KOLKATA, THURSDAY, MAY 7, 2020

**EDITORIAL** If the govt does a big retail bond issue, a Covid plan can be part-financed

**COVID BLUES** Adani Enterprises consolidated net falls 78% in March quarter

COMPANIES, P4



INTERNATIONAL, P8

**BRIBERY SCANDAL** Samsung heir Lee's rare

apology over controversial succession plans

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### ■ IN THE NEWS

### Delhi HC allows Bharti to claim ₹923-cr GST refund

IN A RELIEF to the Sunil Bharti-led Bharti Airtel, the Delhi High Court has allowed the telecom company to rectify its GST returns for July 2017 to September 2017, reports **fe Bureau** in New Delhi. Bharti Airtel can now claim a refund of ₹923 crore, which was denied earlier by the tax department. The high court also asked the revenue authorities to verify the rectified GSTR-3B form and process the refund, if any, within two weeks.

#### **Govt bans export** of alcohol-based sanitisers

THE GOVERNMENT ON Wednesday banned exports of certain alcoholbased hand sanitisers tightening the restrictions on the outbound shipment of such disinfectants imposed in March, to keep domestic supplies steady in the wake of the Covid-19 outbreak, reports fe Bureau in New Delhi. The latest ban by the commerce ministry is

aimed at squeezing any

products by alternate

classification.

scope for exports of these

### **CORONA TAX**

### Govt coffers swell, oil PSUs take a hit

Central tax revenue to go up by as much as ₹1.4 lakh crore a year, states will gain as well

**ANUPAM CHATTERJEE** New Delhi, May 6

THE STEEP HIKES on auto fuel taxes — ₹10/litre on petrol and ₹13/litre on diesel announced by the Centre late Tuesday won't inflate the retail prices of these fuels immediately, as the oil marketing companies (OMCs) would for the time being adjust the extra cost against the recent fall in oil prices. The OMCs have over the last few months been seizing the opportunity afforded by the softening of crude prices to prop up their marketing margins.

For the Centre, the move could fetch a whopping ₹1.4 lakh crore additional revenue annually, even with the estimated 12% fall in consumption of the two auto fuels in FY21. The states would get some ₹20,000 crore of the extra central revenue, given that part of the duty hikes are in the shareable pool; they would also get a few thousand crores extra due to

Taxes (Centre+states) on the base price of auto fuels (%) As on \_\_\_ Feb 16 \_\_\_ May 6 107 Additional annual revenue to

Retail fuel prices largely unaffected by global crude movements June 25, 2014 Oct 5, 2018 May 6, 2020

pool, only special excise duty compobase increases from central taxes Petrol (Delhi) Excise duty

Centre due to latest tax hikes

₹1.42 lakh crore\*

₹20,000 crore\*\*

Transfers to the states of this



the expansion of the base their taxes (VAT/sales tax) apply. Including UP that joined the bandwagon on Wednesday, 14 states have hiked taxes on fuels since the start of lockdown, in what reflected the propensity of revenue-hungry states to milk the auto fuels, given their minimal consumption elasticity.

Continued on Page 2

### **BRIEF BREATHER**

## SBI repayment

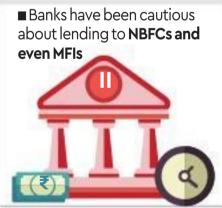
**ANKUR MISHRA** Mumbai, May 6

**STATE BANK OF India (SBI)** has decided to give select nonbanking financial companies (NBFCs) a three-month repayment holiday, persons familiar with the development said. The decision was taken at an executive committee meeting on Wednesday.

The total exposure of banks to NBFCs at the end of March 30 was ₹8.07 lakh crore, 26% higher than in the year-ago period, a little less than a tenth of the non-food loan portfolio of banks of approximately ₹90 lakh crore. According to Crisil, NBFCs need to repay loans to the tune of ₹1.75 lakh crore by June, 2020. The ratings agency said recently less than a fourth of NBFCs were short of liquidity cover to be able to repay ■ Select NBFCs to get a **three**month repayment holiday

refrain from a breather

■Total exposure of banks to NBFCs at the end of March 30



Banks have been cautious about lending to NBFCs and even microfinance institutions. Although the regulator had offered banks a ₹25,000 crore low-cost line of credit — TLTRO2.0 — to invest in NBFCs and MFIs, banks borrowed just ₹12,850 crore.

Continued on Page 2

### **EXIT FROM LOCKDOWN**

### Maruti to start Manesar plant, opens 600 dealerships, starts deliveries

Current inventory, including stockyards and dealer networks, stands at around 130,000 units

**FE BUREAU** New Delhi, May 6

THE COUNTRY'S LARGEST carmaker Maruti Suzuki India (MSI) on Wednesday said that it would restart production of vehicles at its Manesar (Haryana) plant from May 12. The company also said that it has re-opened 600 dealerships which were closed due to lockdown and has even started deliveries of the vehicles.

Apart from Manesar, Maruti has another plant in Haryana at Gurgaon. It has a plant in Gujarat also. The yearly capacity of the Manesar and Gurgaon plants together is of 15.5 lakh. On a monthly basis, during normal times, both the plants together produce around 5,000 vehicles with higher numbers being produced at the Manesar plant. The plant produces vehicles like Dzire, WagonR, Ciaz and Ertiga.

Continued on Page 2

**OFTHE 548** deaths recorded in

thrice their share (just under

12%) in the state population.

This has prompted the state epi-

# Migrant workers leave for Bhopal from Panvel station in

Mumbai on Tuesday night

### Workers baffled as Karnataka stops trains

**AMRITA DUTTA** Bengaluru, May 6

MOHANLAL RISHI, A construction worker north Bengaluru, has made several trips to the nearby police station seeking to get back home to Bihar's Kishangani district. Then came the news that the Karnataka government has decided to scrap trains ferrying migrants back home.

Maha plans messages in Urdu after minority surge in deaths

demiology department to plan

issuing awareness messages in

COVID-19 UPDATE

**Continued on Page 12** 

49,391

### Trains empty as workers stay back in Ludhiana

**RAAKHI JAGGA** Ludhiana, May 6

A COUPLE OF days after trains carrying migrants started running, numbers have started falling in those bound out of Ludhiana, with many staying backaswork has started trickling in. The train headed for Prayagraj carried 900 passengers, while Bareilly's had 756 people, against a coronavirus-adjusted capacity of nearly 1,200.

Urdu in select hotspots and rop-

ing in local religious leaders for

outreach. An analysis of official

records by The Indian Express

shows that between March 11,

when the first death was

reported in the state, and April

15,89 of the 187 deaths were

from the Muslim community.

**Continued on Page 12** 

**Continued on Page 12** 

#### to ramp up the number of ICU beds, reports **PTI**. Bengal allows

Karnataka govt's

SEEKING TO PROVIDE

much-needed succour to

people, including barbers

and cab drivers, hit by the

Covid-19, Karnataka on

Wednesday announced a

₹1,610-crore relief pack-

age and hiked excise duty

on liquor by 11% to mop

up revenues as the state

reported 20 new cases,

taking the total to 693,

Maha to ramp up

ICU beds, seeks

central facilities

MAHARASHTRA, WHICH

IS battling a surge in Covid-

19 cases, has requested the

hospitals under the Rail-

ways, the Army and other

central undertakings to

make their facilities in the

state available to the gov-

ernment which is planning

reports **PTI**.

₹1,610-crore

relief package

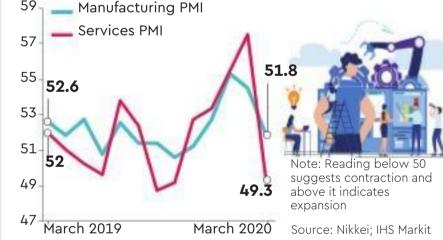
home delivery of liquor THE WEST BENGAL government on Wednesday

allowed home delivery of liquor and the State Beverages Corporation launched a website via which people over 21 years of age can place orders, reports **PTI**. The move was aimed at avoiding large gatherings at standalone 'OFF' shops which reopened on Monday.

### Services PMI sees record slump

**Covid impact FE BUREAU** 

#### The services sector saw a record slump in April, much sharper than the slide in manufacturing, due to a nation wide lockdown. Services PMI crashed to 5.4 in April, against 49.3 in March, recording its worst month-onmonth fall since the survey started over 14 years ago.



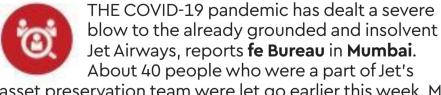
### QuickPicks

### GSK selling \$3.45 billion worth of shares in HUL: Term sheet

GLAXOSMITHKLINE IS selling \$3.45 billion worth of shares in Hindustan Unilever on the open market, according to a deal marketing term sheet seen by **Reuters**, cashing in late from the sale of the Horlicks brand. The 5.7% stake in Hindustan Unilever that is now on the market, was accepted by GSK as payment for the sale of the malted drink brand and other nutrition brands to Unilever, agreed in late 2018. The shares are being sold for ₹1,850 to ₹1,950, a 3-8% discount to Wednesday's close of

### 40 laid off from remaining Jet staff, banks to decide on fresh EoI

₹2,010.20 rupees, according to the term sheet. **PAGE 4** 



asset preservation team were let go earlier this week. More than a year after its grounding, the airline has found no buyers and lenders are in a fix on how to proceed further. "We are not sure at this point on whether to call for fresh expressions-of-interest (EoI), a decision will be made by Monday," a senior banker told FE, after the committee of creditors meeting on Wednesday. PAGE 4

### Icra downgrades Edelweiss Group firms as asset quality worsens



various facilities of Edelweiss Housing Finance and Edelweiss Finance and Investments after taking a consolidated view of the Edelweiss Group, reports **fe Bureau** in **Mumbai**. Given the close

linkages between the Group entities, common promoters and senior management team, shared brand name, and strong financial and operational synergies, it downgraded the long-term ratings on group's several facilities with a negative outlook. The action took into account the increased stress in the wholesale portfolio, which could lead to a deterioration in the asset quality. **PAGE 10** 

## holiday for NBFCs

The lender had initially decided to refrain from offering shadow banks the breather but a meeting with Reserve Bank of India (RBI) late last week, appears to have led it to relent.

- Meeting with **RBI last week**
- appears to have led it to relent



#### Maharashtra as of May 3, 239 (44%) are from the minority Muslim community — almost

**TABASSUM** 

**BARNAGARWALA** 

Mumbai, May 6

### ■ SBI had initially decided to

- was **₹8.07 lakh crore**

### **PACKAGE PARANOIA**

Govt delaying package due to fear that its high cost — Niti Aayog has suggested a ₹10 lakh crore stimulus — could result in a ratings downgrade. Govt also keen that money go to the poor, MSMEs & workers, not rich industrialists. Much of this

### Keep fat cats out

#### Many MSMEs produce for large firms, so will die if the latter aren't helped; and crores will lose jobs. Rise in NPAs, by lakhs of crores mean govt will have to bear burden anyway.



India will be downgraded Deficit will shoot up with ₹10-lakh-cr package, but zero GDP growth & fall in taxes can also trigger a downgrade



Debt will crush us

PSU shares, including LIC, could be worth ₹15 lakh cr. Divesting ₹1-2 lakh cr a year to cut debt will assuage investor fear. So will plan to slash wasteful subsidy



### Investors want low interest rates

Normally, high interest rates due to large govt borrowing put off investors. But if big reforms made and, say, telecom & oil/mineral levies slashed, investment will pour in; allow FDI in retail ... pro-investor policies matter, not interest rates

### **COST-CUTTING**

## Uber to reduce its

San Francisco, May 6

**UBER TECHNOLOGIES WILL** eliminate 3,700 jobs and permanently close 180 driver service centres, the first in a series of cost-cutting measures to be announced in the next two

■ Cut 3,700 jobs, **shut** 40% driver centres permanently

the remainder of the year

reviewed by Bloomberg.

centres Uber operates worldwide, 40% will shut down. The locations, called Greenlight issues that arise on the job.

Continued on Page 2

### TAKING A TOLL

misses the point.

### Coronavirus gloom forces NHAI to defer plan for raising funds by leasing off assets

**SURYA SARATHI RAY** New Delhi, May 6

THE NATIONAL HIGHWAYS Authority of India (NHAI) has put its plan to monetise operational publicly-funded highway projects on hold for two months, given that investors might not commit long-term investments at this juncture, due to uncertainty over toll collections. This implies that the authority, which is facing funding constraints amid a prolonged sluggishness in private investments, might have to struggle to stick to the announced pace of highway awards and construction.

Crisil Research wrote on Wednesday traffic on Indian highways could de-grow 16.5%

**TOT TRAJECTORY** (₹ cr) TOT bundle Three Four Two One Base price\* 6,258 5,632 4,995 2,166 Highest bid To be 5,011 9,681 4,612 decided To be Annulled **Executed Executed** decided this fiscal, which would cut toll roads will fall a sharp 13%

assuming there's only a 57-day collections by 13% in base case. "Consequently, toll collections lockdown (from March 22 to and remittances from existing May 17). That decline will be an

even sharper 17% if the lockdown is extended by another two weeks," it wrote. The NHAI has three instru-

ments in its arsenal to raise fund through monetisation of its assets of which two — Infrastructure Investment Trust (InvIT) and toll secrutisation are untested so far. The other one, toll operate

successfully exercised twice, but one attempt had to be aborted due to investors' apathy. Under the TOT model, pub-

transfer (TOT) model, has been

licly-funded operational high way projects are given on longterm lease basis to domestic and foreign "patient capital" investors.

Continued on Page 2

financiales.

ICRA DOWNGRADED long-term ratings on

### workforce by 14% LIZETTE CHAPMAN weeks as a response to the

■ CEO Khosrowshahi waives his salary for

coronavirus pandemic. The reductions will affect 14% of staff around the world,

mainly those in support and recruiting, Dara Khosrowshahi, CEO, wrote in an email to employees on Wednesday. Ridership is down significantly, and the company is maintaining a freeze on hiring, Khosrowshahi wrote in the email, which was Of the more than 450 driver

Hubs, are used to sign people up to drive for Uber, teach them how to use the app and address

## 1(()[]() THURSDAY, MAY 7, 2020

#### **BLESSING IN DISGUISE**

Nitin Gadkari, Union minister

Economy is facing crisis due to Covid... We should treat it as a blessing in disguise as no one wants to deal with China. Japan's PM is facilitating industry to do investment out of China... It is a chance to boost Indian economy.

## Quick View

#### **GST return** filing date extended

THE GOVERNMENT HAS extended the last date for filing annual GST return for financial year 2018-19 by three months till September 2020. The Central Board of Indirect Taxes and Customs (CBIC) has also extended the validity of e-way bills that were generated on or before March 24, and had expiry between March 20 and April 15, 2020.

#### Aid via PM Garib Kalyan Package THE GOVERNMENT HAS

provided ₹34,800-crore financial assistance using the digital payment infrastructure to about 39 crore beneficiaries under the Pradhan Mantri Garib Kalyan Package (PMGKP) to protect them from the impact of the lockdown.

### UP hikes taxes on liquor, fuels; hopes to mop up ₹4,500 crore

**DEEPA JAINANI** Lucknow, May 6

**GRAPPLING WITH LOW** revenues following the outbreak of Covid-19 and the subsequent lockdown, the Uttar Pradesh government on Wednesday hiked the value added tax (VAT) on petrol and diesel and increased the excise duty on liquor to help generate an additional revenue of ₹4,500 crore annually.

