overlay digital technologies over physical assets. TCS iON delivers this with a unique IT-as-a-service model that provides easy-to-use, secured, integrated, and hosted solutions in a buildas-you-grow and pay-as-you-use business

Basically, TCS iON CoronaWarriors is a



free six hours, self-paced, self-certification programme that can be accessed from anywhere on any device. The programme has been specially designed for the paramedical and professional healthcare workers. It offers profession-specific measures for nurses, pharmacists, receptionists, laundry, radiology, technicians and biomedical waste management staff. The course offers recommendations on various topics such as virtual support practice, infection control policies, mental health education, resident awareness, travel mode sanitisation, visitor movement management, social distancing protocols and laboratory testing guidelines by WHO.

The course has been designed by medical experts of TCS Lifesciences unit, along with inputs from subject matter experts who are faculty at Harvard T.H. Chan School of Public Health. The course is digitally available in English and offered through TCS iON Digital Learning Hub. By enrolling in this programme, volunteers will be able to ensure that their teams and workforce are quickly equipped with the fundamentals of prevention and control measures of Covid-19. Student professionals, paramedical staff and professional healthcare workers can register for the course at https://iur.ls/CoronaWarriors.

REALME BAND

A good first band, for realme and for you

It is pretty accurate at tracking activities, steps, heart rate, and sleep

SNEHA SAHA

I LOVE WORKING out and hitting my Zumba class every single day without fail. So I depend on a fitness band to track my daily activities, tabulate my sleep pattern, remind me to drink water and alert me on calls and notifications. So when the realme Band came along I was not really sure, whether the first fitness band from the smartphone company will be up to the task. Priced at ₹1,499, the realme Band offers a lot on paper like coloured display, heart rate sensor, sports tracker and more.

In a week, I had to charge the band only once. It takes around one hour to fully charge the band. To charge the realme Band, the strap has to be removed first and USB connector underneath can be plugged into a regular phone charger. Initially, it may be slightly difficult to remove the strap but eventually, it loosens up. Currently, the band can only be paired with an Android phone, it doesn't have to be a realme phone specifically.

Connecting the band to the phone is extremely simple and easy. Just download the realme Link app from Google Play Store, turn on the phone's Bluetooth, plug in the band to a USB connector by removing one side of the strap, search for device, click on realme Band search result and



then pair the phone and the band. Most of the options like sleep tracking, sports mode and Idle mode can be accessed from the realme Link app.

The screen of the realme Band is not very big. It measures around 0.96-inches. Thankfully it's a coloured display that somewhat tries to make up for a tiny screen. The heart rate sensor and the sleep tracker show accurate results. I compared it with the Mi Band 4—which is also gives steps and sleep tracking—and both showed pretty close results. I walked about 100 steps and the Realme Band calculated it to be 109. One of the best features of the realme Band was the Drink Reminder which allows you to set up time and days.

The realme Band makes a lot of sense if you're looking to buy a fitness band for daily use under ₹1,500. It is pretty accurate at tracking activities, steps, heart rate, and sleep. It also offers great battery life and charges very quickly.

Estimated street price: ₹1,499

financiale

media houses.

IATKAts THURSDAY, APRIL 30, 2020

WILFUL DEFAULTERS

Nirmala Sitharaman, finance minister

Those defaulters who do not repay despite having capacity to pay, divert or siphon off funds, or dispose of secured assets without a bank's permission, are categorised as wilful defaulters. They are those well connected promoters who benefitted from UPA's 'phone banking'.

DEBT FUND CONCERNS Money Matters Investors quickly moving cash **G-SEC** 0.010% to safety of bank deposits Benchmark yield falls

NUPUR ANAND & ABHIRUP ROY Mumbai, April 29

RATTLED BY THE shock closure of some high-profile domestic funds investing in high-yielding debt, Indian investors are quickly moving their cash into the safety of bank deposits.

Bankers told Reuters they have seen heavy inflows into their traditional deposit schemes after one of the country's most prominent mutual fund houses in fixed income, Franklin Templeton Mutual Fund, said last week it was shutting down six credit funds.

Templeton wound up the funds due to a lack of liquidity in markets battered by the coronavirus pandemic. Their combined assets of about ₹28000 crore had large exposures to higher-yielding, lowerrated credit securities.

As spooked investors called for a government intervention and debt mutual funds saw record withdrawals, traditional bank deposits have gained. "Bank deposits have picked up, as a lot of money that is

getting redeemed from mutual funds is also coming to banks now," said Sumant Kathpalia, CEO of IndusInd Bank.

Flush with cash, banks have cut deposit rates. The weighted-average deposit rate of commercial banks is down 45 basis points since February 2019. Still, bank deposits grew by 9.45% year-on-year in two weeks ended April 10 compared with a 7.93% rise two weeks prior.

While up-to-date figures on the flows into deposits after the Templeton news will

Bankers say they have seen heavy inflows into their traditional deposit schemes after Franklin **Templeton Mutual Fund said last** week it was shutting down six credit funds

only be known next month, growth is expected to remain in low double digits in the coming months, said an executive director at a state-run bank. Mutual funds investing in debt saw outflows of close to ₹1.95 lakh crore last month.

Retail investors have for long been flocking to tax-friendly debt mutual fund schemes on the promise that they are as safe as bank deposits and with little concern for potential credit risks in case of a default. The tipping point came last month as many investors redeemed their funds to preserve cash during a nationwide lockdown to contain the spread of the coronavirus, and funds such as Templeton took a hit. — REUTERS

Dollar weakens: Rupee jumps 52 paise to four-week high

PRESS TRUST OF INDIA Mumbai, April 29

THE RUPEE SURGED by 52 paise to close at a four-week high of 75.66 against the US dollar on Wednesday, bolstered by gains in domestic equities and a weak greenback in global markets. The rupee rose for a third straight session gaining more than 1% against the dollar this week so far as more countries look to reopen their economies.

The US dollar dropped ahead of the Federal Reserve's policy announcement later on Wednesday and European Central Bank's meeting on Thursday. The dollar index was trading 0.28% down at 99.58.

At the interbank foreign exchange, the rupee opened at 75.94. During the session, it touched an intra-day high of 75.60 and a low of 75.96. The unit finally settled at 75.66, registering a rise of 52 paise over its previous close. On Tuesday, the local unit had settled at 76.18 against the US dollar.

Positive start of domestic stocks supported the local unit. Besides, market sentiments improved as more countries are announcing gradual lifting of lockdowns that have been imposed to contain coronavirus infection.

₹/\$ Intra-day, Apr 29 (Inverted scale) 75.50 75.67 75.65 75.80

"Apart from the Fed policy outcome, market participants will also be keeping an eye on Q1 advance GDP number which will also be important to watch and a weaker-than-expected number could keep the greenback weighed down against its major crosses," Motilal Oswal Financial Services Forex & Bullion Analyst Gaurang Somaiyaa said.

"We expect the rupee (Spot) to quote in the range of 75.20 and 76.20," he added. FIIs remained net sellers in the capital

market, as they sold equity shares worth ₹122.15 crore on Tuesday.

secondary market with a wide range in yields

FE BUREAU Mumbai, April 29

MUTUAL FUNDS ARE believed to be selling perpetual bonds in the secondary market largely led by redemption pressure and private sector banks are known to be the likely buyers of these papers, with yields on such bonds trading between 8.72% and 16.55% in recent days, data on the NSE showed. Perpetual bonds are debt instruments that do not have a fixed maturity date.



According to the NSE data, perpetual bonds of State Bank of India, Bank of Baroda, Axis Bank, HDFC Bank, Punjab National Bank, Canara Bank, Punjab and Sind Bank, Andhra Bank, IndusInd Bank and Union Bank of India were traded. The yields on these trades varied between 8.72% and over 16%. Perpetual bonds of IndusInd bank traded at 16.55%.

Market participants say that investor confidence has deteriorated significantly in perpetual bonds after the Yes Bank crisis. "Some of the private sector banks, who understand the risk related to the perpetual bonds, have been buying perpetual bonds in the secondary market while the sale is mostly happening from mutual funds," a dealer said.

Meanwhile, the corporate bond market is witnessing a tug of war between bond issuers and investors as the former wants to raise funds at a cheaper yields while the latter, mostly banks, want to lend at higher rates and are unwilling to compromise much despite possessing cheaper TLTRO

funds, bond dealers say.

Ajay Manglunia, MD and head-fixed income, JM Financial, said investors are trying to ask for higher yields in the primary market which some bond issuers are unwilling to pay. "The impact of this is that issuers are sometimes limiting their fundraising. For example, Bajaj Finance was willing to raise a larger quantum of funds but it ended up raising only ₹200 crore on Tuesday because the yields demanded by investors may be a bit higher than expectations of issuer. No one is in a hurry," Manglunia pointed out.

Tata Steel is believed to have raised ₹1,000 crore on Wednesday, dealers said. According to information provided by sources, Tata Steel raised ₹500 crore via a 3year paper at 7.85%. Tata steel also accepted ₹500 crore via a 3-year six-month paper at a fixed rate of 7.95%, dealers pointed out. FE could not independently verify the same.

On Tuesday, M&M Financial Services raised ₹475 crore via a three-year bonds at 7.5% while Bajaj Finance raised ₹200 crore via three-year bonds at 7.06%, according to information provided by dealers. These yields are lower than the rates when these firms had previously hit the primary bond market in February. For instance, Bajaj Finance had raised funds via a similar tenor paper at 7.10% in mid-February this year. Similarly, M&M Financial Services raised funds via three-year paper at 7.60% at the beginning of February, Bloomberg data showed.

Over the next few weeks, Hero Fincorp, HDFC, Bajaj Finance, Tata Capital Financial Services, Aditya Birla Financial Services, L&T Financial Services, Muthoot Finance and Manappuram Finance are some of the firms that are likely to hit the bond market, according to dealers.

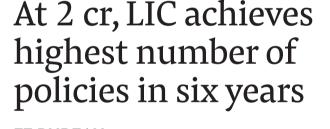
Market participants also pointed out it is unlikely the yields on top-rated papers will go higher beyond a certain point as demand for credit is not that high while there is enough liquidity in the system. "It is just that the risk appetite is low," said a dealer.

Perpetual bonds trade in RBI's liquidity support for MFs may struggle to be effective, says Fitch

PRESS TRUST OF INDIA New Delhi, April 29

THE RESERVE BANK of India's liquidity support for mutual funds may struggle to be effective, as its success will hang on banks' appetite to take up the risks involved, amid low capital headroom and a likely increase in fresh non-performing loans, according to Fitch.

The RBI's ₹50,000-crore Special Liquidity Facility for Mutual Funds (SLF-MF) will provide 90-day repo funding to banks, to extend liquidity to — or purchase commercial paper and debt securities from -



FE BUREAU New Delhi, April 29

LIFE INSURANCE CORPORATION (LIC).in the just concluded FY20, has achieved its highest number of policies for the last six years. Individual new business performance as at March end showed 2.19 crore in number of policies and ₹51,227 crore in first-year premium income.

While ensuring growth in the number and premium both, LIC has achieved a healthy business mix, a press release said. It collected single premium of ₹21,967 crore and non-single premium of ₹29,260 crore, the ratio being 42.88 and 57.12, respectively.

LIC pension and group schemes vertical created a new record by clocking over ₹1 lakh crore premium income during 2019-20. LIC collected ₹1,26,749 crore as group schemes new business premium income against ₹91,179 crore in the previous year — a growth of 39.01% and a market share of 80.54% compared to 77.94% last year.

Overall, LIC has achieved an impressive growth rate of 25.17% compared to private players who collectively achieved a premium growth rate of 11.64.%.



on banks to absorb the associated credit and capital risk, which may hinder their willingness to participate, it added. The move by the banking regulator fol-

lowed the suspension of redemptions in six Franklin Templeton bond funds, with combined AUM of approximately \$4.1 billion equivalent, on April 23, 2020, and outflows from other funds in March 2020.

ANALYST CORNER

The size of the SLF-MF appears broadly

commensurate with the scale of the funds

most at risk, Fitch notes. "The official sup-

port measures announced for mutual

Max Fin: Upgrade to 'buy'; target price revised to ₹590

EDELWEISS SECURITIES

local mutual funds.

THE AXIS BANK board has approved an agreement with Max Financial Services (MFS) to acquire a 29% stake in Max Life Insurance (72.5% owned by MFS). This is first of a series of steps that will culminate in MFS and Axis Bank becoming 70:30 shareholders of Max Life. This very nearly brings closure to the all-party intent consensus publicly communicated in February 2020; to flesh out a deal on an arm's length, confidential and open-books basis ('Glass half full; all parties agree'). All that remains now, is the necessary regulatory approvals for the four-step scheme of arrangement. The arrangement involves a settlement for telecom-related tax liabilities in MFS (@₹120 crore). Moving Sumitomo Mitsui's 20.6% stake in Max Life up into a 21.9% stake in MFS. An attempted merger of MFS with Max Life. Axis Bank also retains an ability to move its stake in Max Life to the MFS (listed) level if the merger leg does not pan out. If even this cannot be worked out in 63 months, Axis Bank also has last resort rights to

exit its Max Life stake at a valuation of ₹56,400 crore. We reduce our holding company discount from 50% to 10%. Investors should interpret this as our take on the odds of the deal going through (mostly defined by RBI allowing 30% stake). We also factor in MFS' 28% dilution and 70% final stake in Max Life. Hence, we revise our target price to ₹590 from ₹430 and upgrade to 'buy'.

As outlined in 'Good Life@Club Banca', skin-in-the-game banca partnership is key to interest alignment on profitability critical ULIP renewals. If Axis Bank did not see renewal effort driven value creation for Max Life as a win-win, the strength of Max Life's business model is significantly worse off, investments into proprietary channels notwithstanding.

Deal consummation will still remain subject to very likely but nevertheless non-trivial "regulatory proof". Minority investors, however, can finally see the escape hatch to what has frankly been four long years stuck in the purgatory of deal hope and disappointment. Valuations at 1.7x FY21E P/EV now appear attractive, given reduced uncertainty.

■ INTERVIEW: CS SETTY, managing director, State Bank of India

'It'll be difficult to disburse interim funds to IBC firms'

Although current tight cash flow condition is going to impact value maximisation of stressed assets undergoing insolvency resolution, it would be difficult for any lender to take a decision on disbursing interim finance to these firms as of now, says CS Setty, managing director, State Bank of India. In an interview with Mithun Dasgupta, Setty said the banking industry will do its best to save the companies, which were doing good business earlier, to cope up with the Covid-19 lockdown aftermath. Excerpts:

Resolution professionals (RPs) are facing tight liquidity conditions to keep firms as going concerns. They are then left with one option — interim finance from lenders. What is your view?