Briefing newspersons after a Cabinet meeting, finance minister Suresh Khanna said the retail price of petrol has been raised by ₹2 per litre and diesel by ₹1 per litre. "As a result, petrol will now cost ₹73.91 a litre, while diesel prices will stand at ₹63.86 per litre. New prices will be applicable from today midnight," he said, adding that the government has taken care not to increase diesel prices beyond ₹1 per litre since it is commonly used in the farm, transport and industrial sectors.

Based on last year's total consumption of petrol and diesel in UP, which stood at 470 crore litre and 1,130 crore litre,

TN raises liquor prices by up to ₹20, shops to open today

SAJAN C KUMAR Chennai, May 6

THE TAMIL NADU government has decided to hike prices of liquor by up to ₹20, as it is readying itself to open liquor outlets on Thursday. Elaborate

arrangements have been made at the outlets of the Tamil Nadu State Marketing Corporation (Tasmac), a state governmentowned company having monopoly over

wholesale and retail vending of alcoholic beverages, in view of widespread chaos and unruly scenes witnessed in various states. Retail liquor outlets will

be open for business for the first time in over 40 days. The increase in prices is being

expects to generate an additional revenue of ₹2,070 crore annually through VAT on auto fuel. effected following a 15%

"Since petrol and diesel do not fall under the purview of the GST, we have increased the prices to shore up the state's dwindling revenues," he said. Khanna said the govern-

respectively, the government

ment has increased prices of all categories of liquor. "While country-made liquor has been hiked by ₹5, prices of foreign liquor have been raised by between ₹10 and ₹50 for bottles from 180 ml to 500 ml and above. Prices of imported liquor have been increased by ₹100 for 180 ml, ₹200 for 180-500 ml and ₹400 for more than 500 ml," he said.

The government hopes to generate additional ₹2,350 crore by raising prices of liquor.

Explaining the need for increasing prices, Khanna said against the tax demand of Rs 12,141 crore in April 2020, mop-up stood at merely ₹1,178 crore. "This has made the overall financial situation tight for the state," he said.

### on liquor: Kerala may go Delhi way

Covid cess

**FE BUREAU** Thiruvananthapuram, May 6

THE KERALA GOVERNMENT may follow the path of the Delhi government in charging Covid-19 cess on liquor sales. What makes the state dillydally over it is that alcohol already attracts 100-210% tax in Kerala.

"We are mulling all practical options to whip up state revenue in the cash-strapped predicament of fighting a pandemic," state finance minister TM Thomas Isaac told *FE* when asked about Delhi, Andhra and Rajashtan slapping Covid "special fees" on liquor to address resource crunch.

Excise minister TP Ramakrishnan said the Cabinet is yet to take a decision on imposing any cess on liquor.

Sparjan Kumar, MD of staterun Bevco, the monopoly distributor of liquor in Kerala, had last week send a circular to staff to arrange social distancing facilities at 300 outlets so that sales can start this week. The reopening too awaits the decision over pricing of liquor.

### INS hails Gujarat CM for support to print media

**FE BUREAU** New Delhi, May 6

THE INDIAN NEWSPAPER Society (INS) has appreciated the efforts of Gujarat chief minister Vijay Rupani for his government's support to the print media during this difficult phase.

Lauding the efforts of the print media, Rupani said newspapers were the biggest and best source of true, accurate and credible information, besides keeping people away from fake news and presenting the true picture. He has assured that his gov-

ernment would support the print media in this hour of need by clearing all pending payments owed towards government advertisements published till April 2020. Welcoming the move, the INS said it would provide much-needed respite to the print media industry, which lost nearly ₹4,500 crore during March and April.

"We look forward to a similar approach from Prime Minister Narendra Modi as over the past few weeks the INS has requested the Union government for a stimulus package and sought support of all state the country," the release said.

Vijay Rupani governments, PSUs as well as the central government to take immediate steps to release the dues payable up to April 2020 towards government advertisements to print media, advertising agencies. This will go a long way in supporting and alleviating the woes of the

press release. The newspaper industry directly and indirectly gives employment to 30 lakh people. "However, against all odds and in spite of the increasing costs with no returns, all nec essary steps are being taken to ensure that the newspaper reaches its readers every morning in every nook and corner of

industry," said the INS in a

### From the Front Page

#### Corona tax: Govt coffers swell, oil PSUs take a bit

FUEL TAXES have been used liberally by the Central and state governments in India to boost revenue receipts and meet budget contingencies, but the hikes implemented in recent weeks have been of unheard-of magnitude. As CARE Ratings estimated, taxes as percentage of base price (charged to dealers) of petrol rose from 107% as on February 16, 2020 (the day before the Centre hiked the tax by Rs 3/litre) to a savage 260% on May 6. The recent hikes have also been a great leveller, with taxes now adding up to 256% for diesel's base price, from 69% on February 16, 2020.

The accompanying chart shows how the final price to the consumer remained largely unaffected by the large fluctuations in crude prices over the years. Of course, the retail prices of petroleum products are not linked directly to global crude oil price but are supposed to be determined on the basis of a formula of trade parity pricing (80% weight to landed

cost of notional import of petroleum products and 20% to export price of petroleum products). However, the OMCs have not shown any alacrity to follow this formula after the retail prices of diesel and petrol got decontrolled.

OMC shares crashed by up to 13% in intra-day trade on the BSE on Wednesday before recovering. Hindustan Petroleum Corporation shares closed down by 5.7%, Bharat Corporation Petroleum plunged 0.9% and Indian Oil Corporation by 2.7%, underperforming a 0.7% rise in the A simple illustration will

throw light on the pricing

dynamics: retail petrol price in Delhi remained roughly at the same level on February 16, 2020 (Rs 1.9/litre) and on May 6 (Rs 71.1/litre). The assorted taxes levied by the Centre on the fuel however rose sharply from Rs 20/litre to Rs 33/litre between the two days, while state VAT increased marginally form Rs 15.3 to Rs 16.4/litre. While the dealer commission remained the same at Rs 3.6/litre through the period, the price charged to the dealer (which reflects the marking margins of OMCs) slid from Rs 33.1/litre on February 16 to just Rs 19 on May 6. Taxes on petroleum fuels,

kept outside the ambit of the Goods and Services Tax (GST), have boosted the government coffers creditably. The Centre collected Rs 2.14 lakh crore from these taxes in FY19 and states garnered Rs 2.01 lakh crore.In April-December FY20, the Centre collected Rs 1.48 lakh crore through these levies and the states, a comparable Rs 1.44 lakh crore. According to K Ravichan-

dran, senior vice president at ICRA, "the hike in duties is credit negative for OMCs as their marketing margins would be reduced sharply". Petrol and diesel in Delhi remained unchanged from March 16 to May 4 while the price of the Indian basket of crude has fallen 23.5% to \$23.38/barrel in the same period, allowing OMCs to earn more from selling every litre of these fuels.

As noted by ICICI Securities, auto fuel net marketing margin was up from Rs 4.96/litre in the second half of March to Rs 14.72/litre in the second half of April as retail prices of petrol and diesel remained stagnant

despite the fall in refinery transfer price by as much as Rs 12.6/litre in the same period.

hike in the excise duty on

Indian Made Foreign Liquor

(IMFL), an official release said.

normal brand of 180 ml of

IMFLwill go up by ₹10, while

premium ones will see a price

it said.

with

was taken after people in

districts bordering Kar-

nataka and Andhra Pradesh

started making a beeline to

liquor shops which had

started functioning from

Monday, posing a challenge

in controlling people's

movement.

increase of ₹20,

contributes sig-

nificantly to the

state's coffers,

turnover being

around ₹29,000

to open outlets

The decision

crore in FY20.

Liquor sales

the

Accordingly, the rate of a

"Since the Central government is effectively appropriating the gains made by OMCs for its own balance sheet, the effect on inflation from Tuesday's hikes is likely to be limited," Rahul Bajoria, chief India economist, Barclays, noted, adding that "the fuel tax increases at state level are likely to prove to be inflationary to some extent". Since the lockdown began

in the last week of March, at least 14 states, including Uttar Pradesh, Maharashtra, Tamil Nadu, Karnataka, Rajasthan and West Bengal, have increased the value added tax/sales tax on these fuels by rates that correspond to retail price increases ranging from Rs 1-5/litre for petrol (Rs 0.5-7/litre for diesel). "As of now there is no

change in pump prices," MK Surana, CMD of HPCL, told CNBCTV18."It is also a fact that over a period crude prices have come down and the impact of the reduced prices will absorb this excise duty, so it may not impact the companies to that extent," Surana added. "Before the lockdown, (retail) prices

MUTUAL

were continuously brought down from January 11 onwards by almost around Rs 7/litre," Surana said.

According to the latest Central Board of Indirect Taxes and Customs order on fuel taxes, special additional excise duty on petrol has been hiked by Rs 2/litre and road cess has been hiked by Rs 8/litre. In case of diesel, special additional excise duty has been hiked by Rs 5/litre and road cess by Rs 8/litre. With these hikes, the excise duty on petrol went up to Rs 32.98/litre from Rs 22.98/litre and that on diesel to Rs 32.83/litre from Rs

Maruti to start Manesar plant, opens 600 dealerships, starts

18.83/litre.

deliveries

"ALLACTIVITIES would be carried out strictly in accordance with the government regulations and guidelines and observing the company's own concern for the highest standards of safety," Maruti said.

Currently, Maruti's inventory – including its stockyards and dealer networks - stands at around 130,000 units whereas its domestic sales during March was 78,344 units.

Earlier in the day, the company said it has started opening its dealer showrooms in states where they have got permission to do so after putting in place a comprehensive standard operating procedure (SoP) and digital infrastructure for vehicle purchase amid Covid-19 pandemic."Over the last few days we have been able to make 600-odd dealerships operational across the country," executive director, marketing and sales, Shashank Srivastava, told news agency PTI.

The company, which has around 3,080 dealerships across 1,960 cities and towns in the country, has managed to open 474 Arena outlets, 80 Nexa dealerships and 45 commercial vehicle sales outlets.

The company has also started deliveries of cars with 55 units having already been dispatched over the last few days, Srivastava said.

On the timeframe of commencing operations across the entire sales network, he said, "It will depend on how soon we get approvals from respective state governments."

The company's chairman, RC Bhargava had earlier told *FE* that starting production only makes sense once dealerships are also allowed to resume operations. Managing director and CEO

Kenichi Ayukawa said, "All our dealerships have put in place steps to ensure complete safety, hygiene and sanitisation of all touch points." The steps are aimed at removing hesitation on the part of buyers to visit showrooms to take delivery of vehicles. The Covid-19 SoP designed by the company encapsulates all the facets of customer interactions. From the time a customer walks into the showroom till the final delivery of the vehicle, all processes have been scientifically studied, Srivastava said. Besides, the company has put in place a robust digital process to help customers buy vehicles without having the need to visit the showrooms, he added.

The company said it now offers door-step delivery of cars. Besides, the dealerships will carry out complete sterilisation of the test-drive vehicles.

### Brief breather: SBI repayment holiday for NBFCs

THIS WAS despite the breather on priority sector lending against the funds invested, a measure that would have allowed banks to earn a better yield on their loans. NBFCs have been asking for a repayment holiday as they have offered one to their borrowers. RBI had, on March 27, allowed lenders to defer repayments of borrowers who had taken term loans by three months.

SBI will also help NBFCs with special loans of Rs 50-200 crore for a tenure of up to five years. Among other banks that have agreed to a repayment moratorium for NBFCs is Bank of India, another public sector bank.

Coronavirus gloom forces NHAI to defer plan for raising funds by leasing off assets

SUCCESSFUL BIDDERS are required to pay the lease amount upfront, which they can recoup with returns by collecting toll, over the lease tenures of 15-30 years.

"Covid-19 has disturbed all plans. Our asset monetisation programme will depend on the market. Today, as the traffic uncertainty is so much, no TOT tender will come in the next two months. Hopefully, after two months, we should be able to do it. TOT-4 will also be deferred by another two month," NHAI chairman SS Sandhu told FE.

In the Budget for 2020-21, NHAI was authorised to monetise"at least 12 lots of highway bundles of 6,000 km within 2024", a process which would have helped the authority to raise up to Rs 60,000 crore, at an annual average of Rs 15,000 crore. In 2018-19, a total of Rs 24,396 crore was collected as tolls, at a monthly average of Rs 2,033 crore. India

had 570 operational fee plazas on the national highways across the country, as on October-end 2019. The ToT bundle-4, for which

the authority has set the minimum bid price at Rs 2,166 crore, has already seen multiple extensions of deadlines to its present to May 15. It will also be deferred by two months. Experts on the sector said

that the NHAI should do well to defer its asset monetisation plan as in view of the current uncertainty regarding expected traffic, it will be difficult for potential investors to value assets in a fair manner. Also, potential investors, such as infrastructure investment funds and private equity funds, already have a large portfolio of road assets. With their existing assets losing value, it will be difficult for existing investors to

try and invest in new assets. Feedback Infra chairman Vinayak Chatterjee said, "Now, nobody has any certainty or visibility on how the trajectory of growth, freight movement or traffic or the economic growth is going to happen. Under these circumstances, no investors will bid and even if they do, they would bid so cautiously that it wouldn't be worth the while. It is in the country's interest NHAI should postpone its monetisation plan by one year."

Akshay Purkayastha, director, transport, Crisil Infrastructure, said the continuous tumult in the broader economy will challenge the ability of potential investors to fairly value NHAI assets at this point of time.

Icra's Rajeshwar Burla said for asset monetisation, investors would be more interested to get involved in a steady situation. "Prevailing uncertainty and revised low GDP growth rates for FY21 may put off the investors for some time. These plans may get deferred for a couple of quarters," he said. Fund mobilisation through

the asset monetisation pro-

gramme is crucial for NHAI as it is increasingly awarding projects through the engineering, procurement and construction (EPC) route, where it is to bear all the expenses. It is in dire need of funds to finance its burgeoning debt which reached Rs 1.8 lakh crore by the end of March 2019. Analysts estimate NHAI's borrowings to go up to Rs 3.31 lakh crore by

On the other hand, NHAI has a mandate to develop 34,800 km (including 10,000km residual NHDP stretches) highway projects under the first phase of Bharatmala Pariyojana, with an estimated outlay of Rs 5.35 lakh crore. A total of 255 road projects with an aggregate length of about 10,699 km have been approved till October 2019 under the phase with estimated total cost of Rs 2.65 lakh crore.

The authority hopes to

award a minimum of 4,000 km and develop 4,500 km highway length in the current fiscal compared with 3,979 km construction and 3,200 km awards in 2019-20, Sandhu said.

According to CRISIL Research, toll collections would bounce back to a healthier compound annual growth rate (CAGR) of ~11-12% in 2019-2024 on the back of new road construction. This, however, is lower than the 14.6% clocked in the preceding five fiscals.

### Uber to reduce its workforce by 14%

IN MARCH, as the virus was spreading in North America Uber said it was temporarily closing all hubs in the US and Canada.

Khosrowshahi signaled that more "difficult adjustments" would be put forth in the next two weeks. "Days like this are brutal,"he wrote.

This sort of painful day is

becoming commonplace. Tech companies have eliminated more than 38,000 jobs in the past two months, according to Layoffs.fyi, which tracks the job market. Lyft Inc., the main alternative to Uber in North America, said last week it was dismissing 17% of staff, furloughing more and reducing salaries. Their longtime peer in the sharing economy, Airbnb Inc., said Tuesday the company was cutting a quarter of its workforce.

The job losses are sudden for many, but at Uber, they may seem drawn out. After a disappointing initial public offering ayear ago, Uber dismissed more than 1,000 employees over multiple rounds of cuts that extended from July to what Khosrowshahi described as a "last wave" in October. They were part of a drive toward prof itability, which was expected to arrive by the end of this year.

Uber has seen its landscape shift considerably since then. It instituted a hiring freeze in March, withdrew its financial forecast and wrote down some \$2 billion worth of investments in April and said Monday it would shutter food delivery operations in seven countries.

As of May 2, Khosrowshahi waived his salary for the remainder of the year, the company said. In 2019, he was eligible for a salary of \$1 million and a bonus of \$2 million, according to a securities filing. Uber is scheduled to report first-quar ter financial results Thursday.

The challenges posed by the virus could be matched by a new one this week from Uber's home state. California sued Uber and Lyft Tuesday for allegedly flouting a state law designed to give gig-economyworkers the benefits of employees. If the case is successful, the companies could be on the hook for substantial new costs that further jeopardize their business models.

**BLOOMBERG** 

### **Nippon inclia Mutual Fund** Wealth sets you free

Nippon Life India Asset Management Limited (Formerly known as Reliance Nippon Life Asset Management Limited)

(CIN - L65910MH1995PLC220793)

Registered Office: Reliance Centre, 7th Floor, South Wing, Off Western Express Highway, Santacruz (East), Mumbai - 400 055. • Tel No. +91 022 4303 1000 • Fax No. +91 022 4303 7662 • www.nipponindiamf.com

NOTICE NO. 13 **DIVIDEND DECLARATION**  **Record Date** May 12, 2020

(Formerly Reliance Mutual Fund)

Notice is hereby given that the Trustee of Nippon India Mutual Fund ("NIMF") has approved declaration of dividend on the face value of Rs. 10/- per unit in the undernoted scheme of NIMF, with May 12, 2020 as the record date:

Name of the Scheme(s)	Dividend (₹ per unit)*	NAV as on May 05, 2020 (₹ per unit)
Nippon India Balanced Advantage Fund - Dividend Plan		21.9792
Nippon India Balanced Advantage Fund - Direct Plan - Dividend Plan	0.1500	26.4882
*As reduced by the amount of applicable statutory levy		*

As reduced by the amount or applicable statutory levy.

Mumbai

May 06, 2020

Pursuant to payment of dividend, the NAV of the Scheme will fall to the extent of payout, and statutory levy, if any. The dividend payout will be to the extent of above mentioned dividend per unit

or to the extent of available distributable surplus, as on the Record Date mentioned above, whichever is lower. **For units in demat form:** Dividend will be paid to those Unitholders/Beneficial Owners whose names appear in the statement of beneficial owners maintained by the Depositories under dividend plan/option of the Scheme as on record date.

All unit holders under the dividend plan/option of the above mentioned scheme, whose names appear on the register of unit holders on the aforesaid record date, will be entitled to receive the dividend.

> For Nippon Life India Asset Management Limited (Formerly known as Reliance Nippon Life Asset Management Limited) Asset Management Company for Nippon India Mutual Fund)

> > **Authorised Signatory**

Make even idle money work! Invest in Mutual Funds

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



### **AUDITED FINANCIAL RESULTS** FOR THE YEAR ENDED MARCH 31, 2020

FORM L-1A-A-RA

Revenue Account for the year ended March 31, 2020 - Policyholders' Account (Technical Account)

(₹ in Lakhs)

$ \begin{array}{c ccccccccccccccccccccccccccccccccccc$
Premium earned - net (a) Premium (a) Premium earned ceded) (31,072) (4,672)
Premium earned - net   (a) Premium   (b) (Reinsurance ceded)   (31,072)   (4,672)   (4,672)   (-1)
Premium earned - net (a) Premium (b) (Reinsurance ceded) (c) Reinsurance accepted  40,63,473 (31,072) (4,672) - (24,323) (2,076)
(a) Premium (b) (Reinsurance ceded) (31,072) (4,672) - (24,323) (2,076) (24,323) (2,076)
(b) (Reinsurance ceded) (c) Reinsurance accepted  (31,072) (4,672) - (24,323) (2,076) (9,907) (1,886) - (7,254) (767)
Column       Reinsurance accepted       -<
Sub-total Income from investments         40,32,401         9,46,429         1,47,010         5,87,593         19,79,818         3,69,241         2,311         32,89,035         8,35,238         59,987         5,01,923         16,31,416         2,57,115         3,357           Income from investments         (a) Interest, Dividend & Rent - Net of Amortisation         8,91,810         2,59,167         41,837         2,20,689         3,19,190         48,940         1,986         7,64,783         2,17,701         35,831         2,02,539         2,75,156         31,749         1,806           (b) Profit on sale / redemption of investments         4,11,600         78,499         5,271         28,344         2,62,102         36,570         814         3,27,996         53,237         2,418         17,027         2,21,945         32,686         682           (c) (Loss on sale / redemption of investments)         (2,01,623)         (11,300)         (675)         (4,066)         (1,59,687)         (25,282)         (614)         (1,77,482)         (5,269)         (157)         (1,255)         (1,49,252)         (20,948)         (601)
Income from investments
Income from investments
(a) Interest, Dividend & Rent - Net of Amortisation (b) Profit on sale / redemption of investments (c) (Loss on sale / redemption of investments)  8,91,810   2,59,167   41,837   2,20,689   3,19,190   48,940   1,986   7,64,783   2,17,701   35,831   2,02,539   2,75,156   31,749   1,806   4,11,600   78,499   5,271   28,344   2,62,102   36,570   814   3,27,996   53,237   2,418   17,027   2,21,945   32,686   682   6
(b) Profit on sale / redemption of investments
(c) (Loss on sale / redemption of investments) (2,01,623) (11,300) (675) (4,066) (1,59,687) (25,282) (614) (1,77,482) (5,269) (157) (1,255) (1,49,252) (20,948) (601)
(NT ( 10 )
(d) Transfer / Gain on revaluation / change in fair value (8,02,108) (7,47,541) (54,014) (553) 2,05,509 1,85,789 19,017 702
Other Income
(a) Contribution from the Shareholders' Account 47,628   11,750   14,819   21,058   -   -   9,892   -   -   9,883   -   8
(b) Income on unclaimed amount of policyholders 1,970 1,970 3,536 3,536 3,536
(c) Miscellaneous income 2,606 2,407 102 83 11 2 - 2,847 2,707 78 51 9 1 -
Sub-total 3,51,883 3,40,524 61,354 2,66,110 (3,23,955) 6,217 1,633 11,37,080 2,68,376 38,170 2,28,246 5,37,184 62,507 2,598
TOTAL (A) 43,84,284 12,86,953 2,08,364 8,53,703 16,55,863 3,75,457 3,944 44,26,115 11,03,614 98,157 7,30,169 21,68,599 3,19,621 5,955
Commission <sup>5</sup> 1,62,494 67,325 2,216 9,771 71,286 11,896 - 1,37,690 58,964 1,253 9,383 59,624 8,465 1
Operating expenses related to insurance business 2,41,308 77,630 4,532 30,370 1,21,411 7,285 81 2,09,295 66,319 1,293 23,999 1,12,083 5,488 113
Provision for doubtful debts 43 25 - 1 18 85 83 1
Bad Debts written off 22 7 16 - 28 4 24
Provision for Income Tax 37,674 25,130 - 10,282 2,262 26,869 21,461 410 4,997
Provisions (other than taxation)
(a) For diminution in the value of investments (net) 7,052 6,537 146 369 9,608 8,879 - 729
(b) For standard assets and non-standard assets 5,324 66 5,258 (8) (8)
Goods & Service Tax on charges 55,317 946 3 3 48,882 5,444 39 45,334 1,188 3 2 40,356 3,751 34
TOTAL (B) 5,09,234 1,77,664 6,897 50,795 2,49,133 24,625 120 4,28,900 1,56,891 2,960 39,110 2,12,088 17,704 148
Benefit paid (net) 16,17,535 3,32,649 36,882 4,92,622 7,02,794 51,063 1,526 15,23,308 2,80,247 30,423 4,13,603 7,49,582 48,114 1,340
Interim & terminal bonuses paid 7,559 7,534 24 6,072 6,050 21
Change in valuation of liability in respect of life policies in force
(a) Gross 11,27,444 7,24,622 1,56,072 2,42,164 1,600 2,922 64 9,29,953 6,13,799 61,523 2,39,067 13,039 2,471 53
(b) Fund reserve 7,68,751 5,04,920 2,61,623 2,208 13,08,914 10,75,604 2,28,896 4,415
(c) Funds for discontinued policies 1,68,122 (6,751) 1,47,594 27,279 - 1,14,543 4,135 92,764 17,644 -
(d) (Amount ceded in re-insurance) (3,831) (26) - (3,777) (28) 5,762 2,537 - 2,445 780
(e) Amount accepted in re-insurance (0,001) (20) - (3,777) (20)
TOTAL (C) 36,85,579 10,58,028 1,92,978 7,31,008 13,56,880 3,42,887 3,798 38,88,551 9,06,768 91,967 6,55,115 19,31,769 2,97,125 5,807
SURPLUS / (DEFICIT) (D) = (A) - (B) - (C)     1,89,470     51,261     8,489     71,900     49,850     7,945     26     1,08,664     39,956     3,230     35,944     24,742     4,793     0       Balance of previous year     28,162     27,065     1,097     -     -     -     -     19,348     16,329     3,019     -     -     -     -
Balance available for appropriation 2,17,632 78,325 9,586 71,900 49,850 7,945 26 1,28,012 56,285 6,249 35,944 24,742 4,793 - APPROPRIATIONS - 2,17,632 78,325 9,586 71,900 49,850 7,945 26 1,28,012 56,285 6,249 35,944 24,742 4,793 - 2,17,632 78,325
Reserve for lapsed unit linked policies unlikely to be revived
Transfer to Shareholders' Account 146,265 14,652 1,892 71,900 49,850 7,945 26 99,850 29,220 5,151 35,944 24,742 4,793 -
Balance being funds for future appropriations (non linked) 71,367 63,673 7,694 28,162 27,065 1,097

FORM L-2A-A-P&L

FORM L-22A (₹ in Lakhs) Analytical Ratios

	For the	For the	Particulars	As at	As at
Particulars	year ended March 31, 2020	year ended March 31, 2019		March 31, 2020	March 31, 201
Amounts transferred from the			SOURCES OF FUNDS Shareholders' Funds		
Policyholders Account			Share Capital	100,003	100,000
(Technical Account)	1,46,265	99,850	Reserves and surplus	7,88,389	6,46,014
Income From Investments	1,10,200	00,000	Credit / (Debit) Fair Value Change Account	1500 K 1600 G G G G G G G G G G G G G G G G G G	11,62
(a) Interest, Dividend & Rent -			Sub-Total	8,74,308	7,57,636
Net of Amortisation	46,656	41,546	Borrowings	=	
(b) Profit on sale / redemption of	40,000	41,040	Policyholders' Funds	(1,58,719)	1,05,639
ko kyronia an okonokratiza a konokrati komo ka konokrati k	16.075	0.640	Credit / (Debit) Fair Value Change Account Policy Liabilities	76,12,301	64,95,439
investments	16,875	9,649	Insurance Reserves	-	04,00,400
c) (Loss on sale / redemption of		12222	Linked Liabilities	76,30,073	60,59,214
investments)	(15,861)	(630)	Add:-Fair Value Change (Linked)	(2,86,051)	5,16,057
Other Income	679	1,354	Add:-Funds for Discontinued Policies	We at 15 OK	
TOTAL (A)	1,94,614	1,51,770	(i) Discontinued on account of	505044	
Expense other than those directly			non-payment of premium	5,05,044	3,32,626
elated to the insurance business	2,613	1,103	(ii) Others	7,467 78,56,533	5,01
Corporate Social Responsibility			Total:- Linked Liabilities Sub-Total	1,53,10,114	1,35,13,986
expenses	2,217	1,896	Funds for Future Appropriation	71,367	28,162
ransferred to Policyholders' Account	47,628	9,892	TOTAL	1,62,55,789	1,42,99,783
ad debts written off			APPLICATION OF FUNDS		
Provisions (other than taxation)	600		Investments	V-24-104-14-10-14-14-14-14-1	
a) For diminution in the value of			- Shareholders'	6,82,795	5,72,324
investments (net)	802	1,593	- Policyholders'	73,41,994	64,47,239
	002	1,595	Assets held to cover linked liabilities  Loans	78,56,533	69,12,908
b) Provision for doubtful debts	_	~	Fixed assets	36,448 58,118	17,250 59,522
c) Provision for standard and			Current assets	50,110	00,021
non-standard assets			Cash and bank balances	1,42,323	2,42,063
TOTAL (B)	53,259	14,483	Advances and other assets	4,39,808	4,22,078
Profit / (loss) before tax	1,41,355	1,37,286	Sub-Total (A)	5,82,131	6,64,14
Provision for taxation	(863)	4,607	Current liabilities	2,78,379	3,37,713
Profit / (loss) after tax	1,42,218	1,32,680	Provisions	23,851	35,888
APPROPRIATIONS	The Control of the Co	ANALYSIA FORES	Sub-Total (B) Net current assets (C) = (A – B)	3,02,230	3,73,60
(a) Balance at the beginning of			Miscellaneous expenditure (to the extent	2,79,901	2,90,54
the year	646,014	537,446	not written off or adjusted)		12
b) Interim dividends during the year	2000 AND AT COMM.	20,000	Debit balance in Profit & Loss Account	52	
c) Proposed final dividend	2		(Shareholders' Account)	2	133
(d) Dividend distribution tax	123	4,111	Debit balance in Revenue Account		
(d) Dividend distribution (ax		7,111	(Policyholders' Account)	*	33

March 31, 2019	1001100	Particulars	year ended	year ended
	No.		March 31, 2020	March 31, 2019
	1	New business premium income growth rate -		
		segment wise	(24.409/.)	(40.450/)
100,000		Participating Life	(34.49%)	(12.45%)
6,46,014		Participating Pension Group Pension	(31.55%) 0.00%	(32.13%)
11,621		Non Participating	56.11%	68.35%
7,57,636		Linked Life	6.00%	16.44%
7,57,000		Linked Group	(31.16%)	4.66%
85.0		Linked Pension	35.78%	38.55%
	2	Net Retention Ratio	99.24%	99.70%
1,05,639	3	Expense of Management to Gross Direct Premium Ratio	9.94%	10.52%
64,95,439	4	Commission Ratio <sup>5</sup> (Gross commission paid to	3.5470	10.0270
(i=1)	S-355	Gross Premium)	4.00%	4.17%
60,59,214	5	Ratio of policy holder's liabilities to shareholder's funds	4750 070/	4707 400/
5,16,057	6	Growth rate of shareholders' fund	1759.27% 15.40%	1787.42% 16.06%
0,10,001	7	Ratio of surplus to policyholders' liability	1.23%	0.80%
	8	Change in net worth (₹ in Lakhs)	116,673	104,854
0.00.000	9	Profit after tax / Total Income	3.24%	2.97%
3,32,626	10	(Total real estate + loans) / (Cash & invested assets)	0.46%	0.38%
5,011	11	Total investments / (Capital + Surplus) Total affiliated investments / (Capital + Surplus)	1805.10% 6.24%	1890.37% 6.43%
69,12,908	13	Investment Yield (Gross and Net)	0.2470	0.4070
1,35,13,986	1882	A. With Realized Gains		
28,162		Shareholders' Funds	7.10%	9.07%
1,42,99,783		Policyholders' Funds - Non Linked	8.85%	8.80%
1,42,33,103		Par Non Par	8.76% 8.92%	8.96% 8.70%
		Policyholders' Funds - Linked	6.81%	6.96%
		B. With Unrealized Gains	20000000000000	NOTATION AND A
5,72,324		Shareholders' Funds	5.25%	8.02%
64,47,239		Policyholders' Funds - Non Linked	9.47%	8.98%
69,12,908		Par Non Par	7.80% 10.69%	9.17% 8.85%
17,250		Policyholders' Funds - Linked	(4.24%)	10.07%
59,522	14	Conservation Ratio	85.09%	85.22%
00,022		Participating Life	87.08%	86.47%
2 42 063		Participating Pension	94.10%	90.64%
2,42,063		Group Pension Non Participating	35.25% 84.70%	100.32% 80.06%
4,22,078		Linked Life	84.22%	85.33%
6,64,141		Linked Group	0.00%	0.00%
3,37,713	40	Linked Pension	84.47%	87.35%
35,888	15	Persistency Ratio (policies)*	75.26%	73.81%
3,73,601		For 13th month For 25th month	66.94%	66.77%
2,90,540		For 37th month	61.89%	61.40%
2,30,340		For 49th month	55.81%	55.55%
	40	For 61st month	49.84%	51.32%
1551	16	Persistency Ratio (premium)*	96 449/	05.070/
		For 13th month For 25th month	86.14% 78.53%	85.07% 76.65%
-		For 37th month	71.56%	71.39%
		For 49th month	67.30%	66.43%
1380	-	For 61st month	59.90%	57.23%
	17	NPA Ratio Gross NPA Ratio	0.07	Nil
1,42,99,783		Net NPA Ratio	0.07	Nil
		(Persistency calact	ulated on the date	

1) This disclosure is made in accordance with and as per definition given in IRDAI Circular IRDA/F&I/CIR/012/01/2010 date January 28, 2010

2) The Financial Statements of the Company for the year ended March 31, 2020 have been audited by the Joint Statutory Auditors of the Company. 3) The above results have been reviewed and approved by Board of Directors in the meeting held on May 05, 2020

4) Previous year figures are regrouped/rearranged wherever necessary to make them comparable with those of the current year.