It is very difficult for any lender to disburse interim finance to the stressed firms which are undergoing insolvency resolution process since recovery will be a major concern. RPs will have to arrange priority funding. There are certain entities that specialise in priority funding. Due to the lockdown, I believe it would be difficult for any lender to take a decision on interim finance as of now. Even before the pandemic happened, interim finances were difficult. In this uncertain time, it will get more difficult.

stressed firms' value maximisation, leading to a decline in number of interested bidders for these assets and value of the assets would be low... Yes, we are fully aware of this likelihood.

with the available tools.

Is there any discussion within the Indian Banks'Association (IBA) on saving these

There has been no discussion within the IBA on this matter. The committee of creditors (CoC) of the respective entities will decide. We won't be making any kind of uniform effort for all the cases. It won't be a "one size, fits all" scenario. Rather, our approach



will depend on case-by-case basis.

Have the companies started seeking fresh loans? When do you expect overall credit offtake to go up? Currently, the activities of the compa-

nies are at around 30-35%. On sanctioned limits, people are just keeping the reserves. Certainly, they will start utilising these unavailed limits once the situation normalises and the activities pick up.

If the lockdown is lifted by Mayend, from when would you expect business activities and demand for credit to pick up?

It may not just depend on how soon the supply chains are restored. Rather, to begin with, the demand must return to the system and the end consumers should start buying. Only then the activities can be ramped up. As of now, I don't think anybody can predict when full economic activity will restart.

How many of SBI's term loan customers have so far availed the facility of deferment of instalments?

Right now it won't be feasible to give the exact numbers since we are still receiving requests for availing moratorium. I think till now only around 10% of our term loan customers have opted for the moratorium. This is the figure for whoever is eligible for the loan moratorium, including retail and corporate.

What is your view on RBI's special liquidity facility for MFs of ₹50,000 crore?

RBI's efforts, such as TLTRO and MF repo window, are welcome steps. This will be a sentiment booster for the market, as it gives confidence that the central bank is concerned about the stability of the financial markets and it will take all the necessary steps to help different stakeholders tide over the current difficult time and also ensure financial stability going forward.

Pidilite: Downgrade to 'reduce'; target price revised to ₹1,378

ICICI SECURITIES

(expected) sharp fall in renovation demand in the near term is likely to put an incremental pressure on Pidilite Industries' PVA revenues (expect 15% degrowth in FY21E) in particular, which, in turn, would lead to a 4% decline in growth in overall revenues in FY21E. Gross margins, however, are likely to improve 340 bps to 54.9% in FY21E, driven by lower input costs (VAM prices in particular) and firm pricing power. With Covid-related issues likely to fade out starting FY22E, we expect it to bounce back strongly with a 14% topline growth while Ebitda margins are expected to moderate to 23%.

THE LOCKDOWN AND the resultant

Earnings cut by 5.5%/9.0%/12.4% for FY20/FY21/FY22 after factoring in near-term Covid concerns. The lockdown and expected deferment in renovation demand is likely to adversely impact demand for the adhesives and construction chemical space in India. Factoring the same, we cut our revenue/earnings estimates by 6.6%/-21.6%/21.3% and 5.5%/9.0%/12.4%,

respectively, for FY20/FY21/FY22. Considering the recent sharp recovery in the stock price, we downgrade the stock to 'reduce' from 'add' earlier with a revised target price of ₹1,378 (48x FY22E earnings) vs ₹1,574 earlier.

The prolonged lockdown in Q1 and expected decline in volumes of discretionary-based products (plywood and laminates) in near term is expected to put pressure on PVA volumes (growth likely to decline in double digits) in FY21. This along with a flat growth in the construction/paint chemicals segment would result in a 4% decline in the C&B product revenues in FY21. Industrial product segment is likely to post a 5% decline in revenues in FY21. While FY21 overall revenues are expected to drop 4% in FY21, estimate overall revenues to jump 14% in FY22E driven by a double-digit growth recovery in PVA. RoCEs may remain firm despite challenging environment. Earnings resilience in near-medium term, strict working capital discipline and rising free cashflows would enable PIDI to generate RoCEs of ~30% over the next two years.

financiale

6.122

on buying support

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0.68% Rupee appreciates on global cues 75.67

76.44

€/\$ 0.28% Euro rises against the American greenback

1.091 1.085 Apr 15

Indian Bank cuts

Quick

lending rate by 30 basis points STATE-OWNED INDIAN BANK on

Wednesday announced a cut in its MCLR by 30 bps across various tenors, effective from May 3. One-year MCLR cut to 7.80% (from 8.10%). Overnight and one-month MCLRs at 7.50% and 7.55%, respectively. Three-month MCLR has been revised to 7.70% from 8% while six-month rate has come down to 7.75% (from 8.05%).

RBI extends restrictions on coop bank for 6 months

THE RBI EXTENDED curbs imposed on city-based The Needs of Life Co-op Bank for another six months till October 31. In October 2018, RBI had barred the bank from granting or renewing any loan for six months and later extended the curbs twice. The bank was allowed to continue to undertake banking business with restrictions till "its financial position improves".

Cyber security: BSE penalty on non-submission of report

BSE ON WEDNESDAY came out with a penalty structure for brokers who fail to make timely submission of cyber security and cyber resilience audit report and said prolonged noncompliance will result in disablement of trading terminals. Brokers need to submit a quarterly report on incidence of cyber-attacks and threats.

Tight liquidity condition will impact

Valuations will be depressed. But, at the same time, giving more funds to these stressed firms would be very difficult. Banks are thinking about how to save the good units. The three-month moratorium on debt repayments has helped the companies. Let us see what more the RBI does going ahead. Whatever the enablers the RBI has given as of now, we will certainly use them. The businesses, which are otherwise shut now, but whose operations were good and all accounts were standard as on March 1, will be able to get the required support from banks. We will do our best to save them

IBC firms?



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PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF EQUITY SHAREHOLDERS/ BENEFICIAL OWNERS OF EQUITY SHARES OF JK PAPER LIMITED FOR THE BUYBACK OF EQUITY SHARES FROM THE OPEN MARKET THROUGH STOCK EXCHANGES UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (BUY-BACK OF SECURITIES) REGULATIONS, 2018, AS AMENDED

This public announcement ("Public Announcement") is being made pursuant to the provisions of Regulation 16(iv) of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, for the time being in force including any statutory modifications and amendments thereto from time to time ("Buyback Regulations") and contains the disclosures as specified in Schedule IV to the Buyback Regulations read with Schedule I of the Buyback Regulations.

OFFER TO BUYBACK EQUITY SHARES OF JK PAPER LIMITED ("COMPANY") OF FACE VALUE OF ₹ 10/-(RUPEES TEN ONLY) EACH ("EQUITY SHARES") FROM THE OPEN MARKET THROUGH STOCK EXCHANGES. Part A – Disclosures in accordance with Schedule I of the Buyback Regulations

DETAILS OF THE BUYBACK OFFER AND OFFER PRICE

- Pursuant to the provisions of Sections 68, 69, 70, and all other applicable provisions, if any, of the Companies Act, 2013, as amended ("Companies Act" or the "Act"), the Companies (Share Capital and Debentures) Rules, 2014 ("Share Capital Rules"), the Companies (Management and Administration) Rules, 2014 ("Management Rules"), and the provisions of the Buyback Regulations, Articles of Association of the Company and pursuant to the resolutions passed by the board of directors of the Company (the Board of Directors of the Company are hereinafter referred to as the "Board" or the "Board of Directors") at its meeting held on April 28, 2020 ("Board Meeting"), the Board approved the buyback of the Company's fully paid-up equity shares of the face value of ₹ 10/- (Rupees Ten only) each ("Equity Shares") from its shareholders / beneficial owners excluding promoters, promoter group and persons who are in control of the Company, via the 'open market' route through the stock exchanges, for a total amount not exceeding ₹ 100,00,00,000 (Rupees One Hundred Crore only) ("Maximum Buyback Size"), and at a price not exceeding ₹ 130 (Rupees One Hundred and Thirty only) per Equity Share ("Maximum Buyback Price"), payable in cash (the process being referred hereinafter as "Buyback"). The Maximum Buyback Size shall not include any expenses incurred or to be incurred for the Buyback like filing fees payable to SEBI, advisors' fees, stock exchange fees, brokerage, applicable taxes including inter alia securities transaction tax, goods and services tax, stamp duty, etc., public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses ("Transaction Costs").
- 1.2. The Maximum Buyback Size represents 5.67% and 5.71% of the aggregate of the total paid-up Equity Share capital and free reserves (which includes the securities premium account) of the Company based on the standalone and consolidated audited financial statements of the Company as on March 31, 2019, respectively (being the latest available audited standalone and consolidated financial statements of the Company). Further, since the Maximum Buyback Size is not more than 10% of the total paid - up Equity Share capital and free reserves of the Company in accordance with the proviso to the Section 68(2)(b) of the Act, the approval of the shareholders of the Company is not required.
- 1.3. At the Maximum Buyback Price and for the Maximum Buyback Size, the indicative maximum number of Equity Shares bought back would be 76,92,307 ("Maximum Buyback Shares") which is 4.32% of the total number of paid-up Equity Shares of the Company. If the equity shares are bought back at a price below the Maximum Buyback Price, the actual number of equity shares bought back could exceed the indicative Maximum Buyback Shares (assuming full deployment of Maximum Buyback Size) but will always be subject to the Maximum Buyback Size. Further, the number of Equity Shares to be bought back will not exceed 25% of the total number of Equity Shares forming part of the paid up equity share capital of the Company. The Company will comply with the requirement of maintaining a minimum public shareholding of at least 25% of the total paid-up equity share capital of the Company as provided under Regulation 38 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the Buy-back Period and upon completion thereof
- 1.4. Unless otherwise permitted under applicable law, the Company shall utilize at least 50% of the Maximum Buyback Size i.e. ₹ 50,00,00,000 (Rupees Fifty Crore only) ("Minimum Buyback Size") towards the Buyback and accordingly, based on the Maximum Buyback Price and Minimum Buyback Size, the Company will purchase an indicative minimum number of 38,46,154 Equity Shares.
- 1.5. The Board (or the existing committee of directors empowered by the Board to exercise its powers in relation to the Buyback, i.e., its Committee of Directors), shall determine, at its discretion, the time frame for completion of the Buyback and may close the Buyback (which shall not be longer than six (6) months from the date of commencement of the Buyback or such other period as may be permitted under the Act and/or Buyback Regulations or as may be directed by the appropriate authorities) after the Minimum Buyback Size has been reached, and irrespective of whether the Maximum Buyback Size has or has not been reached, after giving appropriate notice for such closure and on completing all formalities in this regard, in accordance with the Act and/or Buyback Regulations.
- 1.6. The Buyback (including Transaction Costs) will be implemented by the Company out of its securities premium account, free reserves and / or such other source as may be permitted under Section 68(1) of the Act and Regulation 4(ix) of the Buyback Regulations and shall be from the open market purchases through the stock exchange, by the order matching mechanism except 'all or none' order matching system, as provided under the Buyback Regulations.
- The Buyback is subject to receipt of such sanctions and approvals from statutory, regulatory or governmental authorities as may be required under applicable laws, including the Reserve Bank of India, the Securities and Exchange Board of India ("SEBI"), and the stock exchanges on which the Equity Shares are listed, namely, National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") (hereinafter together referred to as the "Stock Exchanges").
- 1.8. This Buyback from non-resident members, Overseas Corporate Bodies (OCBs) and Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs), and members of foreign nationality, if any, etc. is subject to such approvals as may be required including approvals from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the rules, regulations framed thereunder, if any, and such approvals shall be required to be taken by such non-resident members.
- A copy of this Public Announcement is available on the website of the Company at www.jkpaper.com, and is expected to be available on the website of SEBI i.e. www.sebi.gov.in during the period of the Buyback and on the websites of the Stock Exchanges at www.nseindia.com and www.bseindia.com, respectively.

NECESSITY FOR THE BUYBACK

Buyback is the process of acquisition by the Company of its own Equity Shares. The Buyback is expected to achieve the objective of returning surplus funds to the shareholders, optimizing the capital structure, improving return on equity through distribution of surplus funds, improving earnings per share by reduction in equity base and increasing shareholders' value in the long term. The Buyback is not likely to cause any material impact on the profitability/earnings of the Company except a reduction in the investment income, which the Company could have otherwise earned on the amount distributed towards Buyback. The Buyback may lead to reduction in outstanding Equity Shares, improvement in 'earnings per share' and enhanced return on equity, assuming that the Company would earn similar profits as in the past.

- MAXIMUM PRICE FOR BUYBACK OF THE EQUITY SHARES & BASIS OF ARRIVING AT THE BUYBACK
- 3.1 The Maximum Buyback Price of ₹ 130 per Equity Share has been arrived at after considering various factors, including trends in the market price of the Equity Shares on the Stock Exchanges, the net worth of the Company and the potential impact of the Buyback on the earnings per share and other similar ratios of the Company.
- 3.2 The Maximum Buyback Price of ₹ 130 per Equity Share represents: (i) a premium of 25.29% and 25.74% over the volume weighted average market price of the Equity Shares on BSE and NSE, respectively, for three months preceding the date of intimation to the Stock Exchanges of the Board Meeting to consider the proposal of the Buyback, i.e. April 25, 2020; (ii) a premium of 37.11% and 36.88% over the volume weighted average market price of the Equity Shares on BSE and NSE, respectively, for two (2) weeks preceding the date of intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buyback, i.e. April 25, 2020; and (ii) a premium of 26.83% and 26.64% over the closing market price of the Equity Shares as on the trading day prior to the date of the Board Meeting i.e. April 27, 2020, on BSE and NSE respectively. The closing market price of the Equity Shares as on the date of Board Meeting i.e. April 28, 2020, was ₹ 106.40 and ₹ 106.40 on BSE and NSE, respectively.
- 3.3 The actual number of Equity Shares bought back will depend upon the actual price paid for the Buyback, excluding the Transaction Costs paid for the Equity Shares bought back, and the aggregate amount paid in the Buyback, subject to the Maximum Buyback Size. The actual reduction in outstanding number of Equity Shares would depend upon the price at which the Equity Shares of the Company are traded at the Stock Exchanges as well as the total number of Equity Shares bought back by the Company from the open market through the Stock Exchanges during the Buyback period.
- MAXIMUM AMOUNT, ITS PERCENTAGE OF THE TOTAL PAID-UP CAPITAL AND FREE RESERVES & SOURCES OF FUNDS FROM WHICH BUYBACK WOULD BE FINANCED

The Maximum Buyback Size of ₹ 100,00,00,000 (Rupees One Hundred Crore only) (excluding Transaction Costs), is 5.67% and 5.71% of the aggregate of the fully paid up equity share capital and free reserves (which includes the securities premium account) as per the last audited standalone and consolidated financial statements of the Company, respectively, as at March 31, 2019.

The Buyback (including the Transaction Costs) would be financed out of free reserves (which includes the securities premium account) of the Company and/or such other sources as may be permitted by the Buyback Regulations and the Companies Act, and on such terms and conditions as the Board may deem fit. The Company shall transfer from its free reserves (which includes the securities premium account) a sum equal to the face value of the Equity Shares bought back through the Buyback to the Capital Redemption Reserve Account and the details of such transfer shall be disclosed in its subsequent audited financial statements.

MAXIMUM NUMBER OF EQUITY SHARES THAT THE COMPANY PROPOSES TO BUYBACK

- 5.1 At the Maximum Buy-back Price and for Maximum Buy-back Size, the indicative maximum number of Equity Shares bought back would be 76,92,307 (i.e. the Maximum Buyback Shares) which is 4.32% of the total number of paid-up Equity Shares of the Company.
- 5.2 If the Equity Shares are bought back at a price below the Maximum Buyback Price, the actual number of Equity Shares bought back could exceed the indicative Maximum Buyback Shares (assuming full deployment of Maximum Buyback Size) but will always be subject to the Maximum Buyback Size. Further, the number of Equity Shares to be bought back will not exceed 25% of the total paid up Equity Share capital of the Company

- as at March 31, 2019.
- DETAILS OF SHAREHOLDING OF THE PROMOTER AND PROMOTER GROUP OF THE COMPANY AND OTHER DETAILS
- The aggregate shareholding of the (i) promoter and members of the promoter group of the Company who are in control of the Company, (ii) directors of the promoter and corporate members of the promoter group of the Company, and (iii) directors and key managerial personnel of the Company as on the date of the Board Meeting i.e. April 28, 2020, is as follows:

Sr. No.	Name	No. of Equity Shares held	Percentage (%) of Equity Shareholding in the Company
A. Pr	omoter of the Company		
1.	Bengal & Assam Company Limited	7,96,27,228	44.67
B. Me	embers of the promoter group of the Company	2	
1.	Accurate Finman Services Limited	321,140	0.18
2.	NavBharat Vanijya Limited	10,36,200	0.58
3.	Sidhivinayak Trading and Investment Limited	2,68,000	0.15
4.	J.K. Credit & Finance Limited	21,56,000	1.21
5.	Hari Shankar Singhania Holdings Private Limited	1,75,000	0.10
6.	Bharat Hari Singhania*	2,45,600	0.14
7.	Harsh Pati Singhania*	4,54,650	0.26
8.	Raghupati Singhania	8,59,843	0.48
9.	Vinita Singhania*	7,32,350	0.41
10.	Vikram Pati Singhania	4,54,650	0.26
11.	Sunanda Singhania	2,00,950	0.11
12.	Sharda Singhania	1,75,000	0.10
13.	Anshuman Singhania	1,66,550	0.09
14.	Shrivats Singhania	1,66,550	0.09
15.	Swati Singhania	43,750	0.02
16.	Mamta Singhania	43,750	0.02
17.	Atashi Singhania	10,000	0.01
	rectors of the promoter and corporate members of an A and B above)	f the promoter gro	oup of the Company (other
1,	Ram Ratan Gupta	12,200	0.01
2.	Arun Kumar Bajoria	3,000	0.002
	The state of the s		

* Bharat Hari Singhania, Harsh Pati Singhania and Vinita Singhania are also directors of the Company

200

3.000

21,045

Date of Minimum

8.71.76,656

Ratan Chand Jain

Ram Chandra Periwal

Pawan Kumar Rustagi

Total

Aggregate

No Equity Shares or other specified securities of the Company have been purchased or sold by the (i) promoter and members of the promoter group of the Company, (ii) directors of the promoter and corporate members of the promoter group of the Company, and (iii) directors and key managerial personnel of the Company, on the stock exchanges or off market during a period of twelve (12) months preceding the date of the Public Announcement i.e. April 29, 2020 and the six (6) months preceding the date of the Board Meeting i.e. April 28. 2020, except for the following:

Maximum

Nature of

Name	No. of Equity Shares acquired / sold	Transaction	Price (INR)	Maximum Price	Price (INR)	Minimum Price
Bharat Hari Singhania	1,45,600	Market purchase	122.35	June 28, 2019	84.10	March 16, 2020
Vinita Singhania	5,06,800	Market purchase	122.35	June 28, 2019	83.80	March 18, 2020
Anshuman Singhania	1,02,800	Market purchase	122.35	June 28, 2019	84.10	March 16, 2020
Harsh Pati Singhania	2,83,400	Market purchase	122.35	June 28, 2019	78.00	March 19, 2020
Raghupati Singhania	5,55,200	Market purchase	122.35	June 28, 2019	78.00	March 19, 2020
Vikram Pati Singhania	2,83,400	Market purchase	122.35	June 28, 2019	78.75	March 19, 2020
Sunanda Devi Singhania	1,57,200	Market purchase	122.35	June 28, 2019	77.80	March 19, 2020
Shrivats Singhania	1,02,800	Market purchase	122.35	June 28, 2019	84.10	March 16, 2020
JK Credit & Finance Limited	14,19,000	Market sale	122.55	June 28, 2019	122.00	June 28, 2019 and February 18, 2020
Bengal & Assam	4,19,23,129	Acquisition pursuant to scheme of arrangement		May 24, 2019	22	May 24, 2019
Company Limited	7,00,000	Inter-se purchase among the Promoter Group	128.00	June 14, 2019	128.00	June 14, 2019
	5,85,800	Market purchase	122.00	February 18, 2020	121.85	February 18, 2020
Sidhivinayak Trading and Investment	7,00,000	Inter-se sale among the Promoter Group	128.00	June 14, 2019	128.00	June 14, 2019
Limited	2,22,000	Market sale	122.00	February 18, 2020	122.00	February 18, 2020
NavBharat Vanijya Limited	1,54,800	Market sale	122.00	February 18, 2020	121.70	February 18, 2020
Accurate Finman Services Limited	90,000	Market sale	122.00	February 18, 2020	122.00	February 18, 2020
Ram Ratan Gupta	4,000	Market purchase	127.00	May 13, 2019	68.50	March 23, 2020
Gyanendra Shukla	500	Market sale	140.00	May 2, 2019	140.00	May 2, 2019
Ratan Chand Jain	200	Market purchase	124.50	May 16, 2019	124.50	May 16, 2019
Sanjeev Kumar	8,500	Market purchase	74.00	March 23, 2020	67.75	March 23, 2020
Jhunjhunwala	8,500	Market sale	81.10	March 27, 2020	80.90	March 27, 2020
Pawan Kumar Rustagi	5,000	Market purchase	109.65	May 8, 2019	109.25	May 8, 2019

NON - PARTICIPATION BY THE PROMOTER AND MEMBERS OF THE PROMOTER GROUP OF THE COMPANY IN THE BUYBACK

- As per Regulation 16(ii) of the Buyback Regulations, the Buyback shall not be made from the promoter and members of the promoter group and persons in control of the Company.
- 7.2 Further, as per Regulation 24(i)(e) of the Buyback Regulations, the promoter and members of the promoter group of the Company, and their respective associates have not dealt in the Equity Shares or other specified securities of the Company either through the Stock Exchanges or off - market transactions (including inter-se transfer of Equity Shares among the promoter and the members of the promoter group of the Company) from the date of the Board Meeting till the date of the Public Announcement and shall not deal in the Equity Shares or other specified securities of the Company either through the stock exchanges or off-market transactions (including inter-se transfer of Equity Shares among the promoter and the members of the promoter group of the Company) from the date of the Public Announcement till the completion of the Buyback.

SUBSISTING DEFAULTS

The Company confirms that there are no defaults subsisting in the repayment of deposits or interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company.

- CONFIRMATIONS FROM THE COMPANY AS PER THE PROVISIONS OF THE BUYBACK REGULATIONS AND THE COMPANIES ACT
- All the Equity Shares of the Company are fully paid-up.
- The Buyback period extends from April 28, 2020, i.e., the date of the Board resolution authorising the Buyback to the date on which the last payment of consideration for the Equity Shares bought back by the Company is made ("Buyback Period"). The Company is not permitted to raise further capital for such period following the date of expiry of the Buyback Period (except in discharge of its subsisting obligations) as specified in the Buyback Regulations, read with the relevant circulars issued by SEBI from time to time.
- The Buyback shall open not later than seven (7) working days from the date of Public Announcement and shall close within a period of six (6) months from the date of opening of the Buyback.
- 9.4 The Company shall not issue any Equity Shares or other specified securities (including by way of bonus or convert any outstanding stock options/outstanding instruments into Equity Shares) during the Buyback Period. 9.5 The Company has not undertaken a buyback of any of its securities during the period of one year immediately
- period of one year from the date of expiry of the Buyback Period. The Company shall not buy back its shares from any person through negotiated deals whether on or off the stock exchanges or through spot transactions or through private arrangement,

preceding the date of the Board Meeting i.e. April 28, 2020 and shall not make any offer of buyback within a

- The Equity Shares bought back by the Company shall be compulsorily extinguished and destroyed in terms of the Buyback Regulations and will not be held for re-issue at a later date.
- The funds borrowed from banks and financial institutions will not be used for the Buyback. 9.9 The Company will not issue the same kind of shares including allotment of new shares under clause (a) of
 - sub-section (1) of section 62 of the Companies Act or other specified securities within a period of 6 (six) months

- after the completion of the Buyback except by way of bonus issue or in the discharge of subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into Equity Shares.
- 9.10 The ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up share capital and free reserves after the Buyback as prescribed under Buyback Regulations, the Companies Act, the rules made thereunder and other applicable laws.
- 9.11 The Company is not undertaking the Buyback to delist its Equity Shares from the Stock Exchanges.
- 9.12 There is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act as on date.
- 9.13 The Company shall not withdraw the Buyback after the date of this Public Announcement.
- CONFIRMATIONS FROM THE BOARD
- The Board of Directors of the Company has confirmed during the Board Meeting on April 28, 2020, that it has made a full enquiry into the affairs and prospects of the Company and has formed an opinion that:

10.1 Immediately following the date of the Board Meeting approving the Buyback on April 28, 2020, there will be

- no grounds on which the Company could be found unable to pay its debts; 10.2 As regards the Company's prospects for the year immediately following the date of the Board Meeting, and
- having regard to the Board's intention with respect to the management of Company's business during that year and to the amount and character of the financial resources which will in the Board's view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the dates of the Board Meeting; and
- 10.3 In forming its opinion aforesaid, the Board has taken into account the liabilities as if the Company were being wound up under the provisions of the Companies Act, 1956, Companies Act, or the Insolvency and Bankruptcy Code, 2016, as applicable (including prospective and contingent liabilities).
- REPORT OF THE AUDITOR ON PERMISSIBLE CAPITAL PAYMENT AND OPINION FORMED BY DIRECTORS REGARDING INSOLVENCY

The text of the report dated April 28, 2020 received from Lodha & Co., Chartered Accountants, the statutory auditors of the Company, addressed to the Board of Directors is reproduced below:

REPORT OF THE AUDITOR ON PERMISSIBLE CAPITAL PAYMENT AND OPINION FORMED BY DIRECTORS REGARDING INSOLVENCY

To.

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Date of

The Board of Directors

JK Paper Limited

Nehru House, 3rd Floor, 4 Bahadur Shah Zafar Marg, New Delhi - 110 002

Dear Sir / Ma'am

Sub: Statutory Auditor's Report in respect of the proposed buyback of equity shares by JK Paper Limited (the "Company") in terms of Schedule IV read with Clause (xi) of Schedule I of the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 ("Buyback Regulations").

- This report is issued in accordance with the terms of our engagement letter dated April 28, 2020.
- The Board of Directors of the Company has approved a proposal for buyback of equity shares of the Company ("Equity Shares") at its meeting held on April 28, 2020 in pursuance of the provisions of Sections 68, 69 and 70 of the Companies Act, 2013, as amended (the "Act") and the Buyback Regulations. We have been requested by the management of the Company to perform a reasonable assurance engagement on the accompanying statement of permissible capital payment ("Annexure") as at March 31, 2019 (hereinafter referred to as the "Statement"). This statement has been prepared by the management of the Company, which we have initialled for the purposes of identification only.

Management's Responsibility

- The preparation of the Statement in accordance with Section 68(2) of the Companies Act, 2013 and the compliance with the Buyback Regulations, is the responsibility of the management of the Company, including the computation of the amount of the permissible capital payment, the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the
- The board of directors of the Company are responsible to make a full inquiry into the affairs of the Company and to form an opinion that the Company will be able to pay its debts from the date of the board meeting and will not be rendered insolvent within a period of one year from the date of meeting and in forming the opinion, it has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Act or the Insolvency and Bankruptcy Code, 2016.