5) Commission is including rewards.

(Between 9:00 am to 9:00 pm)

\*The Methodology of Persistency Calculation:

The persitency ratios are calculated as per IRDA/ACT/CIR/MISC/035/01/2014 circular dated 23rd January 2014.

Single Premium and Fully Paid-Up policies are considered in above calculation. Group Business where persistency is measurable, is included.

The 'For the year ended' Persistency Ratios are calculated using policies issued in March to February period of the relevant years

For and on behalf of the Board of Directors

Sanjeev Nautiyal Managing Director & CEO

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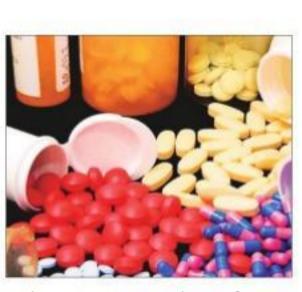


#### REALTY SECTOR

Sanjay Dutt, MD & CEO, Tata Realty & Infrastructure

In a dynamic country like India, changes in housing trends are witnessed every few years. Amid Covid-19, the realty market has seen shifting buyer preferences from under-construction to readyto-move-in properties due to the comfort and convenience it provides homebuyers... Hence, even developers must embrace it and evolve themselves to keep up with these trends

### Quick View



#### Gilead scouting for partners in India, Pak for remdesivir

US-BASED GILEAD Sciences has said it is in talks with Indian and Pakistan pharmaceutical companies to produce remdesivir for developing countries. Remdesivir is an investigational antiviral drug that may be found effective against the virus that causes Covid-19, Gilead said in a statement on Wednesday.

#### Vernacular.ai raises \$5.1 m in Series A funding

VERNACULAR.AI, AN AI-first SaaS business, announced a Series A investment of \$5.1 million, led by Exfinity Ventures, IAN Fund, KalaariCapital.AngelList and LetsVenture also participated in the round. The fresh capital will be used to fund the company's global expansion into Southeast Asia and the US, and towards R&D to further enhance its proprietary AI-based voice automation platform.

#### Hyundai India unveils **EMI programme**

HYUNDAI MOTOR India on Wednesday announced its 'Hyundai EMI Assurance' programme to enhance convenience and raise positive customer sentiments. The programme is offered on select car models purchased during May and covers the customer for a period of one year from the date of sale of the car (excluding the first three months).

#### Online retailer Satvacart turns cash-positive

GURGAON-BASED ONLINE grocery retailer Satvacart has announced achieving the much-coveted cashpositive state. The company achieved this feat in March 2020 and followed it up with a sustained performance in April 2020.

#### **Droom launches doorstep** vehicle service

ONLINE AUTO transactional marketplace Droom has launched a service, Jumpstart, that will provide auto care at one's doorstep. The service includes jumpstarting of a vehicle along with tyre maintenance, inspection of critical functions, and oil and lubrication top-up."Most vehicles in India have been parked for over 40 days due to the lockdown, so maintaining them can be a challenge. Packages start from ₹499 for twowheelers, to ₹1,299 for sedans and ₹1,599 for SUVs," Droom said in a statement.

#### SIS India's Q4 net profit increases 48.5%

After a row of 12 consecutive quarters of revenue growth rate below 6%, Security and Intelligence Services India (SIS India) has clocked 48.5% surge in net profit, at ₹107.4 crore, during the fourth quarter of 2019-20. In the corresponding quarter in the previous year, the net profit was ₹72.4 crore.

#### Sonalika records exports of 302 tractors in April

Tractor company Sonalika Tractors has strengthened its position in exports during April despite the Covid19 restrictions. According to a press release, the company recorded exports of 302 tractors for the month.

#### SCOPE conducts webinar on future of work

STANDING CONFERENCE of Public Enterprises (SCOPE), the apex body of public sector enterprises (PSEs), organised a Webinar on the 'Future of Work in the New Normal (CPSE Perspective)', in association with Deloitte. The webinar, the fifth in a series of SCOPE Webinars, aimed at making various strategies that organisations would need from a people and process standpoint to ensure they thrive in the present situation of Covid-19 and thereafter.

### **CASH INJECTION**

## GSK selling \$3.45-bn stake in HUL, shows term sheet

**HUL** Share price on BSE (₹)

2,500

2,300

2,100

1,900

1,700

**REUTERS** 

Singapore/Hong Kong, May 6

**GLAXOSMITHKLINE IS SELLING** \$3.45 billion worth of shares in Unilever's Indian business on the open market, according to a deal marketing term sheet seen by Reuters, cashing in late from the sale of the Horlicks brand.

The 5.7% stake in Hindustan Unilever (HUL) that is now on the market, was accepted by GSK as payment for the sale of the malted drink brand and other nutrition brands to Unilever, agreed in late 2018.

The shares are being sold for ₹1,850 to ₹1,950, a 3%-8% discount to Wednesday's close of ₹2,010.20, according to the

GSK, which declined to comment, struck a deal to fold its Indian business whose main product is Horlicks — into Unilever's Indian unit Hindustan Unilever in exchange for shares in the combined

(\$495 million)in cash. The cash injection will help GSK in its

Hindustan Unilever also declined to

According to GSK's first-quarter report,

it completed the Horlicks deal on April 1,

receiving the 5.7% equity stake in Hin-

dustan Unilever plus about £400 million

2,009.85

goal of reinvigorating its drug development pipeline, having made costly bets on experimental cancer treatments and future cell and gene therapies amid sluggish revenue growth.

Earlier this year, GSK launched a twoyear programme to split into two entities, separating the core prescription drugs and vaccines business from an enlarged overthe-counter products business that was merged with a Pfizer unit.

It is eyeing more divestments to fund the costs of the separation.

Having sold travel vaccines to Bavarian Nordic for up to €955 million in October last year, the British group is looking into shedding more assets, starting with a review of its prescription dermatology business with about 200-300 million pounds in annual sales.

IFR earlier reported the Hindustan Unilever transaction.

The transaction was organised by HSBC, Morgan Stanley and JP Morgan.

### They declined to comment.

### Around 40 laid off from Jet's remaining staff, lenders to decide on fresh round of EoIs

**FE BUREAU** Mumbai, May 6

THE COVID-19 PANDEMIC has dealt a severe blow to the already grounded and insolvent Jet Airways. About 40 people who were a part of Jet's asset preservation team were let go earlier this week. More than a year after its grounding, the airline has found no buyers and lenders are in a fix on how to proceed further. "We are not sure at this point on whether to call for fresh expressions-ofinterest (EoI). A decision will be made by Monday," a senior banker told FE after the committee of creditors' (CoC) meeting on Wednesday.

Parties that were previously interested in reviving the airline have either backed out or moved too slowly. The lenders have earlier called for multiple rounds of EoIs. The last round was invited in February after the Russian government-backed Far East Devel-

Jet's resolution professional had employed nearly 200 people as a part of the asset preservation team when the resolution process began

opment Fund had expressed interest in the airline. On the other hand, liquidating the airline at this juncture makes little sense with the aviation industry undergoing a crisis. With no serious buyers, the CoC last month decided to extend the resolution deadline by 90 days. The earlier 270-day deadline ended on March 15.

Jet's resolution professional (RP) employed nearly 200 people as a part of the asset preservation team when the resolution process began. With Covid-related disruptions and the resolution slowing to a halt, the livelihood of these employees may be at risk. "March salaries were paid over March and

April.There is no update yet on whether April salaries will be paid. Around 30-40 people's contracts were terminated on May 3. The rest have been kept till July 23. But further head-count decisions are expected," said one person aware of the matter.

Jet Airways was grounded in April last year after lenders had refused to extend emergency funding to continue operations. A few months later, State Bank of India took the airline to insolvency court after lenders failed to sell it off. The National Company Law Tribunal admitted the defunct airline for insolvency in June last year. Since then, multiple entities have expressed interest, but so far none has taken talks forward. Before the Covid-19 crisis, Jet's RPwas in the process of partially monetising assets. The RP has been in talks with KLM Royal Dutch airlines to sell Jet's erstwhile flight rights in Schiphol Airport, Amsterdam, along with a Boeing 777 aircraft.

### HC allows Airtel to rectify GST returns, claim ₹923-crore refund

**FE BUREAU** New Delhi, May 6

IN A RELIEF to Sunil Bharti-led Bharti Airtel, the Delhi High Court has allowed the telco to rectify its GST returns for July 2017 to September 2017 and thus claim refund of ₹923 crore, which was denied earlier by the tax department. It also asked the revenue authorities to verify the rectified GSTR-3B form and process the refund, if any, within two weeks.

A division bench of Justices Vipin Sanghi and Sanjeev Narula allowed Bharti to rectify the returns for the error period July to September 2017, saying "we do not find any cogent reasoning behind the logic for restricting rectification only in the period in which the error is noticed and corrected, and not in the period to which it relates. There is no provision under the Act that has been brought to our notice which would restrict such rectification".

"Indisputably, if the statutorily prescribed returns, GSTR-2 and GSTR-3 had been operationalised by the government, the petitioner (Bharti) would have known the correct the Input Tax Credit (ITC) amount available to it in the relevant period, and could have discharged its liability through ITC," it said.

"As a consequence, the deficiency in reporting the eligible ITC in the months of July-September 2017 in the form GSTR-3B has resulted in excess payment of cash by the petitioner," the bench Bharti argued that it had paid excess

tax of ₹923 crore on inputs based on estimates due to non-operationalisation of the GSTR-2A form during the error period. It wanted to correct the anomaly in October 2018 as it had underreported its claim for credit, but was prevented from doing so as the government's December 2017 circular disallowed companies from making rectifications under the earlier circular of September 2017.

Terming the judgment as "path breaking," senior counsel Tarun Gulati, who appeared for Bharti, said that the HC held that the failure of the government to operationalise the statutory returns — GSTR 2, 2A and 3 — prescribed under the



paid excess tax of ₹923 crore on inputs based on estimates due to non-operationalisation of the GSTR-2A form during the error period

CGST Act, cannot prejudice the assessee. "The GSTR 3B which was merely a summary return as an alternative did not have the statutory features of the returns prescribed under the Act. Therefore, if there were errors in capturing ITC on account of which cash was paid for discharging GST liability instead of utilising ITC which could not be captured correctly at that time, the return should be allowed to be rectified in the very month in which the ITC was not recorded and the cash paid should be available as refund. The HC read down the circular which did not permit such rectification as being contrary to the scheme of the CGST Act," he

rect tax regime experienced severe teething woes. Gulati argued that this Form was filled in manually and, therefore, had no inbuilt checks and balances that could ensure that the data uploaded by the company was accurate, verified Senior counsel Harpreet Singh, on

During the migration to GST, the indi

behalf of the GST department, opposed the telco's stand, arguing that the rectification of mistakes of an earlier tax period couldn't be done in any subsequent period.

### Automobile manufacturers resume ops in a staggered manner

**FE BUREAUS** 

Mumbai/Pune/Chennai, May 6

19, auto majors like TVS Motor, Royal Enfield, Isuzu Motors and tyre major MRF on Wednesday announced resumption of operations at their respective plants, after state governments and local authorities gave permission. Mercedes-Benz India also restarted operations at its manufacturing facility at Chakan in Pune. Honda Cars India is planning to restart operations in Tapukara in Rajasthan sometime next week.

**AFTER SIX WEEKS** of closure due to Covid-

With the resumption of operations at ports as well as dealerships (in a small way) across the country, the auto majors have decided to resume operations, albeit in a gradual manner, as per guidelines laid down by both the state and central governments.

TVS Motor on Wednesday said that it has

commenced operations in India across all factories in Hosur, Mysuru and Nalagarh.

A comprehensive preparedness manual has been designed for TVS Motor employees to ensure complete adherence to necessary safety guidelines to help minimise the spread of the virus.

Mercedes-Benz India, which temporarily suspended production on March 21, said production has started on a graded manner with directives from the state government. It will plan a gradual ramp-up in the coming weeks depending on the evolving current situation, the company said. Honda Cars India said several of its asso-

ciates were able to come to the Tapukara plant on Tuesday for preparatory work including equipment check, training protocols, safety declaration etc.

However, in order to resume production even at lower level and in single shift, the



With the resumption of operations at ports as well as dealerships, auto majors have decided to resume operations as per government guidelines

company said it requires manpower living in the neighbourhood and also from nearby areas of Dharuhera, Rewari, etc.

ing operations at its Oragadam plant near Chennai resumed operations on Wednesday in a staggered manner. In a communication to stock exchanges, it said subsequent to the new directives issued by the government on May 1, 2020 with regards to resumption of manufacturing, industrial and commercial business activities, Royal Enfield has resumed operations at its manufacturing facilities starting May 6, 2020. "Our manufacturing unit at Oragadam,

Royal Enfield said that its manufactur-

near Chennai, India will be the first to begin operations in a staggered manner, with minimal staff over a single shift." Employees and shop floor staff residing in and around plant locations will be aligned to work in these units so as to avoid long-distance travel and minimise contact during transportation.

Operations at the other two manufacturing facilities, Tiruvottiyur and Vallam

Vadagal near Chennai, will be started in a phased manner. All other office locations including corporate offices in Chennai, Gurgaon and the UK Technical Centre will continue to remain closed, and employees will work from home as of now. Royal Enfield further said that while the

majority of its dealer network will continue to remain closed, around 120 dealerships have begun partial operations.

Utilityvehicle maker Isuzu Motors India on Wednesday said it has received approvals from local authorities to resume operations at its plant in SriCity, Andhra Pradesh. Stating that it has begun preparations to restart activities at the plant, the company said it aims to start supply of vehicles at the earliest. "It will coordinate with all component manufacturers to serve both domestic and export customers," Isuzu Motors India said

### Adani Enterprises is covered for 12 months of payments, says management

**FE BUREAU** Mumbai, May 6

**ADANI ENTERPRISES (AEL)**, the parent company for the group's airports and renewable energy businesses, is covered for 12 months of payments amid the lockdownrelated economic disruptions, the management said on Wednesday. "From a business and financial point of view it becomes important for us to deal with the liquidity situation that an event like this brings up. We have risk management plans in place... we are fully covered from a liquidity perspective," said AEL chief financial officer Jugeshinder Singh. Overall aggregate debt of the company is ₹1.3 lakh crore, Singh added.