Auditor's Responsibility:

- Pursuant to the requirement of the Buyback Regulations, it is our responsibility to provide a reasonable
 - i. if the amount of permissible capital payment as stated in Annexure, has been properly determined considering the audited standalone and Consolidated financial statements as at March 31, 2019 in accordance with Section 68(2)(c) of the Act and the proviso to Regulation 4(iv) of the BuyBack Regulations;
 - if the Board of Directors of the Company, in its meeting held on April 28, 2020 has formed the opinion as specified in Clause (x) of Schedule I to the Buyback Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the aforesaid date; and
 - Whether we are aware of anything to indicate that the opinion expressed by the board of directors of the Company in the declaration as to any of the matters mentioned in the declaration is unreasonable in circumstances as at the date of declaration.
- The audited standalone and consolidated financial statements referred to in paragraph 5 above, have been audited by us, on which we have issued an unmodified audit opinion dated 8th May, 2019. We conducted our audit of the standalone and consolidated financial statements in accordance with the Standards on Auditing as specified under Section 143(10) of the Companies Act, 2013 and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.
- We conducted our examination of the Statement in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India (the "Guidance" Note"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1,
- Assurance and Related Services Engagements A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the Reporting criteria mention in paragraph 5 above. The procedures selected depend on the

Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other

- auditor's judgement, including the assessment of the risks associated with the Reporting Criteria. We have performed the following procedures in relation to the Statement: i. We have inquired into the state of affairs of the Company in relation to its audited standalone and
- Examined authorization for buyback from the Articles of Association of the Company;

consolidated financial statements as at and for the year ended March 31, 2019;

- Examined that the amount of permissible capital payment for the Buyback as detailed in Annexure is
- within permissible limit computed in accordance with section 68(2) of the Act based on the audited standalone and consolidated financial statements for the year ended 31st March 2019 of the Company; iv. Examined that the ratio of debt owned by the Company, if any, is not more than twice the capital and its
- free reserve after the Buyback based on the audited standalone and consolidated financial statements of the Company;
- Examined that all shares for buy-back are fully paid-up;
- vi. Read the resolutions passed in the meetings of the board of directors of the Company. We have done no procedures as regard the projections as approved by the board of directors and accordingly do not certify the same;
- vii. Read the director's declarations for the purpose of buy back and solvency of the Company; and
- viii. Obtained necessary representations from the management of the Company
- Based on enquiries conducted and our examination as above, we certify that:
 - a. The amount of permissible capital payment (including premium) towards the proposed buyback of equity shares as computed in the Statement attached herewith, is properly determined in our view in accordance with Section 68(2) read with proviso to Section 68(2)(b) of the Act. The amounts of share capital and free reserves have been extracted from the audited standalone financial statements and audited Consolidated financial statements of the Company as at and for the year ended March 31, 2019;
 - The board of directors of the Company, in their meeting held on April 28, 2020 have formed their opinion as specified in clause (x) of Schedule I to the Buyback Regulations, on reasonable grounds and that the Company, having regard to its state of affairs, will not be rendered insolvent within a period of one year from the date of passing the resolution of the board and we are not aware of anything to indicate that the opinion expressed by the directors of the Company in the declaration as to any of the matters mentioned in the declaration is unreasonable in circumstances as at the date of declaration.

Restriction on Use

11. This report has been issued at the request of the Company solely for use of the Company (i) in connection with the proposed buyback of equity shares of the Company in pursuance to the provisions of Sections 68 and other applicable provisions of the Companies Act, 2013 and the Buyback Regulations, (ii) to enable the board of directors of the Company to include in the public announcement and other documents pertaining to the Buyback to be filed with (a) the Registrar of Companies, Securities and Exchange Board of India, stock exchanges, public shareholders and any other regulatory authority as per applicable law and (b) the Central Depository Services (India) Limited, National Securities Depository Limited and (iii) for providing to the merchant banker appointed in connection with the Buyback, may not be suitable for any other purpose.

For Lodha & Co.

Chartered Accountants

ICAI Firm Registration No. 301051E Gauray Lodha

Partner

Membership No. 507462 UDIN: 20507462AAAAGE7995

Place: New Delhi Date: April 28, 2020

Contd.

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Annexure

Statement of permissible capital payment of JK Paper Limited

Computation of amount of permissible capital payment towards buyback of equity shares in accordance with Section 68(2) of the Companies Act, 2013 ("Act") based on audited standalone and Consolidated financial statements as at and for the year ended March 31, 2019:

(Amount in ₹ Crore)

Particulars	Standalone	Consolidated
Paid-up Equity Share Capital as at March 31, 2019 (A)	178.24	178.24
Free Reserves as at March 31, 2019*	3300000000	
Retained Earnings ^	509.09	496.86
Securities Premium Account	525.93	525.93
General Reserve	550.59	550.59
Total Free Reserves* (B)	1,585.61	1,573.38
Total Paid-up Equity Share Capital and Free Reserves (A + B)	1,763.85	1,751.62^^
Permissible capital payment in accordance with proviso to Section 68(2) (b) of the Act requiring Board Resolution	176.38	175.16
(10% of total paid-up Equity Share capital and free reserves)		

Free reserves as defined in Section 2(43) read along with Explanation II provided in Section 68 of the Act,

^ Net of fair value Impact of Property Plant & Equipment on Ind AS implementation.

^^ Excluding non-controlling interest

Part B - Disclosures in accordance with Schedule IV of the Buyback Regulations

DATE OF BOARD APPROVAL FOR THE BUYBACK:

The Buyback has been approved by the Board in the Board Meeting on April 28, 2020. Further, since the Maximum Buyback Size is not more than 10% of the total paid-up Equity Share capital and free reserves of the Company in accordance with the proviso to the Section 68(2)(b) of the Act, the approval from the shareholders of the Company is not required.

- MINIMUM AND MAXIMUM NUMBER OF EQUITY SHARES PROPOSED TO BE BOUGHT BACK. SOURCES OF FUNDS AND COST OF FINANCING THE BUYBACK
- 2.1. At the Maximum Buyback Price and for the Maximum Buyback Size, the indicative maximum number of Equity Shares bought back would be 76,92,307 i.e. the Maximum Buyback Shares. If the Equity Shares are bought back at a price below the Maximum Buyback Price, the actual number of equity shares bought back could exceed the indicative Maximum Buyback Shares (assuming full deployment of Maximum Buyback Size) but will always be subject to the Maximum Buyback Size.
- Unless otherwise permitted under applicable law, the Company shall utilize at least 50% of the Maximum Buyback Size i.e. the Minimum Buyback Size towards the Buyback and accordingly, based on the Maximum Buyback Price and Minimum Buyback Size, the indicative minimum number of Equity Shares to be purchased by the Company is 38,46,154 Equity Shares.
- 2.3. The Buyback (including the Transaction Costs) will be funded out of the free reserves, securities premium account and/or such other sources as may be permitted by the Buyback Regulations and the Companies Act, and on such terms and conditions as the Board may deem fit. In terms of Section 69 of the Act, the Company shall transfer from its free reserves or securities premium account a sum equal to the face value of the equity shares bought back through the Buyback to the Capital Redemption Reserve Account, and the details of such transfer shall be disclosed in its subsequent audited financial statements.

PROPOSED TIMETABLE

Activity	Date
Date of Board Meeting and Board resolution approving Buyback	April 28, 2020
Date of publication of the Public Announcement	April 30, 2020
Date of opening of the Buyback	May 8, 2020
Acceptance of Equity Shares (accepted only in dematerialised mode)	Upon the relevant pay-out by the Stock Exchanges
Extinguishment of Equity Shares	In case the dematerialised shares are bought back, the same will be extinguished in the manner specified in the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, as amended and the bye-laws framed thereunder.
Last date for the completion of the	Earlier of:
Buyback	 November 6, 2020 (i.e. six (6) months from the date of the commencement of the Buyback); or
	 b. when the Company completes the Buyback by deploying the amount equivalent to the Maximum Buyback Size; or
	c. at such earlier date as may be determined by the Board or its Committee of Directors, after giving notice of such earlier closure, subject to the Company having deployed an amount equivalent to the Minimum Buyback Size (even if the Maximum Buyback Size has not been reached or the Maximum Buyback Shares have not been bought back), provided, that all payment obligations relating to the Buyback shall be completed before the last date for the Buyback.

- 4.1. The Buyback is open to all shareholders and beneficial owners holding dematerialized shares ("Demat Shares"). Shareholders holding Equity Shares in physical form can participate in the Buy-back, only after such Equity Shares are dematerialized. However, as per Regulation 16(ii) of the Buyback Regulations, the Buyback shall not be made from the promoter and members of the promoter group and persons in control of the Company.
- 4.2. Further, as required under the Act and Buyback Regulations, the Company will not buy back Equity Shares which are locked-in or non-transferable, until the pendency of such lock-in, or until the time such Equity Shares become freely transferable, as applicable.
- 4.3. The Buyback will be implemented by the Company by way of open market purchases through the stock exchanges having nationwide terminals, by the order matching mechanism except "all or none" order matching system, as provided under the Buyback Regulations.
- 4.4. For the implementation of the Buyback, the Company has appointed JM Financial Services Limited as its broker ("Company's Broker") through whom the purchases and settlements on account of the Buyback would be made by the Company. The contact details of the Company's Broker are as follows:

JM Financial Services Limited

5th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025 Tel: +91 22 6704 3000 / 3024 3853; Fax: +91 22 6761 7222

Contact Person: Sanjay Bhatia

Email: sanjay.bhatia@jmfl.com

Website: www.jmfinancialservices.in SEBI Registration Number: INB-INF011054831 (BSE); INB/INE/INF231054835 (NSE)

- CIN: U67120MH1998PLC115415 The Equity Shares are traded under the symbol code: JKPAPER at NSE and scrip code: 532162 at BSE. The
- ISIN of the Equity Shares of the Company is INE789E01012. 4.6. The Company, shall, commencing from May 8, 2020 (i.e. the date of commencement of the Buyback), place "buy" orders on the Stock Exchanges on the normal trading segment to Buyback the Equity Shares through
- the Company's Broker, in such quantity and at such price, not exceeding the Maximum Buyback Price of ₹ 130 per Equity Share, as it may deem fit, depending upon the prevailing market price of the Equity Shares on the Stock Exchanges. When the Company has placed an order for Buyback of Equity Shares, the identity of the Company as purchaser shall be available to the market participants of the Stock Exchanges. 4.7. Beneficial owners holding Demat Shares who desire to sell their Equity Shares in the Buyback, would have
- to do so through their stock broker, who is a registered member of the Stock Exchanges by indicating to their broker the details of the Equity Shares they intend to sell whenever the Company has placed a "buy" order for Buyback of the Equity Shares. The Company shall place a "buy" order for Buyback of Demat Shares, by indicating to the Company's Broker, the number of Equity Shares it intends to buy along with a price for the same. The trade would be executed at the price at which the order matches the price tendered by the beneficial owners and that price would be the Buyback price for that beneficial owner. The execution of the order and issuance of contract note would be carried out by the Company's Broker in accordance with the requirements of the Stock Exchanges and SEBI. Orders for Equity Shares can be placed on the trading days of the Stock Exchanges. The Company is under no obligation to place "buy" order on a daily basis. The orders for buying back the Equity Shares will be placed on normal trading segment of Stock Exchanges at least once a week.
- It may be noted that a uniform price would not be paid to all the shareholders/beneficial owners pursuant to the Buyback and that the same would depend on the price at which the trade with that particular shareholder/ beneficial owner was executed.
- 4.9. Shareholders are requested to get in touch with JM Financial Limited ("Merchant Banker") or the Company's Broker or the Registrar of the Company to clarify any doubts in the process.
- 4.10. Subject to the Company purchasing Equity Shares for an amount equivalent to the Minimum Buyback Size, nothing contained herein shall create any obligation on the part of the Company or the Board to Buyback any additional Equity Shares or confer any right on the part of any shareholder to have any Equity Shares bought back, even if the Maximum Buyback Size has not been reached, and/or impair any power of the Company or the Board to terminate any process in relation to the Buyback, to the extent permissible by law. The Company is under no obligation to utilize the entire amount of Maximum Buyback Size or buy all the Maximum Buyback Shares. However, if the Company is not able to complete the Buyback equivalent to the Minimum Buyback Size, except for the reasons mentioned in the Buyback Regulations, the amount held in the escrow account (up to a maximum of 2.5% of the Maximum Buyback Size), may be liable to be forfeited and deposited in the Investor Education and Protection Fund of Securities and Exchange Board of India or as directed by SEBI in accordance with the Buyback Regulations.
- 4.11. The Company shall submit the information regarding the Equity Shares bought back by it to the Stock Exchanges on a daily basis in accordance with the Buyback Regulations. The Company shall also upload the

information regarding the Equity Shares bought back by it on its website (www.jkpaper.com) on a daily basis.

4.12. Procedure to be followed by Eligible Shareholders holding Equity Shares in physical form: As per the proviso to Regulation 40(1) of the SEBI (LODR) Regulations (notified by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018) read with the press release dated December 3, 2018 issued by SEBI, effective from April 1, 2019, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. Hence, public shareholders desirous of tendering their Equity Shares held in physical form can do so only after the Equity Shares are dematerialized and are advised to approach the concerned depository participant to have their Equity Shares dematerialized.

ACCORDINGLY, ALL SHAREHOLDERS OF THE COMPANY HOLDING EQUITY SHARES IN PHYSICAL FORM AND DESIROUS OF PARTICIPATING IN THE BUY-BACK ARE ADVISED TO APPROACH THE CONCERNED DEPOSITORY PARTICIPANT TO HAVE THEIR EQUITY SHARES DEMATERIALIZED. IN CASE ANY ELIGIBLE SHAREHOLDER HAS SUBMITTED EQUITY SHARES IN PHYSICAL FORM FOR DEMATERIALIZATION, SUCH ELIGIBLE SHAREHOLDERS SHOULD ENSURE THAT THE PROCESS OF DEMATERIALIZATION IS COMPLETED WELL IN TIME SO THAT THEY CAN PARTICIPATE IN THE BUY-BACK BEFORE THE CLOSURE OF BUY-BACK

METHOD OF SETTLEMENT

 Settlement of Demat Shares: The Company will pay consideration for the Buyback to the Company's Broker on or before every pay-in date for each settlement, as applicable to the Stock Exchanges where the transaction is executed. The Company has opened a depository account ("Buyback Demat Account") with JM Financial Services Limited. Demat shares bought back by the Company will be transferred into the Buyback Demat Account by the Company's Broker, on receipt of such Demat Shares and after completion of the clearing and settlement obligations of the Stock Exchanges. Beneficial owners holding Dernat Shares would be required to transfer the number of such Demat Shares sold to the Company pursuant to the Buyback, in favour of their stock broker through whom the trade was executed, by tendering the delivery instruction slip to their respective Depository Participant ("DP") for debiting their beneficiary account maintained with the DP and crediting the same to the broker's pool account as per procedure applicable to normal secondary market transactions. The beneficial owners would also be required to provide to the Company's broker or the Registrar to the Buyback, copies of all statutory consents and approvals required to be obtained by them for the transfer of their Equity Shares to the Company, as applicable.

- 5.2. Extinguishment of Demat Shares: The Demat Shares bought back by the Company shall be extinguished and destroyed in the manner specified in the Securities and Exchange Board of India (Depository and Participants) Regulations, 2018, as amended and bye-laws framed thereunder, in the manner specified in the Buyback Regulations and the Act. The Equity Shares lying in credit in the Buyback Demat Account will be extinguished within 15 (fifteen) days of acceptance of the Demat Shares, provided that the Company undertakes to ensure that all Demat Shares bought back by the Company are extinguished within 7 (seven) days of the expiry of the Buyback Period.
- **BRIEF INFORMATION ABOUT THE COMPANY**
- 6.1. JK Paper Limited was incorporated on July 4, 1960. The registered office of the Company is at P.O., Central Pulp Mills, Fort Songadh, District Tapi, Gujarat - 394 660. The corporate identification number of the Company is L21010GJ1960PLC018099. The equity shares of the Company are listed on the BSE and NSE.
- 6.2. The Company is in the business of manufacture and sale of paper and paper board. It has a diversified product portfolio consisting of value added products like copier, bond and security paper, parchment etc. and packaging boards. The Company exports its products to over 60 countries, including the USA, United Arab Emirates, Sri Lanka, Thailand, South Africa, Kenya, Singapore and

The Company has two manufacturing facilities, located at Rayagada, Odisha and Fort Songadh, Gujarat, with an aggregate production capacity of 4,55,000 MT. The Sirpur Paper Mills Limited, a step down subsidiary of the Company, has a manufacturing facility located at Sirpur Kaghaznagar, Telangana with a production capacity of 1,36,000 MT. Accordingly, the consolidated capacity of the Company with its subsidiaries is 5,91,000 TPA.

FINANCIAL INFORMATION ABOUT THE COMPANY

Particulars

The financial information on the basis of audited consolidated and standalone financial statements of the Company for the nine months ended December 31, 2019 and the last three financial years ended March 31, 2019, March 31, 2018 and March 31, 2017 is provided hereunder:

Unaudited*

Consolidated:

(Amount in ₹ crore)

Audited**

raruculais	Ullaudited			
C. N LES CONTROL PRODUCE	As at / For the nine months ended on December 31, 2019	As at / For the year ended on March 31, 2019	As at / For the year ended on March 31, 2018	As at / For the year ended on March 31, 2017
Revenue from operations	2,324.33	3,256.71	2,877.49	2,764.03
Other Income	73.05	50.00	22.51	34.80
Total Income	2,397.38	3,306.71	2,900.00	2,798.83
Expenses (excluding Finance Cost, Depreciation & Amortisation and Exceptional Items)	1,629.46	2,388.59	2,259.24	2,246.98
Finance Cost/ Interest	96.43	124.40	143.02	187.64
Depreciation & Amortisation	112.10	127.68	122.32	120.68
Profit before share of profit/(loss) from associate & joint venture, exceptional item and tax	559.39	666.04	375.42	243.53
Exceptional Item	_		72	10-2
Profit Before Tax	559.39	666.04	375.42	243.53
Tax expense	183.70	241.10	114.89	69.04
Net Profit after tax for the period	375.69	424.94	260.53	174.49
Share of Profit / (Loss) of Joint Venture	*	0.4	Θ	(2.67)
Share of Profit / (Loss) of Non- controlling	(6.94)	(2.34)	ž.	
Net Profit attributable to Owners of the company	382.63	427.28	260.53	171.82
Other Comprehensive Income attributable to Owners of the company	(1.71)	(3.00)	(1.27)	(0.80)
Total Comprehensive Income attributable to Owners of the company	380.92	424.28	259.26	171.02
Paid-up Equity Share capital	178.24	178.24	175.50	155.96
Free Reserves including Securities Premium Account (excluding impact of fair valuation of Property, Plant and Equipment)	1,873.77	1,573.38	1,194.54	872.89
Net Worth	2,052.01	1,751.62	1,370.04	1,028.85
Non-controlling interest	7.97	50.88	1,000	
Total Debt	1,756.50	1,562.58	1,309.53	1,697.70

December 31, 2019

** Source: Audited consolidated financial statements of the Company for the respective financial years (Amount in ₹, except certain ratios)

	As at / For the period ended on*	As at / For the year ended on			
Particulars	December 31, 2019*	March 31, 2019	March 31, 2018	March 31, 2017	
Basic Earnings per Equity Share	21.08 *	23.88	15.32	11.39	
Diluted Earnings per Equity Share	21.08 *	23.82	14.67	9.95	
Debt / Equity Ratio	0.85	0.87	0.96	1.65	
Book Value per Equity Share	115.12	98.27	78.06	65.97	
Return on Net Worth (%)	18.65% *	24.39%	19.02%	16.70%	

*Not annualized for the nine months ended on December 31, 2019

Key Ratios	Basis			
Basic Earnings per Equity Share	Net profit attributable to equity shareholders / weighted average number of equity shares outstanding during the year/period			
Diluted Earnings per Equity Share	Net profit attributable to equity shareholders / weighted average number of shares outstanding during the year/period, adjusted with dilutive potential ordinary shares			
Debt-Equity Ratio	Total debt / (net worth + non-controlling interest)			
Book Value per Equity Share	(Paid-up equity share capital + free reserves and surplus) / number of equity shares outstanding at year/period end			
Return on Net Worth	Net profit after tax / net worth excluding revaluation reserves			

Standalone:

(Amount in ₹ crore)

Particulars	Unaudited*		Audited**	
	As at / For the nine months ended on December 31, 2019	As at / For the year ended on March 31, 2019	As at / For the year ended on March 31, 2018	As at / For the year ended on March 31, 2017
Revenue from operations	2,324.10	3,256.30	2,877.49	2,764.03
Other Income	62.58	55.77	25.77	26.45
Total Income	2,386.68	3,312.07	2,903.26	2,790.48
Expenses (excluding Finance Cost, Depreciation & Amortisation and Exceptional Items)	1,601.95	2,386.02	2,264.16	2,251.60
Finance Cost/ Interest	91.85	122.40	143.02	187.64
Depreciation & Amortisation	108.93	125.30	120.89	119.53
Profit exceptional item and tax	583.95	678.35	375.19	231.71
Exceptional Item			***	-
Profit Before Tax	583.95	678.35	375.19	231.71
Tax expense	182.60	241.15	115.05	68.88
Net Profit after tax for the period	401.35	437.20	260.14	162.83
Other Comprehensive Income	(2.39)	(3.32)	(1.27)	(0.80)
Total Comprehensive Income	398.96	433.88	258.87	162.03
Paid-up Equity Share capital	178.24	178.24	175.50	155.96
Free Reserves including Securities Premium Account (excluding impact of fair valuation on fixed assets)	1,908.44	1,585.61	1,194.15	872.89
Net Worth	2,086.68	1,763.85	1,369.65	1,028.85
Total Debt	1,312.71	1,350.01	1,309.53	1,697.70

** Source: Audited standalone financial statements of the Company for the respective financial years

Particulars	As at / For the period ended on*	As at / Fo	As at / For the year ended on			
	December 31, 2019	March 31, 2019	March 31, 2018	March 31, 2017		
Basic Earnings per Equity Share	22.52*	24.57	15.29	10.79		
Diluted Earnings per Equity Share	22.52*	24.51	14.65	9.45		
Debt / Equity Ratio	0.63	0.77	0.96	1.65		
Book Value per Equity Share	117.07	98.96	78.04	65.97		
Return on Net Worth (%)	19.23%*	24.79%	18.99%	15.83%		

*Not annualized for the nine months ended on December 31, 2019

Key Ratios	Basis				
Basic Earnings per Equity Share	Net profit attributable to equity shareholders / weighted average number of equity shares outstanding during the year/period				
Diluted Earnings per Equity Share	Net profit attributable to equity shareholders / weighted average number of shares outstanding during the year/period, adjusted with dilutive potential ordinary shares				
Debt-Equity Ratio	Total debt / net worth				
Book Value per Equity Share	(Paid-up equity share capital + free reserves and surplus) / number of equity shares outstanding at year/period end				
Return on Net Worth	Net profit after tax / net worth excluding revaluation reserves				

DETAILS OF ESCROW ACCOUNT

- 8.1. In accordance with Regulation 20 of the Buyback Regulations and towards security for performance of its obligations under the Buyback Regulations, the Company has entered into an escrow agreement dated April 28, 2020 ("Escrow Agreement") with the Merchant Banker and Axis Bank Limited ("Escrow Bank") pursuant to which the Company has opened an escrow account titled "JK PAPER-BUYBACK-ESCROW ACCOUNT" (the "Escrow Account"). The Company has authorized the Merchant Banker to operate the Escrow Account in compliance with the Buyback Regulations and the Escrow Agreement.
- 8.2. The Company will deposit in the Escrow Account cash aggregating to ₹ 2,50,00,000 (Rupees Two Crore and Fifty Lakh only) being 2.5% of the Maximum Buyback Size ("Cash Escrow") in accordance with the Buyback Regulations, before opening of the Buyback.

In addition, the Company will arrange for bank guarantee from a scheduled commercial bank in favour of the Merchant Banker for an amount of ₹ 25,00,00,000 (Rupees Twenty Five Crore only) (the "BG") being 25% of the Maximum Buyback Size approved by the Board. The security provided by the Company for performance of its obligations under the Buyback Regulations, consisting of the Cash Escrow and the BG, aggregates to ₹ 27,50,00,000 (Rupees Twenty Seven Crore and Fifty Lakh only).

- 8.3. The funds in the Escrow Account may be released for making payment to the shareholders subject to at least 2.5% of the Maximum Buyback Size remaining in the Escrow Account at all points in time.
- If the Company is not able to complete the Buyback equivalent to the Minimum Buyback Size, except for the reasons mentioned in the Buyback Regulations, the amount held in the Escrow Account (up to a maximum of 2.5% of the Maximum Buyback Size), may be liable to be forfeited and deposited in the Investor Protection and Education Fund of Securities and Exchange Board of India or as directed by SEBI in accordance with the Buyback Regulations.
- The Cash Escrow and the BG will be released in accordance with the Buyback Regulations.
- LISTING DETAILS AND STOCK MARKET DATA
- The Equity Shares of the Company are listed on BSE and NSE.
- 9.2. The high, low and average market prices in preceding three financial years (April to March period) and the monthly high, low and average market prices for the six (6) months preceding the date of the Public Announcement from and the corresponding volumes on the BSE and NSE is as follows:

NSE:

Period	High			Low				Total No.
	High (₹)	Date of High	No. of Equity Shares Traded	Low (₹)	Date of Low	No. of Equity Shares Traded	Average (₹)	Total No. of Equity Shares Traded
Fiscal 2020	153.35	April 11, 2019	10,71,925	66.95	March 23, 2020	9,85,326	122.20	25,20,33,728
Fiscal 2019	188.75	August 20, 2018	33,66,441	99.45	July 19, 2018	9,52,096	145.88	26,98,04,177
Fiscal 2018	165.70	January 8, 2018	15,92,626	89.90	August 11, 2017	6,00,596	117.62	23,00,04,743

Source: www.nseindia.com

Note: High, Low and Average price for the period are based on closing prices

Period		High			Low			Total No.
	High (₹)	Date of High	No. of Equity Shares Traded	Low (₹)	Date of Low	No. of Equity Shares Traded	(₹)	of Equity Shares Traded
Fiscal 2020	153.30	April 11, 2019	83,916	67.15	March 24, 2020	69,209	122.18	2,31,68,288
Fiscal 2019	187.80	August 20, 2018	3,87,704	99.35	July 19, 2018	45,611	145.87	3,12,85,480
Fiscal 2018	164.90	January 8, 2018	2,71,563	90.05	August 11, 2017	1,14,230	117.60	4,14,48,710

Source: www.bseindia.com

Note: High, Low and Average price for the period are based on closing prices

Period		High	High			Low		
	High (₹)	Date of High	No. of Equity Shares Traded	Low (₹)	Date of Low	No. of Equity Shares Traded	(₹)	of Equity Shares Traded
March 2020	115.25	March 3, 2020	4,64,195	66.95	March 23, 2020	9,85,326	87.88	1,76,37,567
February 2020	129.45	February 20, 2020	23,65,171	115.00	February 28, 2020	9,04,032	124.16	1,73,35,242
January 2020	137.00	January 14, 2020	26,17,569	123.60	January 1, 2020	4,50,104	131.89	2,96,32,108
December 2019	130.50	December 17, 2019	82,72,441	115.80	December 3, 2019	5,28,953	122.92	2,81,01,405
November 2019	122.15	November 26, 2019	38,65,661	113.50	November 19, 2019	3,80,267	117.73	1,72,85,383
October 2019	139.20	October 1, 2019	37,05,170	115.20	October 7, 2019	14,45,000	122.11	2,66,42,673

Note: High, Low and Average price for the period are based on closing prices

Period	High			Low			Average	Total No.
	High (₹)	Date of High	No. of Equity Shares Traded	Low (₹)	Date of Low	No. of Equity Shares Traded	(₹)	of Equity Shares Traded
March 2020	115.20	March 3, 2020	90,673	67.15	March 24, 2020	69,209	87.85	15,63,004
February 2020	129.20	February 20, 2020	1,77,902	115.05	February 28, 2020	77,971	124.11	14,20,216
January 2020	136.95	January 14, 2020	1,96,706	123.55	January 1, 2020	23,577	131.82	22,85,255
December 2019	130.45	December 17, 2019	7,68,718	115.85	December 3, 2019	32,835	122.89	22,01,249
November 2019	122.10	November 27, 2019	1,01,228	113.45	November 19, 2019	25,308	117.74	13,91,121
October 2019	139.4	October 1, 2019	3,88,117	115.15	October 7, 2019	1,43,721	122.10	24,94,118

Source: www.bseindia.com

Note: High, Low and Average price for the period are based on closing prices

Notice of the Board Meeting convened to consider the proposal of the Buyback was given to the NSE and BSE on April 25, 2020. The Board, at its meeting held on April 28, 2020 approved the proposal for the Buyback at a maximum price of ₹ 130 (Rupees One Hundred and Thirty only) per Equity Share and the intimation was sent to NSE and BSE on the same day. The closing market price of the Equity Shares on NSE and BSE, during this period, are summarised below.