Consolidated net profit for the March quarter fell 78.4%y-o-yto ₹61.21 crore. The fall in net profit was capped by the ₹895.84crore other comprehensive income during the March quarter. Revenues from operations grew marginally by 1.5% y-o-y to ₹13,428.83 crore during the quarter under review. Net profit for the full financial year 2019-20 grew 59% to ₹1,138 crore.

The company has capex plans of around ₹10,000 crore this fiscal. "We will start in September. The number for Adani Enterprise for this fiscal, our capex, would be about ₹5,600 crore. And airports now, would be to the tune of around ₹2,000 crore," Singh said. Last year, the management had said that a maximum of its five-year capex plan would go towards new capex for its airports business. With the Covid-19 pandemic severely

(₹ cr)	Q4 2019	Q4 2020	% Chg	FY20	FY19	% Chg
Revenue from ops	13,236.62	13,428.83	↑ 1.5	44,086.21	40,950.62	
Expenses	12,975.3	13,711.98	≥ 5.7	43,162.63	40,424.7	<u>^</u> 6.8
Net profit	283.44	61.21	<b>&gt;</b> 78.4	1,138.17	717.14	△ 58.7
Other comprehe income	nsive -73.42	895.84	_	1,238.46	683.23	
Ebitda	943	647	<b>31.4</b>	2,968	2,541	↑ 16.8
Cash and cash equivalents	973.88	2,124.69	★ 118.2	_	_	_

impacting air travel, the management said its investment into its airports will get delayed by six months and is likely to commence in the third quarter of FY21. "It has moved back by six months. Overall, our airports business plan is centered around nonaero focused businesses. That business plan does not alter because of the situation. What will alter is how all of us will look at the airports business. Now that people have faced an event risk, which is a massive risk for an airport-type infrastructure, naturally the planning and risk management alters a little bit. So we have to put that into our investment plans," Singh said.

The company is still analysing the nearterm impact of Covid-19 on its airports vertical and how it will modify its investment plans. "Naturally, we have to think through (investment plans) if there is a structural change in travel patterns, which we have to evaluate. On the passenger side, especially

 $on \, certain \, types \, of \, recreational \, travel \, on \, the$ international side, we will have to carefully evaluate what the impact would be. It does not change the investment plan, but changes the sequence in which we execute (it)," Singh said. Now, AEL's focus over the next five years seems to have shifted to growing its renewables segment. "60-65% of our capital at a portfolio level is going into solar and wind generation businesses. So, that business will probably be one of our biggest, if not the biggest, component." AEL aims to make Adani Green among the top 10 companies in the industry globally, Singh added. Consolidated Ebitda fell 31.4% y-o-y to

₹647 crore during the March quarter. Consolidated expenses during the quarter were up 5.7% y-o-y to ₹13,711.98 crore. Ebitda for the full year grew 17% to ₹2,968 crore in FY20. AEL's board on Wednesday approved raising up to ₹2,500 crore via various instru-

### India Post provides ₹720-cr cash at doorsteps via AePS since March 25

**KIRAN RATHEE** New Delhi, May 6

**SINCE THE START** of the lockdown from March 25, India Post has provided cash to the tune of ₹720 crore at the doorsteps of around 38 lakh people through the Aadhaar Enabled payments System (AePS).

During the period, around 2.7 crore Post Office Savings Bank transactions were carried out involving more than ₹40,000 crore, while 1.3 crore India Post Payments Banks (IPPB) transactions were carried out worth ₹2,854 crore.

Now, more than 2 lakh AePS transactions are happening every day. Around 46 lakh mail articles were

delivered, apart from payment of about 37 lakh money orders, during the lock-During normal times, monthly aver-

age AePS transactions stand at around ₹129 crore. Similarly, during normal times, IPPB transactions are to the tune of ₹1,768 crore.

The number of money orders are around 12 lakh during normal times.

Postal secretary Pradipta Kumar Bisoi told FE, "The department has used air cargo flights to dispatch mail to the nearest metro or big towns and thereafter used its fleet of mail motor vans



**Post Office Savings Bank** transactions were carried out involving more than ₹40.000 crore. while 1.3 crore India Post Payments Banks transactions were carried out worth ₹2,854 crore

and a few hired vans to reach shipment to various destinations within the state or to the neighbouring states."

He said that more than 250 tonne of medicines and medical equipment are being delivered through tie-ups with the Indian Drug Manufacturers' Association, the Directorate General of Health Services and online pharmaceutical companies.

financiale

## BSNL employee union backs equipment purchase from foreign firms

KIRAN RATHEE New Delhi, May 6

THE EMPLOYEE UNION of BSNL has written to Prime Minister Narendra Modi seeking his intervention in the 4G tender issue, sensing attempts by vested interests to scuttle the procurement. The union said the complaint by Telecom Equipment and Services Export

Promotion Council (TEPC) is nothing but a ploy to stall 4G equipment procurement and delay the launch of services.

The union said it was unfair

to direct BSNL alone to buy local 4G equipment, largely untested and of substandard quality, from inexperienced companies while letting private operators buy from global players. Also, since BSNL is tak-

The union says local 4G equipment is untested and of substandard quality

ing a loan from banks to purchase the equipment, it does not come under the purview of Make in India policy.

The department of telecommunications (DoT) has asked for

explanation from BSNL regarding the 4G tender after TEPC complained that public procurement norms for giving preference to Make in India products were not followed by the telecom company while framing the eligibility criteria. The commerce ministry, too, has taken note of the complaint and has put the tender on hold till the grievance is disposed of.

However, BSNL employees feel that none of the clauses in the tender are unwarranted. For instance, the condition of ₹8,000-crore eligibility criteria is fixed as per the Central Vigilance Commission's guidelines to conform that vendors should have strong financials.

"The turnover of almost all

the companies under TEPC is less than ₹1,000 crore. How can they participate in a tender worth ₹9,300 crore. Even if they become successful bidder, how BSNL can ensure that they will arrange thousands of crores of rupees and manufacture and supply equipment within the time schedule," All Unions and

Associations of BSNL (AUAB) said. Also, none of the companies under TEPC are making critical core equipment. Regarding the security issues raised by TEPC, the AUAB said BSNL had only 10% market share, so what security issue can be caused by it when the remaining 90% of the market is using equipment

from global firms. The employees said the con-

cern of TEPC was not to ensure level-playing field but to stall the procurement in which case, the private operators are the direct beneficiaries. "It will not be difficult to understand which are the forces behind the complaint lodged by TEPC," the letter said.

MUTUALFUNDS Sahi Hai



Haq, ek behtar zindagi ka.

#### **Notice - Dividend Declaration**

#### UTI Arbitrage Fund (Formerly known as UTI Spread Fund)

Name of the Plan	Quantum of Dividend (Gross Distributable Amt.)*		Record	Face Value	NAV as on 05-05-20 (per unit)	
\$10079500 PROTESTED SOO STOOLS	%	₹ per unit	Date	(per unit)	₹	
UTI Arbitrage Fund - Dividend Option Regular Plan	0.80	0.80 0.0800 Tuesday May 12. ₹		₹10.00	16.0119	
UTI Arbitrage Fund - Dividend Option Direct Plan	0.80	0.0800	May 12, 2020	X10.00	17.1215	

Sr.	Salama Nama	NAV as on 05-05-2020 (per unit)		
Sr. No.	Scheme Name	Option/Plan	Nav per Unit (₹	
31	UTI - Fixed Term Income Fund Series - XXVI-Plan-V (1160 Days)	Direct Plan - Annual Div Option	10.1372	
2	UTI - Fixed Term Income Fund Series - XXVI-Plan-V (1160 Days)	Direct Plan - Flexi Div Option	12.7791	
3	UTI - Fixed Term Income Fund Series - XXVI-Plan-V (1160 Days)	Direct Plan - Maturity Div Option	12,7789	
4	UTI - Fixed Term Income Fund Series - XXVI-Plan-V (1160 Days)	Direct Plan - Quarterly Div Option	10.1369	
5	UTI - Fixed Term Income Fund Series - XXVI-Plan-V (1160 Days)	Regular Plan - Annual Div Option	10.1369	
6	UTI - Fixed Term Income Fund Series - XXVI-Plan-V [1160 Days]	Regular Plan - Maturity Div Option	12.6519	
7	UTI - Fixed Term Income Fund Series - XXVI-Plan-V (1160 Days)	Regular Plan - Quarterly Div Option	10.1368	
8	UTI - Fixed Term Income Fund - Series XXVI-Plan-VII (1140 Days)	Direct Plan - Annual Div Option	10.1363	
9	UTI - Fixed Term Income Fund - Series XXVI-Plan-VII (1140 Days)	Direct Plan - Maturity Div Option	12.7053	
10	UTI - Fixed Term Income Fund - Series XXVI-Plan-VII (1140 Days)	Direct Plan - Quarterly Div Option	10.1361	
1.1	UTI - Fixed Term Income Fund - Series XXVI-Plan-VII (1140 Days)	Regular Plan - Annual Div Option	10.1358	
12	UTI - Fixed Term Income Fund - Series XXVI-Plan-VII (1140 Days)	Regular Plan - Flexi Div Option	12.5798	
13	UTI - Fixed Term Income Fund - Series XXVI-Plan-VII (1140 Days)	Regular Plan - Maturity Div Option	12.5798	
14	UTI - Fixed Term Income Fund - Series XXVI-Plan-VII (1140 Days)	Regular Plan - Quarterly Div Option	10.1356	

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 12, 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 - May 06, 2020

Toll Free No.: 1800 266 1230

Website: www.utimf.com

REGISTERED OFFICE: UTI Tower, 'Gn' Biock, 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.

\* Edelweiss
Ideas create, values protect **MUTUAL FUND** 801, 802 & 803, 8th Floor, Windsor, Off C.S.T. Road, Kalina, Santacruz (E), Mumbai 400 098

NOTICE CUM ADDENDUM TO THE SCHEME INFORMATION DOCUMENT (SID), KEY INFORMATION MEMORANDUM (KIM)

AND STATEMENT OF ADDITIONAL INFORMATION (SAI) OF THE SCHEMES OF EDELWEISS MUTUAL FUND

Introduction of SIP Pause Facility under the Systematic Investment Plan

Under the existing provisions of the 'Systematic Investment Plan' ("SIP") offered under the SID of various Schemes of Edelweiss Mutual Fund ("the Fund"), investors/unit holders are being offered an additional Facility viz. SIP Pause Facility with effect from May 7, 2020 ("Effective Date").

Under the SIP Pause Facility, investors shall have an option to temporarily pause their SIP installments for a specified period of time. Upon expiry of the specified period, the SIP installments would re-start automatically.

Terms and condition of the SIP Pause Facility ("the Facility") is as follows:

- 1. Under this Facility, investors have an option to temporarily pause their registered Monthly SIP facility for three or 6 consecutive installments by submitting a request by visiting RTA's website - https://mfs.kfintech.com/investor/ or the Mobile Application made available by the RTA - KFINKART or by submitting a physical request form duly signed as per the mode of holding at any of the Official Points of Acceptance of the Fund. The AMC reserves the right include/exclude any other mode of submission as it deems fit.
- 2. The Facility can be availed by investor only twice during the entire tenure of Monthly SIP facility.
- 3. To avail the Facility a valid application should be submitted at least 10 calendar days prior to the next Monthly SIP installment date (i.e. excluding the request date and the next SIP installment date).
- 4. Investor cannot cancel the Facility once requested.
- 5. The Facility is only available under Monthly SIP frequency for investors with instalment amounts equal to or greater than ₹ 1,000/-.
- 6. The Facility can only be availed by investors who have completed 6 valid Monthly SIP installments.
- 7. The SIP shall restart automatically from the immediate next eligible installment after the completion of specified pause period.
- 8. This Facility is not available for the SIPs sourced/registered through MF Utilities India Pvt. Ltd. ("MFUI"), Stock Exchange Platforms of NSE & BSE and Channel partner platforms, as the SIP mandates are registered with the respective entities. Further, this Facility is also not available for SIP registered by investors as Standing Instructions with their respective Banks.
- 9. The Facility is not available for investors availing Multi-Goal SIP, Combo SIP, Power SIP and Retirement Plan facilities under various Schemes of the Fund.
- 10. In case of multiple SIPs registered in a scheme, the facility will be made applicable only for those SIP installments whose SIP date, frequency, amount and Plan is specified clearly in the form. If requisite information is not clearly filled, all SIP's in the scheme will be
- 11. The AMC/Fund reserves the right to amend the terms and conditions of the Facility and/or withdraw the said Facility.

Accordingly, the SID/KIM/SAI of the Schemes of the Fund stand amended suitably to reflect the change as stated above.

This notice-cum-addendum shall form an integral part of the SID/KIM/SAI of the Schemes of the Fund, as amended from time to time. All other provisions and terms & conditions as stated in the SID/KIM/SAI shall remain unchanged.

For Edelweiss Asset Management Limited

(Investment Manager to Edelweiss Mutual Fund) Sd/-

Place: Mumbai Date: May 6, 2020

Investors are requested to take note of the above.