Event	Date	NSE (₹)	BSE (₹)
Notice of the Board Meeting convened to consider the proposal of the Buyback	April 25, 2020	91.40	91.35
1 Trading Day Post-Notice of Board Meeting	April 27, 2020	102.65	102.50
1 Trading Day Prior to Board Meeting	April 27, 2020	102.65	102.50
Board Meeting Date	April 28, 2020	106.40	106.40
1 Trading Day Post-Board Meeting	April 29, 2020	101.15	101.15

Source: www.nseindia.com and www.bseindia.com

PRESENT CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

10.1. The capital structure of the Company as on the date of this Public Announcement, i.e., April 29, 2020, and the indicative capital structure of the Company post the completion of the Buyback is set forth below:

Particulars	(As on the date of this Public Announcement) (In ₹)	(Post completion of the Buyback)* (In ₹)	
Authorised share capital: 30,00,00,000 Equity Shares of ₹ 10 each 2,00,00,000 Preference Shares of ₹ 100 each	500,00,00,000	500,00,00,000	
Issued, subscribed and fully paid-up share capital	1,78,24,35,850	1,70,55,12,780	

*Note: Assuming that the indicative Maximum Buyback Shares are bought back. However, the post Buyback issued, subscribed and paid-up capital may differ depending upon the actual number of Equity Shares bought 10.2. As on the date of this Public Announcement, there are no Equity Shares which are partly paid-up, or with call-

- in-arrears and there are no outstanding instruments convertible into Equity Shares. 10.3. The shareholding pattern of the Company as on April 28, 2020 (pre-Buyback) and the proposed shareholding
- pattern of the Company post the completion of the Buyback is given below:

Shareholder	Pre-Bu	yback	Post Buyback*	
	No. of Equity Shares	% of Equity Shares	No. of Equity Shares	% of Equity Shares
(A) Promoter & Promoter Group	8,71,37,211	48.89	8,71,37,211	51.09%
(B) Public	9,11,06,374	51.11	8,34,14,067	48.91%
(C1) Shares underlying DRs				
(C2) Shares held by Employee Trust				
(C) Non-Promoter -Non-Public				
(C =C1+C2)	93			
Grand Total (A+B+C)	17,82,43,585	100.00	17,05,51,278	100.00

Contd.

Assuming the Company buys back the Maximum Buyback Shares. However, the shareholding post completion of the Buyback may differ depending upon the actual number of Equity Shares bought back in

- 10.4. As per Regulation 16(ii) of the Buyback Regulations, the Buyback shall not be made from the promoter and members of the promoter group and persons in control of the Company. Further, as per Regulation 24(i)(e) of the Buyback Regulations, the promoter and members of the promoter group of the Company and their associates have not dealt in the Equity Shares or other specified securities of the Company either through the Stock Exchanges or off-market transactions (including inter-se transfer of Equity Shares among the promoter and members of the promoter group of the Company) from the date of the Board Meeting till the date of the Public Announcement and shall not deal in the Equity Shares or other specified securities of the Company either through the stock exchanges or off-market transactions (including inter-se transfer of Equity Shares among the promoters and members of the promoter group of the Company) from the date of the Public Announcement till the completion of the Buyback.
- 10.5. For the aggregate shareholding of the promoter and members of the promoter group of the Company as on the date of the Board Meeting i.e. April 28, 2020, please refer to Paragraph 6.1 of Part A. For the details of the transactions undertaken by the promoter and members of the promoter group of the Company, please refer to Paragraph 6.2 of Part A.
- 10.6. While the promoter and members of the promoter group of the Company are not eligible to participate in the Buyback, depending on the number of Equity Shares bought back by the Company, their effective shareholding percentage in the Company, will increase consequent to the buyback. Any increase in the percentage holding/ voting rights of the promoter and members of the promoter group is not an active acquisition and is incidental to the Buyback and falls within the limits prescribed under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.
- MANAGEMENT DISCUSSION AND ANALYSIS ON THE LIKELY IMPACT OF THE BUYBACK ON THE COMPANY
- 11.1. The Buyback is expected to achieve the objective of returning surplus funds to the shareholders, optimizing the capital structure, improving return on equity through distribution of surplus funds, improving earnings per share by reduction in equity base and increasing shareholders' value in the long term. The Buyback is not likely to cause any material impact on the profitability / earnings of the Company except a reduction in the investment income, which the Company could have otherwise earned on the amount distributed towards Buyback. The Buyback may lead to reduction in outstanding Equity Shares, improvement in 'earnings per share' and enhanced return on equity, assuming that the Company would earn similar profits as in the past.
- 11.2. The amount required by the Company for the Buyback (including the Transaction Costs) will be funded out of the securities premium account, free reserves and/or such other sources as may be permitted by the Buyback Regulations and the Companies Act, 2013 and on such terms and conditions as the Board may deem fit.
- 11.3. Pursuant to Regulation 16(ii) of the Buyback Regulations, the promoter and members of the promoter group and persons in control of the Company shall not participate under the Buyback. The Buyback of Equity Shares will not result in a change in control or otherwise affect the existing management structure of the Company.
- 11.4. Consequent to the Buyback and based on the number of Equity Shares bought back from the shareholders excluding the promoter and the members of the promoter group of the Company, the shareholding pattern of the Company would undergo a change. Pursuant to Regulation 16(ii) of the Buyback Regulations, the promoter and promoter group of the Company are not entitled to participate under the Buyback. The Buyback of Equity Shares will not result in a change in control or otherwise affect the existing management structure of the Company and will not result in the public shareholding falling below 25% of the total fully paid-up equity share capital of the Company.
- STATUTORY APPROVALS
- Pursuant to Sections 68, 69, 70, and all other applicable provisions of the Act and applicable rules thereunder and the provisions of the Buyback Regulations and the Articles of Association of the Company, the Company

has obtained the Board approval as mentioned above.

- 12.2. The Buyback is subject to receipt of such sanctions and approvals from statutory, regulatory or governmental authorities as may be required under applicable laws, including the Reserve Bank of India, the Securities and Exchange Board of India ("SEBI"), and the stock exchanges on which the Equity Shares are listed, namely, National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") (hereinafter together referred to
- 12.3. The shareholders shall be solely responsible for obtaining all such statutory consents and approvals (including, without limitation the approvals from the Reserve Bank of India and/or the SEBI, if any) as may be required by them in order to sell their Equity Shares to the Company pursuant to the Buyback. Shareholders would be required to provide copies of all such consents and approvals obtained by them to the Company's Broker.
- 12.4. The Buyback shall be subject to such necessary approvals as may be required, and the Buyback from overseas corporate bodies and other applicable categories shall be subject to such approvals of the Reserve Bank of India, if any, under the Foreign Exchange Management Act, 1999 and the rules and regulations framed
- 12.5. To the best of the knowledge of the Company, no other statutory approvals are required by it for the Buyback as on the date of this Public Announcement. Subject to the obligation of the shareholders to obtain the consents and approvals necessary for transfer of their Equity Shares to the Company as set out in Paragraphs 12.3 and 12.4 of Part B above, the Company shall obtain such statutory approvals as may be required, from time to time, if any, for completion of the Company's obligations in relation to the Buyback
- COLLECTION AND BIDDING CENTRES AND INVESTOR SERVICE CENTRES

The Buyback will be implemented by the Company by way of open market purchases through the Stock Exchanges using their nationwide trading terminals. Therefore, the requirement of having collection and bidding centers and investor service centres is not applicable.

COMPLIANCE OFFICER

The Company has designated the following official as the Compliance Officer for the Buyback:

Suresh Chander Gupta Designation: Vice President and Company Secretary and Compliance Officer

Address : Gulab Bhawan (Rear Block - 3rd Floor), 6A, Bahadur Shah Zafar Marg, New Delhi - 110 002

Tel +91 3017 9100 Email ID : scgupta@jkmail.com Website : www.jkpaper.com

In case of any clarifications or to address investor grievance, the Shareholders may contact the Compliance Officer, from Monday to Friday between 10 a.m. to 5 p.m. on all working days except Saturdays, Sundays and public holidays, at the above-mentioned address

REGISTRAR TO THE BUYBACK

The Company has appointed the following as the registrar to the Buyback ("Registrar"):

Name MCS Share Transfer Agent Limited Address : F-65, Okhla Industrial Area, Phase- 1, New Delhi - 110 020

Tel : +91 4140 6149-52 : +91 4170 9881 Fax

Contact Person : Ajay Dalal

Email ID : admin@mcsregistrars.com

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Website www.mcsregistrars.com SEBI Registration Number INR000004108 Validity Period Permanent : U67120WB2011PLC165872

In case of any query, the Shareholders may also contact the Registrar to the Buyback, from Monday to Friday between 10:00 a.m. to 5:00 p.m. on all working days except Saturdays, Sundays and public holidays at the above-mentioned address.

MERCHANT BANKER / MANAGER TO THE BUYBACK

The Company has appointed the following as the Merchant Banker / Manager to the Buyback:

JM FINANCIAL

JM Financial Limited

: 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025. Address Maharashtra, India

: +91 22 6630 3030 : +91 22 6630 3330 Fax Contact Person : Prachee Dhuri Email : jkpaper.buyback@jmfl.com Website : www.jmfl.com

: INM000010361 SEBI Registration Number Validity Period : Permanent Registration : L67120MH1986PLC038784

DIRECTORS' RESPONSIBILITY STATEMENT

As per Regulation 24(i)(a) of the Buyback Regulations, the Board of Directors accepts full and final responsibility for all the information contained in this Public Announcement and any advertisements, circulars, brochures, publicity materials etc. which may be issued in relation to the Buyback and confirms that the information in such documents contain and will contain true, factual and material information and does not and will not contain any misleading information.

JK Paper Limited

For and on behalf of the Board of Directors of

Sd/-Sd/-

Harsh Pati Singhania Amar Singh Mehta, Suresh Chander Gupta Vice Chairman & President & Director Managing Director DIN: 00030694 DIN: 00086742

Vice President and Company Secretary and Compliance Officer ICSI Membership Number: F1741

Date: April 29, 2020 Place: New Delhi

CONCEPT

MUTUAL

यूको बैंक 😭 UCO BANK

(A Govt. of India Undertaking)
Head Office – II, Department of Information Technology 3 & 4, DD Block, Sector – 1, Salt Lake, Kolkata-700064

NOTICE INVITING TENDER

- UCO Bank invites Request for Proposals (RFPs) for the following: . Request for Proposal (RFP) for Selection of SMS Aggregator for Implementation of SMS and Co-Related Services.
- 2. RFP for Selection of IT consultant on Retainer Basis.
- 3. RFP for Selection of Vendor for Implementation of National Electronic Toll Collection (NETC) as an issuer under OPEX Model for Issuance of FASTag. For any details, please refer to https://www.ucobank.com.

Date:30.04.2020

Deputy General Manager (DIT, BPR & BTD)

MAHANADI COALFIELDS LIMITED (A Subsidiary of Coal India Limited)

Jagruti Vihar, Burla - 768020, Dist. - Sambalpur, Odisha Tel. (EPABX) : 0663-2542461 to 469 Website : www.mahanadicoal.in

NOTICE

All the tenders issued by CIL and its Subsidiaries for procurement of Goods. Works and Services are available on website of Coal India Ltd www.coalindia.in, respective subsidiary Company, (MCL, www.mahanadicoal.in), CIL e-Procurement portal https://coalindiatenders.nic.in and Central Public Procurement Portal https://eprocure.gov.in. In addition, procurement is also done through GeM portal https://gem.gov.in



(A Subsidiary of Coal India Limited) COMMON WINDOW ADVERTISEMENT

All the tenders issued by WCL for procurement of Goods, Works and Services are available on website of Coal India Ltd. www.coalindia.in/respective subsidiary Company, CIL e-procurement portal http://coalindiatenders.nic.in and Central Public Procurement Portal https://eprocure.gov.in. In addition, procurement is also done through GeM Portal https://gem.gov.in - informs the G.M.(MM)HOD. WCL, Coal Estate, Civil Lines, Nagpur (M.S.). PIN.: 440001.

GENERAL NOTICE

Tenders of WCL HQ / Areas are available at: (i) www.coalindiatenders.nic.in, (ii) www.eprocure.gov.in. Bids can be submitted on line through www.coalindiatenders.nic.in only. Corrigendum/Addendum, if any, are published in www.coalindiatenders.nic.in only - informs the General Manager (CMC), WCL HQ, Coal Estate, Civil Lines, Nagpur - 440001.

For details, visit https://coalindiatenders.nic.in OR https://eprocure.gov.in "Give a missed call on toll free number 18002003004 to get our apps



SUNDARAM HOME

Revision of Interest Rates on Fixed Deposits / Renewals effective 01.05.2020 as follows



TERM	SENIOR CITIZENS	THAN SENIOR CITIZENS	TRUSTS
in Rate of Interest % (p.a. at Quarterly rests for Regular Income Scheme and Cumulative Deposit Scheme)		Rate of Interest % (p.a. at Quarterly rests for Regular Income Scheme and Cumulative Deposit Scheme)	Rate of interest % (p.a. at Quarterly rests for Regular Income Scheme and Cumulative Deposit Scheme)
12	7.00	6.75	6.75
18	7.00	6.75	6.75
24	7.25	7.00	7.00
36	7.25	7.00	7.25
48	7.25	7.00	7.25
60	7.25	7.00	7.25

Monthly interest option available under 36 / 48 / 60 month deposits.

 Minimum Deposit of ₹ 10,000/- per account.
 Interest rates on existing deposits remain unchanged. • Trust deposits are specified investment under section 11(5)(ix) of Income-tax Act, 1961. Senior Citizens - Completed 60 years of age on date of deposit / renewal.

This advertisement appears further to the statutory advertisement published by the Company in "Business Line" & "Makkal Kural" on 18.07.2019. The text of the statutory advertisement is also printed on all application forms which may be referred to before investing in the Company's Deposit Schemes.