Radhika Gupta **Chief Executive Officer** 

For more information please contact: Edelweiss Asset Management Limited (Investment Manager to Edelweiss Mutual Fund) CIN: U65991MH2007PLC173409

Registered Office: Edelweiss House, Off C.S.T Road, Kalina, Mumbai - 400098 Corporate Office: 801, 802 & 803, 8th Floor, Windsor, Off C.S.T. Road, Kalina, Santacruz (E), Mumbai 400 098 Tel No:- 022 4093 3400 / 4097 9821, Toll Free No. 1800 425 0090 (MTNL/BSNL), Non Toll Free No. 91 40 23001181, Fax: 022 4093 3401 / 4093 3402 / 4093 3403, Website: www.edelweissmf.com

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



THE STATE TRADING CORPORATION OF INDIA LTD (A GOVERNMENT OF INDIA ENTERPRISE) CIN: L74899DL1956G0I002674 | Ph: 044 - 22500342 | Fax: 044-22505891

Mail ld: chennai@stclimited.co.in, domexim.chn@stclimited.co.in STC invites EXPRESSION OF INTEREST (EOI) from reputed Suppliers engaged in supply of following items on behalf of STC to Civil Supplies Tenders (Domestic). (1) STC/CHN/EDO/EOI/2019-20/.001 for supply of Edible Oil; (II) STC/CHN/PULSES/EOI/2019-20/.002 for supply of Pulses. (III) EOI No: STC/CHN/SUGAR/EOI/2019-20/03 for supply of Sugar. (IV) STC/CHENNAI/ACD/EOI-01/2019-20 (Dry Fruits/Nuts/Spices/Grocery). The detailed terms and conditions of the EOI etc, may be downloaded from websites: www.stclimited.co.in and from Govt Portal

eprocure.gov.in/epublish/app (sd/- Ashish Mundhekar), Manager



**GOVERNMENT OF TAMIL NADU MAYILADUTHURAI MUNICIPALITY** Tender Notice No.: 4812/2016/E1 Dated: 29.01.2020 **REQUEST FOR QUALIFICATION (RFQ)** 

NOTICE INVITING REQUEST FOR QUALIFICATION (RFQ) for Construction of New Bus Stand in Mayiladuthurai Municipality on Design, Build, Finance, Operate and Transfer (DBFOT) basis

REQUEST FOR QUALIFICATION (RFQ) - EXTENSION OF **SUBMISSION DATE upto 24.06.2020** 

Mayiladuthurai Town is a famous religious center and also known for its trading activities. The existing Bu tand of the Mayiladuthurai Municipality was constructed around 35 years back with 12 bus bays as "B" class but stand being operated at present to connect surrounding villages and towns. Considering the future growth of the town, Mayiladuthurai Municipal Council approved the proposal to construct a new bus stand with all require amenities in Municipality land situated at New Survey No. 169/1A part, 170, 172, 174, 175, 176/part at Manakud

"Request for Qualification (RFQ)" is invited from Developers for construction of Bus Stand on Design Build, Operate, Finance and Transfer (DBFOT) basis for a period of 22 years. (The Estimated Project cost is 38.05 crores). Interested developers may apply for the project based on their eligibility as per eligibility criteria mentioned in the RFQ document. The bidders should be single Business Entity incorporated as a Public/Private Limited Company, incorporated under the Companies Act, 1956/ 2013. More details are provided in the RFQ

The eligible bidders shall be evaluated as per the qualifying criteria and become eligible to participate in th The RFQ document can be obtained on payment of Rs.10,000/- (Non refundable) from 18.05.2020 upto 3.00 p.m. on 24.06.2020 RFQ document can also be downloaded from the following websites: gov in between 18.05.2020 and 24.0

The pre-proposal meeting shall be conducted on 09.06.2020 at 11.00 Hrs at the address noted below to clarify the gueries that may be raised by the bidders. The duly filled-in and wax sealed tender documents shall be submitted online or offline method on or before

24.06.2020 upto 15.00 Hrs. Proposals will be opened on 24.06.2020 at 15.30 Hrs at the address indicated below. Commissioner, Mayiladuthurai Municipality DIPR/ 1744 /TENDER/2020

CIN: L35912MH1975PLC018376



### MAHARASHTRA SCOOTERS LIMITED

Regd Office: C/o Bajaj Auto Limited Mumbai-Pune Road, Akurdi, Pune 411 035. Tel:(020) 66106564 Website: www.mahascooters.com Email ID: investors msl@bajajauto.co.in

### **PUBLIC NOTICE**

Pursuant to Regulation 47 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, NOTICE IS HEREBY GIVEN that a meeting of the Board of Directors will be held on Monday, 18 May 2020 in Pune to consider, inter alia, the audited financial results for the year ended 31 March 2020.

After the conclusion of the meeting, the outcome thereof will be available on the website of the Company and also on the website of BSE Limited and National Stock Exchange of India Limited viz. www.bseindia.com and www.nseindia.com respectively.

For Maharashtra Scooters Limited

Place: Pune Dated: 5 May 2020

financiale

N. S. Kulkarni Company Secretary AICICI PRUDENTIAL MUTUAL FUND FTARAKKI KAREINI

ICICI Prudential Asset Management Company Limited Corporate Identity Number: U99999DL1993PLC054135

Registered Office: 12th Floor, Narain Manzil, 23, Barakhamba Road, New Delhi - 110 001 Corporate Office: One BKC, 13th Floor, Bandra Kurla Complex, Mumbai - 400 051. Tel.: +91 22 2652 5000, Fax: +91 22 2652 8100, Website: www.iciciprumf.com, Email id: enquiry@icicipruamc.com

Central Service Office: 2nd Floor, Block B-2, Nirlon Knowledge Park, Western Express Highway, Goregaon (E), Mumbai - 400 063. Tel.: 022 2685 2000 Fax: 022 26868313

Notice to the Investors/Unit holders of ICICI Prudential Fixed Maturity Plan Series 80 - 1170 Days Plan I (the Scheme)

Notice is hereby given that ICICI Prudential Trust Limited, Trustee to ICICI Prudential Mutual Fund has approved declaration of the following dividend under the dividend option of the Scheme, subject to availability of distributable surplus on the record date i.e. on May 12, 2020\*:

Dividend (₹ per unit) (Face value of ₹ 10/- each) <sup>\$#</sup>	NAV as on May 5, 2020 (₹ per unit)
an - Series 80 - 1170 Days Pla	ın I
0.0500	12.7813
0.0500	12.9217
	(₹ per unit) (Face value of ₹ 10/- each) <sup>s#</sup> an - Series 80 - 1170 Days Pla 0.0500

- The dividend payout will be subject to the availability of distributable surplus and may be lower depending upon the extent of distributable surplus available on the record date under the dividend option of the Scheme.
- # Subject to deduction of applicable statutory levy.
- or the immediately following Business Day, if that day is a Non Business Day.

Dividend will be paid to all the unit holders/beneficial owners whose names appear in the register of unit holders/Statement of beneficial owners maintained by the Depositories, as applicable under the dividend option of the Scheme, at the close of business hours on the record date.

It should be noted that pursuant to payment of dividend, the NAV of the dividend option of the Scheme would fall to the extent of dividend payout and statutory levy (if applicable).

Suspension of trading of units of the Scheme:

The units of the Scheme are listed on National Stock Exchange of India Limited (NSE). The trading of units of the Scheme will be suspended on NSE with effect from closing hours of trading of May 7, 2020.

For the purposes of redemption proceeds, the record date shall be May 12, 2020. For ICICI Prudential Asset Management Company Limited

Place: Mumbai

Date: May 6, 2020 No. 005/05/2020 Authorised Signatory

To know more, call 1800 222 999/1800 200 6666 or visit www.iciciprumf.com NSE Disclaimer: It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the Scheme Information Document (SID) has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the SID. The investors are advised to refer to the SID for the full text of the Disclaimer clause of the NSE.

As part of the Go Green Initiative, investors are encouraged to register/update their e-mail id and mobile number to support paper-less communications.

To increase awareness about Mutual Funds, we regularly conduct Investor Awareness Programs across the country. To know more about it, please visit https://www.iciciprumf.com or visit AMFI's website https://www.amfiindia.com

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



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Notice-cum-addendum to Statement of Additional Information (SAI) of the Fund Notice is hereby given that Mr. Naved Masood (bearing DIN: 02126497) has been appointed as an Independent Director on the Board of Directors of ICICI Prudential Asset Management

The following details of Mr. Naved Masood shall be included in the SAI of the fund. **Brief Experience** Name Age/

Company Limited (the Company) with effect from May 2, 2020.

P27153274255	Qualification	
Mr. Naved Masood (DIN: 02126497)	65 years, B. Sc (Hons), LLB (Hons)	Mr. Naved Masood was in the Indian Administrative Service and he retired as the Secretary to the Government of India in the Ministry of Corporate Affairs in February 2015. He has also served as a Member on the Board of Securities and Exchange Board of India (SEBI). Mr. Masood has served as the Public Interest Director on the Board of the National Stock Exchange of India Limited from July 2016 to February 2020.  During his tenure in the Ministry of Corporate Affairs, Mr. Masood oversaw drafting, enactment and initialization of the Companies Act 2013. He was also responsible for development of Corporate Governance framework under the Companies Act and its implementation. He played a lead role in developing the Competition Policy and Rules and setting up of the Indian Institute of Capital Markets.  Mr. Naved Masood while serving as Member on the Board of SEBI, was actively involved in matters concerning running of the listed companies and SEBI-regulated entities like Stock Brokers, Mutual Funds, Foreign Portfolio Investors, and Private Equity etc. He had also actively contributed to the evolution and amendments of SEBI policies on Takeover Regulations, Insider Trading Regulations, Alternative Investment Funds, ESOPs and corporatization of Stock
		Investment Funds, ESOPs and corporatization of Stock

This Notice-cum-addendum forms an integral part of the SAI of ICICI Prudential Mutual Fund, as amended from time to time. All the other provisions of the SAI except as specifically modified herein above remain unchanged.

Exchanges etc.

For ICICI Prudential Asset Management Company Limited

Date: May 6, 2020

Place: Mumbai

**Authorised Signatory** 

No. 006/05/2020

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### CRIMINALLY UNSOUND Congress leader P Chidambaram

We have been pleading for cash transfers from the government to the bottom half of the people/families. Instead governments are doing a reverse transfer of money from the people to the government! Cruel

### Do a big retail bond issue to part-fund Covid-plan

Banks don't want to lend, so if ₹2-3 lakh crore of deposits flow to a 5% govt bond, a Covid-plan can be part-financed

IVEN HOW BANKS are parking increasing sums with the Reserve Bank of India's reverse repo window for a paltry 3.5%—on Tuesday, the amount was a staggering ₹8.53 lakh crore—it is clear they have little intention of growing their loan portfolios beyond a point. This paper has always maintained they should not be coerced into lending; that is a commercial decision best left to banks. However, since deposits continue to grow at a decent clip of 8-9% year-on-year, with individuals evidently comfortable leaving their savings with banks, this pool of money could be tapped by the government. After all, it has been increasingly dipping into the small-savings pool—from just 1.8% in FY13, NSSF funds financed 19.7% of fiscal deficit in FY19, and possibly 18.5% in FY20. Moreover, this would not crowd out private sector borrowings as would happen if the government was to tap the bond markets for additional funds.

Suggestions on where the government should look for resources to boost a moribund economy range from overseas to local markets, with several economists arguing for a monetisation of the deficit—borrowing directly from RBI via Covid-19 bonds. Others have said the borrowings could be made against some kind of collateral—shares of government enterprises. As Samiran Chakraborty, chief economist at Citi India, has said, these primary market borrowings could be segregated from the rest of the government's borrowings in a kind of standalone budget, so to speak. This budget could be wound down in a limited time frame, with the demarcation ensuring transparency, and also discipline, since the borrowings need to repaid within a specified period.

Another option that could be considered is retail tax-free bonds. Given how the banks are not utilising the incremental deposits to lend, the government could tap into household savings by issuing retail Covid-19 bonds. Even at a coupon rate of 5% tax-free, for a life of 10 years, individuals would be comfortable buying them; grossing up the 5% for a 30% tax rate would mean a coupon of close to 7%, a handsome return from a sovereign-backed security. To be sure, the government will lose out on some taxes since the interest earnings on bank deposits are taxed, but it can mop up a large sum—₹2 lakh crore or even more in quick time. Not only does the cost of borrowings go down—the 10-year benchmark is hovering around 6%—but also the government can build in a couple of call options after, say, the seventh and eighth years.

The point is the government needs to spend—and spend big—to lift the economy, and it is woefully short of funds. Already, the expenditure in FY20, at ₹27 lakh crore, was 3% smaller than budgeted. Moreover, the allocation of ₹4.1 lakh crore for capital expenditure in FY21 may sound like a good 18% jump over the FY20RE, but a significant portion of that is earmarked for investment in government telcos. With the economy set to contract by about half a percentage point in FY21, tax collections will likely fall way short of the budgeted target of ₹23.89 lakh crore, with both direct and indirect taxes coming in at lower-thanexpected levels. However, the government must make sure it spends enough to support the flagging economy. It must put idle money to work.

### Rationing reforms

Ration card portability good, but DBT better

**HE COVID-19 LOCKDOWN** has exposed the human and economic costs of many delayed reforms. While the Centre had announced a full roll-out of ration card portability from June 1, 2020—this has been talked about for over half a decade now—had it been rolled out earlier, perhaps migrant workers stranded in metros would have been able to access their entitlements. There are enough reports of many not getting two, or even one meal, regularly. With wage-flow stoppered, and unable to get ration in the cities, most migrant workers have had to rely on food distribution by government and NGOs. But, these have largely proved inadequate. Hunger, among other factors, has stoked the migrants' demand to be allowed to go home, notwithstanding Covid-19 risks. It is hardly surprising, therefore, that the Supreme Court has asked the Centre to see if temporarily shifting to a 'one nation, one ration card' system is possible.

As per a February release from the consumer affairs, food and public distribution ministry, nearly 90% of the 23.4 crore ration cards in the country have been Aadhaar-seeded. And, as per the ministry's reply to a question in the Rajya Sabha, ePoS machines have been installed in 4.76 lakh of 5.39 lakh fair price shops (FPS), as part of end-to-end computerisation of FPSs. The ePoS not only allows Aadhaar-based biometric authentication but also keeps a record of each PDS transaction by tagging it to the beneficiary's ration card number. Coupled with smart ration cards that some states are using, it is possible to track how much grain or other PDS items a ration-card-holder or their listed, Aadhaarseeded household members have lifted from an FPS. A linked weighing machine will help prevent weighing frauds, since the ePoS used by some states won't generate a printed bill until the corresponding weight of grains is not placed on the weighing scale. While the Covid-19 outbreak in the country is likely to have stalled the roll-out of ePoS, digitised ration cards, and the Aadhaar seeding exercise, the required digital infrastructure to roll out ration card portability is already largely in place—mostly the northeastern states are yet to have full Aadhaar seeding and computerisation of FPSs. However, rolling out ration card portability would largely be the states' domain since both PDS, and identification of beneficiaries are the state governments' mandate. As per a March 20 reply by Union minister Ram Vilas Paswan in Rajya Sabha, only 12 states have so far worked on developing intra- and inter-state portability. Covid-19 gives the rest the impetus to move on portability.

Yet, while ration card portability is being considered, it would perhaps be better, given the Jan Dhan-Aadhaar-Mobile triad, to shift away from physical rations through PDS to direct benefits transfer, which the Shanta Kumar committee had recommended in 2015, saying that this could save the government ₹30,000 crore annually. This would help wind up the inefficient FCI system, as well as the MSP scheme that has direct effects on the environment.

### **Sporting SPIRIT**

Wushu championship shows that sports is trying its best to adapt to a new normal

**PECTATOR SPORTS FACE** an existential challenge from lockdowns, but sporting bodies seem to be adapting to the new normal. An *Indian* Express report last week highlighted that Maharashtra held its firstever online Wushu state championship. Jammu & Kashmir followed suit, hosting a state-level event from May 3-5, and now a national event is planned for May 25-28. While performance by participants has been cut down to 30 seconds from the usual 1 minute-20 seconds routine, states are at least making an effort to get sports back to near-normal. Not just Wushu, Tai Chi is also getting followers online. The trend may be restricted to sports like chess—a Roger Federer certainly cannot joust with a Rafael Nadal online—but it is still an improvement from not having sporting events at all.

Such events also mean that appreciation for the sport may increase over time. People are learning yoga and other activities from digital tutorials. The lockdown has added significant impetus, however, to e-sports or online sports, which are fast becoming a mainstream activity. From online NASCAR to Formula 1, sports federations are working hard to maintain fan interest. While this is a bit difficult using the current set of technology, one can expect an explosion of gaming and sports tech to make experiences most immersive.

#### THE NEW SUPPLY CHAIN

WITH CHINA'S DECREASING IMPORTANCE IN GLOBAL SUPPLY CHAINS, BEING A LOW RISK INDEXED LOCATION WILL ALLOW INDIA TO WIN IN GLOBAL MANUFACTURING STAKES

## Get the cost and risk mix right to attract investors

N A RECENT CONVERSATION, the CEO of a large Indian manufacturing company wondered whether India will again miss the bus on becoming a major player in global manufacturing stakes, or if it will grab the opportunity that the current crisis has inadvertently presented. He was referring to India missing out on the opportunities from the massive shift, in the 1990s and 2000s, in global manufacturing capacities, triggered by two developments. First, was China becoming part of a multilateral trading system when it joined the WTO. Second, was the growth of the internet which helped companies break up manufacturing steps and locate them in the most cost competitive locations around the world, and manage these global supply chains with real-time flow of information. In 1990, the low-cost countries among the top 20 manufacturing exporters accounted for only 7% of global manufacturing exports—the rest was from the developed economies. By 2000, this had increased dramatically to over 33%, with China as the biggest beneficiary. India, it seemed, had missed the bus.