Sundaram Home Finance Limited

Registered Office: 21, Patullos Road, Chennai - 600 002. Phone: (044) 2852 1161 (General), 2888 1780 / 2852 0391 / 2888 1781 (Deposits) Corporate Office: "Sundaram Towers", 46, Whites Road, Chennai - 600 014. Phone: (044) 2851 5267, 2851 5269, Fax: (044) 2858 2235 e-mail : depositorcare@sundaramhome.in Website : www.sundaramhome.in CIN: U65922TN1999PLC042759

MOTILAL OSWAL

Motilal Oswal Asset Management Company Limited Registered & Corporate Office: 10th Floor, Motilal Oswal Tower, Rahimtullah Sayani Road,

Opposite Parel ST Depot, Prabhadevi, Mumbai - 400 025 • Toll Free No.: +91 8108622222, +91 22 40548002 • Email : mfservice@motilaloswal.com • CIN No.: U67120MH2008PLC188186

• Website: www.motilaloswalmf.com and www.mostshares.com

NOTICE

Declaration of Dividend under the Scheme, Motilal Oswal Dynamic Fund (MOFDYNAMIC):

NOTICE is hereby given that Motilal Oswal Trustee Company Limited, Trustee to Motilal Oswal Mutual Fund has approved the declaration of dividend under Quarterly Dividend Option of the Scheme, Motilal Oswal Dynamic Fund (MOFDYNAMIC), an open ended dynamic asset allocation fund, as under:

Quantum of Dividend (₹ Per Unit)*	NAV as on April 28, 2020 (₹ Per Unit)	Record Date**	Face Value (₹ Per Unit)
0.30	10.9741	May 05, 2020	10.00
0.30	10.9900	May 05, 2020	10.00
	Dividend (₹ Per Unit)*	Dividend (₹ Per Unit)* April 28, 2020 (₹ Per Unit) 0.30 10.9741	Dividend (₹ Per Unit)* April 28, 2020 (₹ Per Unit) 0.30 10.9741 May 05, 2020

Dividend Distribution Tax and other statutory levy (if any) shall also be paid out of such distributable surplus. ** Or immediately following Business Day, if that day is not a Business Day.

Pursuant to payment of dividend, the NAV of the Dividend Option of the above mentioned Plans of the Scheme will fall to the extent of payout and statutory levy (if applicable).

The above dividend is subject to the availability of distributable surplus and may be lower to the extent of distributable surplus available on the Record Date.

In case the distributable surplus is less than the quantum of dividend on the record date / ex-dividend date, the entire available distributable surplus in the scheme / plan will be declared as dividend.

Dividend will be paid to those Unitholders / Beneficial Owners whose names appear in the Register of Unit holders maintained by the Mutual Fund / statement of beneficial ownership maintained by the Depositories, as applicable, under the Dividend Option of the aforesaid plans of the Scheme as on the record date.

READ ALL SCHEME RELATED DOCUMENTS CAREFULLY.

For Motilal Oswal Asset Management Company Limited (Investment Manager for Motilal Oswal Mutual Fund)

Place: Mumbai Date: April 29, 2020

Aashish P Somaiyaa **Managing Director and Chief Executive Officer**

MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS.

MUTUALFUNDS Sahi Hai



Haq, ek behtar zindagi ka.

Website: www.utimf.com

Notice - Dividend Declaration

Sr.	Scheme Name	NAV as on 28-04-2020 (po			
No.	Scrieme Name	Option/Plan	Nav per Unit (₹		
1	UTI – Fixed Term Income Fund - Series XXVI – Plan – VI (1146 Days)	Direct Plan - Annual Div Option	10.0576		
2	UTI – Fixed Term Income Fund - Series XXVI – Plan – VI (1146 Days)	Direct Plan - Maturity Div Option	12.4496		
3	UTI – Fixed Term Income Fund - Series XXVI – Plan – VI (1146 Days)	Direct Plan - Quarterly Div Option	10.0558		
4	UTI – Fixed Term Income Fund - Series XXVI – Plan – VI (1146 Days)	Regular Plan - Flexi Div Option	12.4310		
5	UTI – Fixed Term Income Fund - Series XXVI – Plan – VI (1146 Days)	Regular Plan - Maturity Div Option	12.4305		
6	UTI – Fixed Term Income Fund - Series XXVI – Plan – VI (1146 Days)	Regular Plan - Quarterly Div Option	10.0558		

Face Value per unit in all the above schemes/plans is ₹ 10. Record date for all the above mentioned schemes/plans will be Tuesday, May 05, 2020. Gross Dividend - 100% of distributable surplus as on record date for above mentioned schemes/plans, Distribution of above dividend is subject to the availability of distributable surplus as on record date. Dividend payment to the investor will be lower to the extent of Statutory levy (if applicable). Pursuant to payment of dividend, the NAV of the dividend options of the schemes would fall to the extent of payout and statutory levy (if applicable).

Such of the unitholders under the dividend option whose names appear in the register of unitholders as at the close of business hours on the record date fixed for each dividend distribution shall be entitled to receive the dividend so distributed.

Mumbai

April 29, 2020 Toll Free No.: 1800 266 1230

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REGISTERED OFFICE: UTI Tower, 'Gn' Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400051. Phone: 022 - 66786666. UTI Asset Management Company Ltd. (Investment Manager for UTI Mutual Fund) E-mail: invest@uti.co.in, CIN-U65991MH2002PLC137867).

For more information, please contact the nearest UTI Financial Centre or your AMFI/NISM certified UTI Mutual Fund Independent Financial Advisor, for a copy of Statement of Additional Information, Scheme Information Document and Key Information Memorandum cum Application Form.

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

CANARA ROBECO

Canara Robeco Mutual Fund

Investment Manager: Canara Robeco Asset Management Co. Ltd.

Construction House, 4th Floor, 5, Walchand Hirachand Marg, Ballard Estate, Mumbai 400 001. Tel.: 6658 5000 Fax: 6658 5012/13 www.canararobeco.com CIN No.: U65990MH1993PLC071003

All unit holders of Canara Robeco Mutual Fund are requested to note that in terms of Regulation 59 of SEBI (Mutual Funds) Regulations, 1996 and SEBI circulars issued in this regard from time to time, the half yearly

Disclosure of Half-yearly Unaudited Financial Results of Schemes of Canara Robeco Mutual Fund:

NOTICE-CUM-ADDENDUM NO. 04

unaudited financial results for the period ended March 31, 2020 of schemes of Canara Robeco Mutual Fund have been hosted on its website www.canararobeco.com. Unit holders can access the aforesaid results using the following link:

https://canararobeco.com/statutory-disclosures/un-audited-half-yearly-financial-results

Unit holders are requested to visit www.canararobeco.com to claim their remaining unclaimed or unpaid amounts and follow the prescribed procedure therein.

> For and on behalf of Canara Robeco Asset Management Company Ltd. (Investment manager for Canara Robeco Mutual Fund)

Date: 29-04-2020 Place: Mumbai **Authorised Signatory**

MUTUAL FUND

Mutual Fund investments are subject to market risks, read all scheme related documents carefully. **II HDFC**

> BHAROSA APNO KA **HDFC Asset Management Company Limited** A Joint Venture with Standard Life Investments CIN: L65991MH1999PLC123027

Registered Office: HDFC House, 2nd Floor, H.T. Parekh Marg, 165-166, Backbay Reclamation, Churchgate, Mumbai - 400 020. Phone: 022 66316333 • Toll Free Nos: 1800-3010-6767 / 1800-419-7676 Fax: 022 22821144 • e-mail: cliser@hdfcfund.com • Visit us at: www.hdfcfund.com

NOTICE

NOTICE is hereby given that HDFC Trustee Company Limited, the Trustee to HDFC Mutual Fund ("the Fund") has approved the declaration of dividend in the following Scheme of the Fund and fixed **Tuesday, May 5, 2020** (or the immediately following Business Day, if that day is not a Business Day) as the Record Date for the same:

Name of the Scheme / Plan / Option	NAV as on April 28, 2020 (₹ per unit)	Amount of Dividend (₹ per unit)	Face Value (₹ per unit)
HDFC Charity Fund for Cancer Cure - Arbitrage Plan - Regular Plan - Dividend Option - 50% Dividend Donation@ Option and 100% Dividend Donation@ Option (Payout)	10.067		
HDFC Charity Fund for Cancer Cure - Arbitrage Plan - Direct Plan - Dividend Option - 50% Dividend Donation@ Option and 100% Dividend Donation@ Option (Payout)	10.067	Distributable surplus, as	10.00
HDFC Charity Fund for Cancer Cure - Debt Plan - Regular Plan- Dividend Option- 50% Dividend Donation@ Option and 100% Dividend Donation@ Option (Payout)	10.0726	reduced by applicable statutory levy	10.00
HDFC Charity Fund for Cancer Cure - Debt Plan - Direct Plan- Dividend Option- 50% Dividend Donation@ Option and 100% Dividend Donation@ Option (Payout)	10.0726		

Pursuant to payment of dividend, the NAV of the Dividend Option(s) of the above Scheme would fall to the extent of payout and statutory levy, if any. @ Dividend Donation: As per Unit holders' authorization, HDFC Asset Management Company Limited

(HDFC AMC) / HDFC Mutual Fund (HDFC MF) will donate 50% or 100% of the dividend amount declared under the Scheme directly to the corpus of Indian Cancer Society (ICS) and balance, if any, shall be paid to the Unit holders subject to deduction of applicable taxes. The Unit holders shall be eligible to receive deduction under Section 80G of the Income-Tax Act, 1961 on the amount of donation made to the corpus of ICS. In view of individual nature of tax consequences, each investor is advised to consult his / her own professional tax advisor for availing tax deductions under Section 80G of the Indian Income-tax Act, 1961. HDFC AMC / HDFC MF shall not be held responsible or liable in any manner whatsoever for the consequences of making such donations on behalf of Unit holders to the corpus of ICS out of their dividend income under the Scheme. The amount once donated to ICS upon such authorization will not be refunded back to the Unit holder.

Income distribution will be done / Dividend will be paid, net of tax deducted at source, as applicable, to those Unit holders / Beneficial Owners whose names appear in the register of Unit holders maintained by the Mutual Fund / statement of beneficial ownership maintained by the Depositories, as applicable, under the Dividend Option(s) of the aforesaid Scheme as on the Record Date.

In case of Unit holders under 50% Dividend Donation Option, who have opted to receive dividend by way of physical instruments may note that due to the unprecedented COVID-19 situation and depending on availability of postal / courier services, there may be a delay in delivery of dividend payment instruments.

For HDFC Asset Management Company Limited

Place: Mumbai Date: April 29, 2020 Chief Compliance Officer

MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS, READ ALL SCHEME RELATED DOCUMENTS CAREFULLY.

financialexp.epap

Street Signs **BSE Metal** 3.92% Index gains the most on positive investor sentiment 6,086.30 6,011.99 6,052.02 ,001.50 **BSE Oil & Gas** Index rises as most 1.43% members gain in the trade 11,420.75 11,274.53 11,292.31 11,242.37 Open

April 28 **INDIAN BASKET CRUDE** \$16.19 BBL ₹1,236.06 BBL **EXCHANGE RATE**

₹76.37/\$

PRICE POINTS

	Del	Mum	Kol	ВІ
Rice	35	31	31	52
Wheat	24	35	NR	36
Tur dal	106	115	90	96
Potato	30	34	22	36
Sugar	40	42	41	38
Mustard oil	132	120	114	132

Quick

Mineral output index rises 10% in Feb

THE INDEX OF mineral production of mining and quarrying sector rose 10% in February over the same month last year, an official statement said. The cumulative growth for the period April-February 2019-20 over the corresponding period of previous year has been 1.9%, it added.

WTO report on India sugar case not before Q2,2021

THE DISPUTE SETTLEMENT panel of the WTO is unlikely to come out with its report on a case against India's support measures for the sugar sector before the second quarter of 2021 on account of complex procedural and factual nature of the matter, the WTO said on Wednesday. In 2019, Brazil, Australia and Guatemala dragged India into the WTO's dispute settlement mechanism alleging the subsidies to farmers are inconsistent with global trade rules.

'Textile cos to see fall in top line, operating profits'

THE TEXTILE PLAYERS are expected to record a substantial fall in their topline and operating profits due to weak export as well as domestic demand in the first half of the financial year, Ind-Ra said on Wednesday. The lockdown in April 2020 has impacted the entire textile industry and disrupted exports, Ind-Ra said in a report.

POST-NEGATIVE CRUDE SHOCKER

MCX sharply hikes margins up to 125%

With this extremely cautious move which mandates risk margins up to ₹95,000 to ₹1,95,000 per lot, investors will have to pay in full to open a position in crude futures on MCX

PRESS TRUST OF INDIA Mumbai, April 29

TO AVOID A repeat of the past Tuesday's negative price shocker on crude futures, MCX that controls 95% of the country's market traded crude has increased the margin requirements to up to 125% or ₹1,95,000 per lot effective Thursday.

With this extremely cautious move which mandates risk margins up to ₹95,000 to ₹1,95,000 per lot, investors will have to pay in full to open a position in crude futures on MCX, besides replenishing it with mark-to-market loss overnight from Thursday.

The new margin is steeply higher the existing levels, which since early March has been going up from 12.75% on March



6 to 57.9% on April 16.

The new margin requirement came after a week of the negative pricing shocker on April 20, which saw brokers taking a hit of around ₹400 crore on their May contracts. MCX has not yet made any changes in its trading software to allow commodity derivatives to trade at negative prices.

Following the historic price crash to -\$37.63 a barrel on the May crude futures on the NYMEX on April 20, MCX, which prices its trade to the NYMEX prices, on April 21 settled the trade at –₹2,884 a barrel.

In a circular on Wednesday, the Multi Commodity Exchange Clearing Corporation (MCXCCL) announced additional risk management measures, effective April 30, to cover fluctuations in crude prices.

 $The \, move \, came \, after \, both \, the \, Bombay \,$ and Delhi high courts over the week refused to give any interim relief to the brokers who are upset over the exchange settling the last expired crude contracts at negative prices for the first time in the history of commodity trading. The HCs, however, accepted the petition for further hearing. The changes in additional margin requirements by Multi Commodity Exchange of India (MCX) follows the BSE allowing trading in commodity derivatives at negative prices on Tuesday when it modified its BOLT Plus trading system to accept orders and execute trades at negative prices.

However, Unlike the BSE, MCX despite controlling 95% of the crude trading market, has not yet made any changes in its trading software to allow commodity derivatives to trade at negative prices. However, it said it is in the process of making such changes.

The new margin requirements by MCX include hike in additional margins on crude futures contracts based on the price movement. Accordingly, an initial margin of 100% will be levied for all existing and yet to be launched crude contracts, while a minimum initial margin of ₹95,000 per lot will be levied from April 30.

HOEC finds oil in Mumbai offshore, raises production target by 60%

PRESS TRUST OF INDIA New Delhi, April 29

HINDUSTAN OIL EXPLORATION Company (HOEC) on Wednesday said it has found oil reserves in a well it drilled in a block 150-km off the Mumbai coast, boosting output prospects from the acreage by 60% to 8,000 barrels of oil and oil equivalent gas per day.

HOEC had previously found oil in the very first well it drilled on B-80 block which it had won in a Discovered Small Fields (DSF) bid round.