The CEO's comment referred to the growing narrative that the geopolitical crisis and tradewars, which preceded the current pandemic but could get significantly accentuated by it, will once again lead to a wholesale transformation of global supply chains as Western companies and those in Japan and South Korea either move out of China or put in place a'China plus one'strategy.PM Modi and other Indian ministers have pointed to this opportunity and exhorted Indian and global businesses to seize it, to make India a global manufacturing hub. Media reports on financial incentives announced by Japan for Japanese companies to shift out of China is seen as an example of how a state's industrial strategy can, and will, be influenced by geopolitics. The underlying assumption of this narrative is that fragmented geopolitics, and its attendant costs and risks, will be the dominant factor in investment decisions as companies seek to de-risk their over exposure to China.



Consulting Group, India. Views are personal

Before discussing what this means for India, let us understand what it means for supply chains on the ground. From a global company's perspective, there are still many unknowns on how the geopolitics will play out and, depending on which part of the world you are coming from, the perspectives could be quite different. For example, the geopolitical rivalry between say the US (or Japan) and China may not be viewed the same way as the one between, say, Germany and China. In today's age of economic nationalism, it is quite likely that each country will look at its industrial, trade, and FDI strategy basis its own costs and benefits. Also, given the longcycle nature of manufacturing investments, and the fact that global supply chains evolve over decades and not months, companies are going to take a highly considered decisions about whether to shift their capacities—and if yes, to which location(s).

So, to attract more investments to make India a more attractive FDI destination, we have to understand the decision making process of global firms, and also what has changed for them in this new global dynamic we face today. For the owners of capital, whatever be the geopolitics and role of the state, one principle is paramount—the internal rate of return (IRR), basis the costs and the risks, as the key basis for their investment decisions, which, in turn, shape global supply chains. In the last two decades of the 20th century, a (relatively) friendly geopolitics-driven multilateral system had reduced the risks and, thus, cost-economics had taken a primacy in investment decisions. In turn, new technologies and their impact on costs across the manufacturing processes,

and on competitiveness and productivity in a country had influenced the attractiveness of different nations. Today, in a world of competitive geopolitics and state dominance, risk, from the investors' perspective, is increased enormously and becomes as important a criteria as cost-economics in calculating

**Despite India** 

having a large

domestic market

and low absolute

firms invest in

**China and Vietnam** 

as these are more

competitive on

total CoDB

IRR. Some of this risk can be quantified and has to be factored into calculating the IRR, while other parts may be difficult to incorporate into such calculations and will have to be based on the judgment of the leadership team. The opportunity for India and other developing countries stems from the view that for most investors in the West, the 'China risk' has increased.

What should be India's strategy to translate this

opportunity into new investments and jobs on the ground? To answer this, let us understand why we missed the bus in the first place, and what will enable us to win in this new geopolitics-influenced global business environment. In the 1990s and 2000s, despite all the stated advantages-large domestic market, low absolute labour cost (₹/hr), democracy, stable judicial system, etc—global firms chose to invest in China and, more recently, in Vietnam, the Philippines, and Indonesia, as these countries were more competitive on the *total* cost of doing business (CoDB). India, with its labour policies, low productivity growth, weak infrastructure, and poor ease of doing business (EoDB), didn't fare well on this index. For example, weak infrastructure

and poor EoDB made logistics costs (as percentage of sales) in India one of the world's highest. Many elements of CoDB have improved under the NDA governments, and remain in focus, but there are still gaps that have to be addressed to make India as, or more, attractive as other south-east Asian countries. This is necessary to even participate in the global manufacturing stakes.

But, it is not enough to win. As we saw earlier, the fundamental change in calculating IRR today is risk and, to win, a country will have to deliver against this imperative also. Risks can arise from a whole range of issues, of which four broad areas are the most prominent: (i) uncertainty and delays in

acquiring land or getting approvals; (ii) stability of policies on tax and their future interpretation; (iii) security environment, enforcement of contracts, and length of judicial processes; and (iv) more labour costs, global recently, uncertainty on laws to deal with crossborder data and digital transaction flows. While some of the recent experience in India on these risk topics is mixed and may be seen as challenging by foreign investors, it also

> presents an opportunity for India, with its long history of stable institutions and governance, to craft a strategy to have the lowest risk of doing business (RoDB) among its competitors for FDI. This can be our unique right to win.

> Clearly, we are entering a new normal for global supply chains, where cost-economics and risk will be equally important. With China becoming a high-risk country for many supply chains, other developing countries have an opportunity to become the next preferred destination for investors. Having the best CoDB is the ticket to play, but may not be enough. Having the best 'risk indexed lowest cost location' will give India both the ticket to play, and the right to win in the global manufacturing stakes.

### Asia's Covid-19 damage control

Malaysia's economic handling of the corona-crisis will be key to Southeast Asian stability

**ASIA HAS A** new public emergency: breathing life into moribund economies. Months after severely curtailing

social and commercial activity in a bid to contain Covid-19, governments are scrambling to reboot activity. They confront a coronavirus that isn't out of business, but economies that very nearly are. The policy priority is shifting from suppressing infections at almost any cost to combating truly awful scenarios for jobs, prices, and gross domestic product.

Malaysia has often been a poster child for Southeast Asia's booms and busts. The nation is again at the confluence of powerful trends. Its experience in the pandemic illustrates conditions around the region, and the choices that it now makes may be instructive. In times of tumult, the country has usually been a source of stability. Malaysia tends to avoid the sudden swerves in policy and coups that have characterised many of its neighbours. The route that Malaysia takes to recovery will be closely watched. A crash-and-burn here would bode poorly for the region.

Prime minister Muhyiddin Yassin has declared that nearly all curtailed activities can resume, rightly fearing a deep recession will be exacerbated every day the country is mothballed. But, some powerful provincial administrations are balking. State leaders fret about a spike in infections. Should life return too quickly to a semblance of normality, there is a legitimate concern that the lid keeping cases under control will be quickly blown. But, should a nation wait to reopen for business until there is little or no chance of a renewed viral spread? That could take years.

Malaysia's thankless equation is part of a global conundrum. Goldman Sachs Group Inc and Morgan Stanley economists said in recent days that there is evidence that worldwide activity has bottomed and is starting to recover. But, the rebound from a shockingly poor firsthalf is predicated, at least in part, on lockdowns easing. A jump in new cases from folks getting together again would prompt new closures.

Policy makers are contending with this great circularity. Vietnam called off its stay-at-home order last week. Singapore plans to gradually lift a few restrictions imposed during its "circuitbreaker" period. Indonesia, which for months denied the pandemic could penetrate its borders, has more Covid-19 deaths than anywhere in Asia outside China and India. Jakarta is taking a big hit to growth and may be running out of

time to get ahead of the downturn. For Malaysia, there are also homegrown political challenges. Just as the pandemic was rippling through the region, coalition intrigue felled Mahathir Mohamad's government, the first led by a long-suffering opposition since independence. The new cabinet restores much of the old power structure, but has yet to face a session of parliament; its claims of having majority-backing have yet to be tested on the floor. These are consequential times for a team that lacks the stable mandate of a general election.

In a nod to the dire circumstances, Malaysia's central bank axed its benchmark interest rate by half a percentage point Tuesday, the biggest reduction since the Great Recession. *Bloomberg* Economics foresees the economy shrinking 6.7% this year. The bank said conditions will be "particularly challenging." Together with fiscal stimulus, officials aim to "offer some support to the economy."Bank Negara has monetary space the main rate stands at 2% after the cut—sowhynotuseit?This isn't the time to fret about the approach of zero. Across the world, borrowing costs are being pushed to rock-bottom levels.

The bank doesn't just have to worry about growth vanishing; consumer prices fell in March for the first time in a year. Malaysia could be heading for its first annual deflation since 1969, according to economists at United

**DANIEL MOSS** Bloomberg

Overseas Bank Ltd. Presenting Bank Negara's annual report last year, Governor Shamsiah Yunus told journalists to put deflation out of their minds. It shows how the unlikely has become entirely plausible in the Covid-19 era.

The year 1969 was a defining moment in Malaysia's history. Communal violence devastated Kuala Lumpur and gave birth to policies that became a bedrock: The majority Malays would receive an array of preferences, especially in the public sector and education, over ethnic Chinese, who long controlled the bulk of private wealth. The framework has persisted, though critics contend it fosters rent-seeking and saps aspiration.

It hasn't been tested by economic circumstances like these. As in other countries, Malaysia's pre-existing conditions look more serious under Covid-19 pressure. A lot rides on how they are handled. This government wasn't voted into office, but it is the one Malaysia has. Reaching across the aisle to create a national unity team-Mahathir's cabinet, for all its shortcomings, did have physicians in its top two slots—would show seriousness. Few things matter now more than judgment and experience.

Huge forces are reshaping the global economy in which Malaysia has mostly prospered the past few decades. At the least, the pandemic will accelerate trends already in place. Long reliant on manufacturing exports, oil and tourism, the country needs to retool, all the while managing an ethnically and geographically diverse populace. Does China, Asia's most recent commercial patron, become emboldened or retreat? How does Malaysia handle that shift?

If the right choices are made, Malaysia lives to fight another day. If not, Southeast Asia loses another piece of stability in a world that needs it.

This column does not necessarily reflect the opinion of the editorial board or Bloomberg LP and its owners

### **LETTERS TO** THE EDITOR

#### Increase central monitoring Appropos of the editorial "More

central monitoring teams is a good idea," (May 6) though it was a challenge for the inter-ministerial central team to function smoothly in West Bengal, its suggestions to are worth looking into. By now, we all have understood that testing is the key. Now, other states like UP, Bihar, and Punjab should also speed up testing; central teams must assess ground realities in these states too. Even after lockdown exit after May 17, social distancing, strict monitoring of rules, and aggressive testing will remain key to maintain a low mortality rate. More so, when lakhs of migrant workers will start returning to their villages in UP and Bihar, testing will become the real differentiator. They will be most prone to infection, if they aren't already carrying it, which is why aggressive testing, coupled with more and better healthcare facilities, will only help the cause. — Bal Govind, Noida

### Infection spike

It is a matter of concern that the number of cases of, and deaths associated with Covid-19 have gone up by leaps and bounds in recent days. On Tuesday, India witnessed a record increase in a single day as infections shot up by 3,875 to 46,711, and the death toll rose by 194 to 1,583. The pandemic numbers hitting new highs every day suggests that something is amiss. There is, however, a silver lining, with the number of patients recovering from the disease steadily increasing to 13,160. It is imperative that citizens cooperate with the authorities as any show of laxity or throwing caution to the wind will have dire consequences for society.

— NJ Ravi Chander, Bengaluru

•Write to us at feletters@expressindia.com

financiale

**NDIA IS VERY** fortunate to have a dynamic and progressive telecom regulatory framework and a strong administrative department. Together, over the last two decades, this has made possible the Great Indian Telecom Miracle—of explosive growth of affordable mobile telecom. I am reminded of Reed Hundt, Chairman of the US's Federal Communications Commission during Bill Clinton's first term, who visited Delhi a few months after the first TRAI was constituted under the brilliant chairmanship of former Supreme Court judge Justice MS Sodhi. Hundt openly praised the new TRAI Act in a conference and wished he could have similar legislation! Over the years, we have had a succes-

sion of very eminent regulators, starting with the inimitable Justice Sodhi, followed by the renowned banker MS Verma, and then, a succession of seasoned and brilliant bureaucrats like Pradip Baijal, Nripendra Misra, JS Sarma, Rahul Khullar to the incumbent—reform-minded RS Sharma, who is also credited with the designing of the now world-famous Aadhaar, and the Digital India vision. Each one of them excelled in several ways and left indelible footprints on the sands of Indian telecom, and have collectively nurtured India on its way to the number-two position in the entire global telecom firmament.

DoT also has been continually playing masterstrokes in policy-making, whether through the first telecom policy, the national telecom policy (NTP) 1994, which ushered in telecom privatisation, the epoch-making NTP 1999, which completely changed the face Indian telecom, or NTP 2012, which first cut the umbilical cord of licence from the allocated access spectrum and brought in the open and transparent method of allocating access spectrum through auctions.

The latest/current policy, National Digital Communications Policy 2018, was crafted in a truly remarkable manner. As many as 12 specialist committees of DoT worked on different areas of the policy for several months to provide their inputs; TRAI had detailed consultations and provided its recommendations. This is the first time in Indian telecom history that the telecom policy was formulated based solidly on TRAI recommendations. Top DoT officials also held open and transparent interactions with all the chambers of commerce, the industry associations and think tanks. A draft policy was developed on the basis of these wide-ranging discussions and put on the net for comments. Finally, the draft policy was reviewed and fine-tuned to produce a brilliant final policy, the NDCP 2018, which has three major parts—Connect India, Propel India & Secure India. The policy seeks to lift India from the rather archaic telecom level to the futuristic digital plane, and is both pragmatic and revolutionary in its approach. Above all, it received enthusiastic and whole-hearted acclaim from all segments of the industry.

NDCP 2018 is made-to-order for resolution of the challenges seen today in the environment. However, this superb policy—almost entirely—is awaiting implementation since more than a year.

There is another low-hanging fruit today for our growth requirements. As mentioned earlier, we are lucky to have an excellent regulatory institution, active for more than 23 years, in an open, transparent and consultative manner. The summary below highlights how active they have been in the last decade:

TRAI recommendations during April 1, **2010 to March 15, 2020:** With the total number of recommendations made by TRAI being 60, total number of recommendations pertaining to digital communications being 48; total number of recommendations partially/fully acted upon being 17, and the total number of recommendations yet to be acted upon being 31, over 75% of the regulator's recommenda-

tions await acceptance/action at DoT. KeyTRAI recommendations that could be very useful today if implemented include, interalia:

- auction of spectrum in several bands
- (including 5G bands). ■ reduction in licence fee, USO levy and

ILLUSTRATION: ROHNIT PHORE

### TV RAMACHANDRAN & RAJAT MUKHARJI

Ramachandran is Fellow, IET(London) and President, Broadband India Forum & Mukharji is DG, Broadband India Forum. Views are personal

### TELECOM TALK

## Implement NDCP 2018, Trai counsel urgently

These were arrived at after exhaustive consultations with multiple stakeholders, and have the potential to resolve a host of issues that telecom in the country is suffering from and let the sector thrive again

- spectrum usage charges
- reduction in the rate of GST imposed for telecom sector (from 18% to 5%).
- proliferation of broadband through publicWi-Finetworks;
- ■enhancement of Scope of Infrastructure Providers Category-I (IP-I) Registration;
- reforming the guidelines for transfer/merger of telecom licences; ■ review of terms and conditions for registration of other service providers (OSPs);
- price; ■ privacy, security and ownership of the data in the telecom sector;

■ relaxation in payout on spectrum auction

- making ICT accessible for persons with disabilities;
- next-generation Public Protection and Disaster Relief (PPDR) communication
- spectrum, roaming and QoS related requirements in machine-to-machine (M2M) communications;
- captive VSAT CUG policy issues;
- ■spectrum usage charges & presumptive-AGR for ISPs & commercial VSAT service providers;
- encouraging data usage in rural areas through provisioning of free data;
- ■redefining broadband speed/increasing
- broadband speed; ■ allocation and pricing of Microwave Access (MWA) and Microwave Backbone
- (MWB) RF Carriers; ■ definition of revenue base (AGR) for the
- reckoning of licence fee and spectrum usage charges;
- ■recommendations on ease of doing telecom business dated November 30, 2017. TRAI arrives at its recommendations after an elaborate and time-consuming process of open and transparent consultations. To not take suitable decisions on acting on these expeditiously is a big loss to consumers and the economy, apart from resulting in avoidable waste of regulatory expertise and resources.
- The many years of robust regulatory toil and recommendations could now be leveraged for getting good outcomes that would mitigate the impact of the current pan-

#### Key NDCP provisions awaiting implementation:

- Action on improving National Broadband Mission: Bharatnet (the direlyneeded fibre network for high quality broadband)
- Optimal spectrum pricing regime (For much-needed business viability)
- Rationalisation of taxes & levies
- Promotion of open public Wi-Fi through PDOA/PDOs (based on TRAI recommendation of January 2017; absolutely essential for achieving broadband for all)
- Opening up of E & V bands (a readymade interim solution for fibre-to-home for bandwidth)
- Sharing of passive and active infra (IP-1); a must for infrastructure augmentation) ■ Implementation of SATCOM directives as per NDCP guidelines (essential for ubiq-
- uitous broadband) ■ Fibre First Initiative. Setting up of National Authority (India is very Fibre-
- Starved) ■ Rationalisation of RoW Guidelines across
- Creating accessibility of ICT to person with disabilities (PwD); essential for digital

inclusivity)

It is reiterated that DoT had meticulously sculpted the policy through 12 specialist committees and consultations with all chambers of commerce, all industry associations and think tanks. Most importantly, the policy had been approved by the Cabinet on September 26, 2018, in a meeting chaired by the prime minister and also formally gazette-notified by October 31, 2018. Hence, there need be no diffidence or hesitation whatsoever for the earliest implementation of these decisions

approved through full process. Telecom/digital services are one of the most effective tools against Covid-19. The powerful arsenal is available to us courtesy DoT's NDCP 2018 and TRAI recommendations mentioned above. The time to act is now. Else, we could get trapped in digital "shallows and miseries".