"We are delighted to report that in D-1 well, production test was carried out over a period of three days. D-1 produced significantly more oil during the flow test, compared to first well D-2 test results announced by us on February 24, 2020," the firm said in a statement. In a telephonic interview, its CEO P

Elango said the company was earlier expecting an output of 5,000 barrels of oil and oil equivalent gas per day which has after the second well been upgraded to 8,000 boepd. The output includes 5,000 barrels of oil per day and 20 million cubic feet per day of natural gas.

"We have reduced operating cost to help breakeven even during the current low oil price scenario," he said adding operating cost which was about \$50,000 per day has been cut by 20%. The company is planning to begin output from the block by December.

"We will begin work to hook up production pipeline to an ONGC facility postmonsoon in October and hope to complete

HOEC had previously found oil in the very first well it drilled in B-80 block, which it had won in a **Discovered Small Fields bid round**

work by December," he said. HOEC has so

far invested \$45 million in the block that

sits in water depths of 80 meters. "We plan to leverage the low price environment in oil field services sector to bring down the overall costs. We are determined to continue the momentum and complete

the project to deliver the first oil and gas from both the wells as and when the current situation improves," he said. The block, B-80, is spread over 56 square kilometers area in western offshore and was awarded under the First DSF Bid Round 2016 on March 27, 2017. HOEC is the operator of this field with 50% participating Interest. Adbhoot Estates holds the remaining interest. The Field Development Plan consists of drilling of two subsea wells to produce

oil and gas, which will be processed through a Mobile Off-shore Processing Unit (MOPU). The processed oil will be exported through a Single Point Mooring with a Floating Storage & Offloading (FSO) unit having a capacity to store about 9,00,000 barrels and the gas will be delivered to Gujarat gas market by tapping into an existing gas pipeline system of ONGC.

MOPU project is completed and is ready for a sail out from the Middle East and has a capacity to handle 10,000 barrels of oil per day, he said.

Sugar millers seek extension for March-April sale quotas

NANDA KASABE Pune, April 29

WITH NO INSTITUTIONAL buyers coming forward to buy sugar this summer and no hotels or mithai makers in operation due to the ongoing lockdown across the country, millers across the country find themselves staring at a piling inventory before the start of the new season. Millers are seeking extension of March-April quotas which have lapsed.

Prakash Naiknavare, MD, National Federation of Cooperative Sugar Factories, said the government has been requested to give an extension for the April quota and a favourable decision is expected. For the sugar year 2019-20, the all India consumption is estimated to go down by 20 lakh tonne to 240 lakh After Covid outbreak, the opening

stock of the mills was around 145 lakh tonne, while the total production is around 265 lakh tonne. The domestic consumption is around 240 lakh tonne and with exports at 45 lakh tonne, the closing stock will be around 125 lakh tonne, he pointed

For the sugar season of 2020-21, the opening stock would be around 125 lakh tonne with the total production expected

to reach 300 lakh tonne. If the domestic consumption is around 260 lakh tonne and exports touch 40 lakh tonne, the closing stock again will be around 25 lakh tonne, Naiknavare pointed out.

The nationwide lockdown has virtually put a stop to sale of sugar as all sweet shops, ice cream manufacturers and cold drink makers have stopped procuring sugar. This has led to major liquidity issues for millers, industry people said.

According BB Thombare, president, Western India Sugar Mills Association (WISMA), the combined quotas for the month of March and April is around 42 lakh tonne for Maharashtra out of which only 15-20 lakh tonne has been sold by mills leaving some 22 lakh tonne unsold. If the total production of 60 lakh tonne is taken into account and the direct consumption by consumers, Maharashtra today has 45-48 lakh tonne of unsold sugar stocks, Thombare said.

Sanjay Khatal, MD, Maharashtra State Cooperative Sugar Factories Federation (MSCSFF) said that 85-90% of the March quotas were completed by cooperative mills in Maharashtra but in April, millers managed to sell only 20-25 % of the quota and therefore the millers have sought permission from the Centre to extend the April quotas till the end of May.

Farm sector to grow at 3% in FY21: NITI member

FE BUREAU New Delhi, April 29

THE FARM AND allied sector will likely remain somewhat insulated from the damaging impact of the pandemic and grow at 3% in FY21, contributing about 50 basis points to the country's economic growth, Niti Aayog member (agriculture) Ramesh Chand said on Wednesday.

Decent expansion of the farm sector will partly soften the blow to the economy, which is ravaged by the Covid-19 outbreak and is widely expected to experience sharply negative growth in the current fiscal.

The gross value added (GVA) in the sector was assumed to have grown 3.7% in FY20, according to the second advance estimate of the economic growth announced by the government in February, before the spread of the novel coronavirus.

In FY19, the sector had witnessed a 2.4% expansion. The farm sector has witnessed a roller-coaster ride in recent years, with GVA growth ranging from -0.2% in FY15 to 6.8% in FY17. Addressing media, Chand said due to

an expected normal monsoon and 40-60% higher water levels at reservoirs from the year-ago levels, the agriculture sector will have a robust growth, compared with other sectors of the economy. The sowing of summer-sown crops at 57.07 lakh



hectare, up 38% from the previous year, also indicates that farming have not been majorly impacted by the Covid-19 crisis, he added.

Agriculture minister Narendra Singh Tomar said that rabi-grown oilseeds and pulses harvesting has been completed in all the states while 12% of wheat is yet to be harvested due to late sowing. This indicates that farmers did not have a major issue on labour availability, contrary to "the perception created" about a shortage, Tomar said. Even the sales of fertilisers were up 8% and seeds distributed through Krishi Vigya Kendras (KVKs) rose 20% in April, he added.

"Inconveniences were there, but the Centre has allowed relaxations in all agriculture-related activities which helped ease situation in rural areas," the minister

said, adding about ₹18,000 crore has already been disbursed to about 9 crore farmers under PM-Kisan after the lock down was announced. The next crop will be sown in time and the output may be good, considering a normal monsoon as forecast by the India Meteorological Department, Tomar said.

The Centre targets to connect more mandis under the electronic National Agriculture Market (e-NAM) platform to take it to 1,000 by end of May from current 585 level, he said. The government has also been working under a mission mode to distribute Kisan Credit Cards to 2.5 crore eligible farmers, so far left out, out of total 8.5 crore. Any farmer having a KCC can get short-term crop loan upto ₹3 lakh at subsidised interest rate.

He also said that the government is targeting to raise the share of the agriculturerelated works under MNREGA to 77% in FY21 from 66% in FY20. Out of 264 types of works allowed under MNREGA, as many as 162 are related to agriculture, he said and added that all agricultural works could not be accommodated under the job guarantee programme.

On farm-gate prices, the minister said that mandi prices received by farmers are higher than last year. But, he added that the Centre has ensured 50% increase in procurement centres this year to help farmers get the benefit of minimum support prices (MSPs).

West Bengal to restart paddy procurement process from May 1

INDRONIL ROYCHOWDHURY Kolkata, April 29

WEST BENGAL WILL procure 22 lakh tonne paddy from May 1 onwards, which will ease supply of rice in the market that was constrained in the wake of lockdown due to Covid-19. The procurement would be a mix of rabi (boro) and kharif (amon) at a minimum support price (MSP) of ₹1,855 per quintal since the procurement process of paddy harvested during the kharif season had to be stopped due to the lock down.

The state announced procuring 52 lakh tonne of paddy this year out of which 30 lakh tonne has already been procured. The government will start procuring the rest 22 lakh tonne from first week of May



the market, Jyotipriya Mallick, West Bengal's minister for food and supplies told FE.

West Bengal, on an average, produces 15 million tonne of rice annually, more than 15% of the country's total production. There has been a short supply in the lockdown period and prices escalated by and that will shortly ease pressures from an average ₹3-4 per kg. Mallick main-

tained it was due to the sudden stop in procurement, both by the government and rice mill owners, that there was a short supply for a while. There are more than 1,000 rice mills in West Bengal and the government procurement happens through about 250 rice mills. The rest of the mills procures paddy directly from the farmers and sell it in open market.

Mill owners, who procure for themselves, generally wait for the government indent to get over after which they buy paddy at a much lower rate than the MSP. The government procurement is used to meet the government sponsored schemes like the mid day meal, the integrated child development programme, ration for tea garden workers, ration for cyclone Aila affected areas and others.

Rain guard shortage amid lockdown may hit NR output

M SARITA VARMA

Thiruvananthapuram, April 29

SHORT SUPPLY OF rain guard gear in plantations has cast a shadow over the prospects of natural rubber (NR) production, amidst a spate of summer showers in south India. Along with the lockdown woes and pandemic worries, this crucial handicap may do its share in whittling down Rubber Board's NR production for next year by at least 10%.

Rain guard, which looks like a pleated skirt-like polythene, is a weather shield, that makes tapping possible during the downpour. Although the working of rubber plantations has exemption from lockdown as they supply the crucial latex raw material to medical glove-making units, there are operational glitches, impacting the uninterrupted tapping of latex, including the rain.

Rubber growers in Tamil Nadu point out at the logistical difficulty in procuring rainguards, during the lockdown.

"It costs an additional expenditure of ₹30 per tree to set up rain guard gear, a luxury for small holding farmers," C Balachandran, secretary, Kanyakumari Rubber Farmers Association, told *FE*.

Free rain guard supply is part of the ₹1,000-crore rehab package for the sector, that Rubber Board has put forward before Union commerce ministry. Early this week, Kerala chief minister Pinarayi Vijayan too had said that rain guards will be made available to rubber plantations.

"All these promises are yet to materialise," says Jose Kutty Antony, a rubber nursery owner in Kottayam.

Nature & spirit of int'l trade may depart from standard rule after Covid

SUSHIM BANERJEE

Development & Growth



THE TRADING OF goods and services has been predicted by WTO in its latest report to go down by 13-32% in the current year. Online selling of goods for many commodities are confined to documents passing hands (scanned copies of the original), but actual movement of goods by road, rail, ships and air would take some more time to settle as both loading and unloading of materials, either through machines orworkmen, are to follow some restrictive guidelines and these are specific to each country.

Meanwhile, it is certain that in the post Covid-19 scene, the rules of the game are going to be more stringent and non-transparent. The first instance in this respect was evident with the release of new WTO

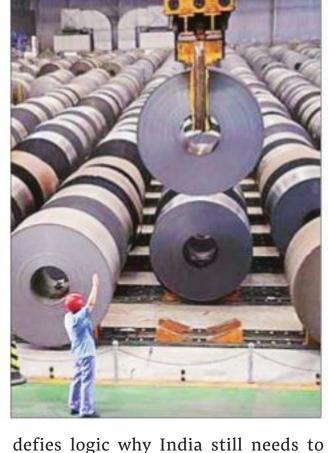
report that as many as 39 member countries have imposed export curb on medical products like masks, pharmaceuticals, ventilators and other medical equipment and also on foodstuffs and toilet paper. Although article X1 of GATT bans export restrictions, but allows them temporarily to get over emergency situations. Also, all these export restrictive measures are yet to be communicated to WTO formally by some of the countries and therefore it spoils the spirit of transparency of WTO rule based trade. It appears that in the post Covid-19

period, the nature and spirit of international trade would depart from the standard rule of the game and every country's (advanced, emerging and low income groups) individual interests would predominately reflect in the precise trade measures adopted by each of them. Like it happened with USA's unilateral decision to impose 25% additional duties on steel and 10% duties on aluminium in March 2018 that prompted others to impose retaliatory trade measures. The trade umpire WTO is likely to be rendered incapable of dealing with most of the new and

restrictive trade measures that appear to be good economics for hard times.

India has firmly established itself as a net steel exporter in FY20 with total steel exports at 11.183 MT (31 % growth over last year) exceeding the total steel imports at 7.164 MT by 4.02 MT. The subdued growth in industry, specifically in automobile, capital and consumer durable segments, coupled with lack of adequate investment in infrastructure and construction segments confined the growth of steel consumption in the country to 1.3% in FY20 over last year.

Against the total import value of ₹79,860 crores (comprising of carbon, alloy and SS, melting scrap imports of 6.57 MT, ferro alloys, fittings and miscellaneous steel items), the total value of exports (steel plus exports of fittings, miscellaneous steel items, pig iron and sponge iron, ferro alloys) in FY20 comes to ₹67,698 crores. Throughout the year (barring 3-4 months in H2 of CY19), the global prices were much competitive which allowed standard/tested grades of 20% of plate import, 13% of HRC import and 28% of GP/coated sheet imports. It



import defective/seconds grade of inferior material in the form of GP/coated sheet, tin plates and tubes and pipes, together valued at ₹1,628 crore. The government order of banning these defective

imports is the need of the hour.

South Korea and Japan, the two countries having FTAs with India take 52% of total steel imports in the country. China sent 1.38 MT of steel to India. In respect of steel exports, India's major export destination are Vietnam, Nepal, Italy, UAE and Belgium.It is interesting to note that India could gain a major entry in Vietnam market against competition from China, Indonesia and CIS countries. The highest imports were in HRC/S (2.3 MT) followed by coated sheets (0.91 MT), bars and rods (0.65 MT), plates (0.64 MT) and ESS (0.54 MT). Maximum exports involved HRC (4.95 MT), semis (2.83 MT), coated sheets (0.9 MT), CRC/S (0.75 MT), bars and

rods(0.7 MT) and pipes (0.42 MT). It is interesting to compare import values of a category like HRC (₹12,183 crore for 2.3MT) with export proceeds earned for the same product (₹16,649 crore for 4.95 MT). India has exported sponge iron of 0.84 MT valued at ₹1,605 crores in FY20.

In the coming months, India needs to watch closely the import arrivals and should safeguard the domestic steel

industry from cheap imports (priced at variable cost) from many countries who are keen to dispose materials in the face of dwindling domestic demand in their own countries. India should take it up with WTO for deferring the provisions of FTAs for a minimum period of 6 months, citing the unusual market conditions preventing domestic producers to market products and the distinct possibility of duty free materials under FTAs flooding Indian market. Almost all the countries have cut down

production as global crude steel production in the first three months of 2020 at 443 MT and has shown a negative growth of 1.4% over last year. China has maintained the positive growth of 1.2% in Q1 by producing 224.5 MT of crude steel during the period, followed by India at 27.5 MT (- 5.3%), Japan at 24.4MT (- 2.4%), USA at 21.9 MT (-1.0%) and South Korea at 16.9 MT (-4.8%). The pandemic has taken a heavy toll of human lives in USA, Italy, Spain, UK etc. It is certain that global steel production in Q2 would be much lower compared to Q1.

(Views expressed here are personal)