> With inputs from Garima Kapoor and Debashish Bhattacharya

### MONOCLONAL ANTIBODIES

### An army against Covid 19

sarthak.ray @expressindia.com

Israel has just reported a potent monoclonal antibody (mAb) against SARS CoV-2. Firms in South Korea, the US are leading mAb trials

**SRAEL'S NEW MONOCLONAL** antibody against SARS-CoV-2, isolated by the country's premier public sector biological research organisation, the Israel Institute of Biological Research (IIBR), joins a line of monoclonal antibodies being proposed against the pathogen. Celltrion, a South Korean pharma company, had announced mid-April that it had identified 14 neutralising monoclonal antibodies (mAbs) in partnership with the Korea Centers for Disease Control and Prevention, from a pool of 300 antibodies that bind to SARS-CoV-2's surface proteins. The company is eyeing human trials in July, and has said that it is also on track for the development of an 'antibody cocktail'. It is important to mention here that South Korea has a high recovery rate, of 86% as on May 4; such a large pool of recovered people could facilitate a wide assessment of convalescent antibody-led lines of treatment, mAbs trials.

Monoclonal antibodies are generated from a single recovered parent-cell in laboratory conditions through the use of genetically modified mice, and are reformatted for use in humans after they show efficacy in beating a pathogen. These are particularly potent, since they target one epitope (site of engagement with the pathogen on its surface) and prevent its entry into a healthy cell. The fact that these engage with a unique epitope means that the pathogen targeted is overwhelmed with very little time

The Utrecht

researchers report

that the mAb may

also have

therapeutic use

against another

coronavirus (SARS-

CoV, the pathogen

behind SARS), if it

passes the clinical

trial stage

for it to develop a mutation against the mAb.

The Israeli authorities the IIBR reports directly to the prime minister—however haven't shared any scientific literature on the development or information on laboratory evaluation of their isolated mAb. While, as per news reports, the IIBR researchers are looking to apply for a patent and enter into a commercial partnership with an international pharma company, that will need regulatory approvals for human use after the results of clinical trials are

assessed. Human trials will be

an important milestone in the progress of an mAb line of therapy, since mAbs, though they mimic antibodies produced by the human body, could have significant side-effects.

Trials of gimsilumab, an mAb developed by Roivant Sciences, was rolled out on April 16 on Covid-19 patients with lung injury or showing signs of Acute Respiratory Distress Syndrome, with the Temple University Hospital in Philadelphia being the primary site of trial. The primary endpoint being considered for the trial is mortality by day 43, with the secondary endpoints being incidence and duration of mechanical ventilation use, number of ICU days and inpatient hospitalisation days. Considering the primary endpoint for the trial, the results should be available by the end of this month.

Researchers at the Utrecht University in the Netherlands have also reported the development of an mAb (named 47D11), in the journal *Nature Communications*. The mAb neutralised SARS-CoV-2 in in vitro conditions by binding to the Spike surface protein of the virus. The researchers believe the mAb may also have therapeutic use in another coronavirus (SARS-CoV, the pathogen behind SARS), if it passes the clinical trial stage. This would make the Utrecht mAb a bi-specific one, i.e., with efficacy against two pathogens.

Apart from these instances of mAb research targeting Covid-19, American biotech major Regeneron Pharmaceuticals and British-Swedish pharma major AstraZeneca are working on mAb solutions, too. The US's Darpa is also playing a seminal role in mAb research with many partner biotech firms.

ECENTLY, announced a fiscal relief package of ₹1.7 lakh crore to help the poor. This package—at 1% of GDP—is, at best, a teaser. FM said that the "measures are intended at reaching out to the poorest of the poor, with food and money in hands, so that they do not face difficulties in buying essential supplies and meeting essential needs".

It is high time to scale up the fiscal relief measures, with a special emphasis on "Basic Income". For this purpose, the threshold fiscal deficit to GDP ratio, as in the FRBM, may be revised. It is not only the levels, but also the financing pattern, of deficits that need a relook. Given the narrative of "whatever it takes" to address "life versus livelihood" crisis and the public health pandemic, we must emphasise the increased monetisation of deficits, along with the bond financing, rather than external financing of debt.

As Johannes L Vives said, a government should be responsible for securing a subsistence minimum living wage for all its citizens "not only on grounds of justice but also for a more effective exercise of morally required equity". The Economic Survey 2018-19 points that "almost 93%" of the total workforce is 'informal'. In a nation, which is under the Great Lockdown, where the daily worker is prevented from earning a fairwage, it stands to reason that we exercise the humane quality of being fair and impartial, particularly considering the size of the informal workforce. The announcements by the FM, thus, are partial, and there is a need

### Promise of equity

The proposed "Direct Benefit Transfer" will be targeting the underprivileged (BPL) for day-to-day sustenance all through the year

### **LEKHA CHAKRABORTY & VIDYA B RAMJI**

Authors are Senior Public Finance Consultant, Kran and Professor, NIPFP. Views are personal

to enhance "basic income" transfers.

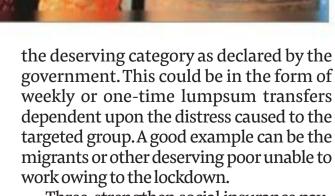
One of the biggest challenges in providing Universal Basic Income (UBI) to all is that it gets mired in politics—both good and bad. Many questions arise, if the income is considered "universal", who all benefit from it why should the rich be included? And, if only the poor are included, does it become an unalienable right? These are technically the Type 1 (inclusion error) and Type 2 (exclusion error) errors in public expenditure management. To avoid getting mired in a political discourse, we may term this as Basic Sustenance Income. Thus, the proposed Direct Benefit Transfer will be targeting the underprivileged (BPL) for day-to-day sustenance all through the year. The government can scale up the existing fiscal relief package and contribute to individual and household

income sustenance in six ways.

One, it can strengthen the minimum living sustenance income guarantee, announced in the initial fiscal Covid policy response. The announcement of ₹500 per head to the women in the care economy per se is insufficient. It is indeed significant to combine food security with basic income. National Food Security Act, 2013 makes the right to food a justiciable right. As on date, a significant part of this is fulfilled by the PDS system. However, many of the intended beneficiaries—such as inter-state migrants—are left out. More importantly, the focus of the PDS programme is more on fulfilling calorific requirements rather than nutritional requirements. Moreover, there are several challenges in running such a PDS system efficiently, as a "leak proof" distribu-

tion system. What we propose is weekly direct transfer of payments based on market rates for the food grains supplied via PDS throughout the year. Thus, the intended beneficiary decides what food grains (nutrition) to buy and how much to buy. This transfer benefits directly to migrants' accounts at their place of work. Moreover, since the intended beneficiaries are paying market rates, they have the right to demand better quality. DBT can leverage the JAM and IT technology, and transfer benefits in a timely, cashless, leak-proof, and targeted manner. We can deal with sustenance issues without distorting market prices.

Two, "Calamity Jane" Disaster Support Schemes need to be designed to support the needy during this period. The beneficiaries could be state/region-specific, or whatever



Three, strengthen social insurance payments for sickness, including provisions for PPE during Covid. The significant issues would be to firm up social security based on contributions. The monetary policy has limitations in triggering the economy through credit policy instruments.

Four, design appropriate conditional cash transfers, contingent upon citizens fulfilling certain government-targeted social goals such as vaccinations for children, or volunteering during emergencies. This list can be expanded or reduced as per the government's social goals and availability of funds. The conditional transfers should be given preferably to the female head of households using a "Citizen Card" which operates like a debit card. The Brazil's Bolsa Familia Programme is a significant example of this category DBT. The 15th Finance Commission can design and integrate such intergovernmental fiscal transfers in their final report, to be submitted on October 2020.

Five, strengthen "Payment for Work' programmes, like MGNREGA. When the environment is more conducive, the government can roll out work programmes. In the post-Covid era, the government acting as "employer of last resort" is very relevant The drastic reduction in budgetary allocation for this scheme is alarming, and the deviation between what is estimated and the actual needs course correction.

Six, design "Nudge Payments", which make it more likely for an individual/family to make benevolent choices or behave in a particular way. An example is rewarding people to follow health guidelines. So, staying indoors gets a small reward. Monitoring is easy with the deployment of Aarogya Setu app or other metrics. In future, this can be extended to other health guidelines.

It is vital to strengthen the existing fiscal package, by tweaking existing "meanstested policies" with a more effective exercise of morally required equity. It would be a promise of equity, not equality, a new starting line set above the poverty line. More importantly, it will not be an *ad hoc* one.









## International THURSDAY, MAY 7, 2020



### INDIVIDUAL RESPONSIBILITY

Angela Merkel, German chancellor

We can say today that we have the very first phase of the pandemic behind us. We must be careful that things don't derail. Every measure of freedom needs to be used by every individual responsibly

### PHASE TWO

## Trump risks more deaths to get economy back on track

White House may disband virus task force by end May

**BLOOMBERG** May 6

**US PRESIDENT DONALD** Trump fixed his course on reopening the nation for business, acknowledging that the move would cause more illness and death from the pandemic but insisting it's a cost he's willing to pay to get the economy back on track.

Trump shifted his rhetoric on Tuesday, removing cautionary caveats about when and whether states should reopen and instead presenting the imminent easing of stay-at-home rules as a fait accompli.

As governors across the South and Midwest have begun returning people to work, Trump said he's pivoting to "phase" two" of the nation's response to the pandemic, a step that will include disbanding the White House coronavirus task force, a group of public health experts that has been advising the administration on how to confront the outbreak.

The president has for more than a month clamored for a return to normal. stuck between the devastating human cost of the pandemic and the calamity that has befallen the economy as social-distancing measures pushed more than 30 million people into unemployment in a matter of weeks.

Tuesday marked the first time he clearly and unreservedly laid out his own cost-benefit analysis of the situation.

"Will some people be affected? Yes. Will some people be affected badly? Yes," Trump said. "But we have to get our country open and we have to get it open soon."

On his visit to a Phoenix Honeywell International Inc. factory producing medical masks, Trump encouraged Americans to think of themselves as "warriors" as they consider leaving their homes, a tacit

Quick

View

BMW cuts outlook,

sees yearlong pain

BMW EXPECTS THE coronavirus

prompting the German automaker to

pandemic to hit demand and

earnings throughout this year,

cut its profitability forecast for

passenger cars following a drop in

first-quarter deliveries. The firm

forecast a margin on automotive

0% to 3% this year.

earnings before interest and taxes of

US to allow Huawei role

THE US DEPARTMENT of Commerce is

close to signing off on a new rule that

China's Huawei on setting standards

allows US companies to work with

for next generation 5G networks.

Engineers in some US technology

Wendy's jumps after

companies stopped engaging with

Huawei to develop standards after the

Commerce Department blacklisted the

reporting steady recovery

FAST-FOOD CHAIN Wendy's jumped

the most in a month after reporting

that the sales slump caused by the

pandemic is easing. US same-store

in 5G standardisation

#### **MAPPING THE VIRUS**

Global cases pass 3.6 million

Deaths top

258,000

Recovered 1,161,973

Lawsuits against China escalate blame game with US ■ Layoffs start turning permanent across America

■ Hackers attack Covid-19 research groups ■ Xi: Coronavirus prevention and control still faces

great uncertainty ■ Hong Kong's saliva test poses privacy dilemma for

■ China says Pompeo has no evidence virus escaped from Wuhan lab

■ China ambassador to US urges end to 'blame game'



China's coronavirus prevention and control still faces great uncertainty, president Xi Jinping was quoted as saying on Wednesday, as the cabinet plans more measures to alleviate firms' tax burdens and boost credit support

US President Donald Trump said on Wednesday the White House coronavirus task force would continue its work on the pandemic, focusing on vaccines and therapeutics, a day after he said if would wind down its operations

New York City's average unemployment rate may triple to 12% this year, higher than the

opens an \$8.7 billion budget gap, according to city Comptroller Scott Stringer China's leaders are considering the option of not setting a numerical target for economic

Great Recession, as plunging tax revenue

growth this year given the uncertainty caused by the global coronavirus pandemic, according to people familiar with the matter. Last year the target was a range of 6% to 6.5% Iran's total coronavirus cases surpassed

100,000 after the country's daily tally of infections rose for a fourth day, with 1,680 new cases overnight. The total number of fatalities reached 6,418 with 78 more deaths in the past 24 hours

Italy and Spain, the two European countries most severely hit by the coronavirus, are suffering even deeper slumps after record contractions in the first quarter. Lockdowns tha shut hotels and restaurants meant companies experienced unprecedented declines in output and new orders in April

acknowledgment of deep public reservations about reopening the country too soon. Speaking separately in an ABC News interview broadcast on Tuesday evening, Trump said closing down the nation was "the biggest decision I've ever had to make." US debt sales to hit record

US Treasury Secretary Steven Mnuchin

is increasing the amount of debt he plans to issue in quarterly refunding auctions to a record high of \$96 billion to provide government funding as the economy heads into a recession caused by the coronavirus.

The department announced plans Wednesday to auction the first re-booted 20-year bond on May 20, with an expected initial offering size of \$20 billion and unveiled plans to boost overall issuance with a focus on increases to longer-term debt. Mnuchin's unprecedented debt issuance comes as the Trump administration braces for what they see as a 40% contraction in economic growth in the second quarter.

### Jack Ma's online bank plans a \$282-bn lending spree

**BLOOMBERG** May 6

WITH CHINA'S ECONOMY in free fall and millions of small businesses running low on cash, the online lending platform backed by billionaire Jack Ma entered crisis mode.

It was mid-February, near the peak of China's coronavirus outbreak, and MYbank had to decide whether to reduce its exposure or keep doling out loans. After a two-day marathon of calls and emails from self-isolation, the firm's executives agreed with 25 partner banks on a potentially risky strategy: cut interest rates and turn on the credit taps like never before.

MYbank, launched by Alibaba cofounder Jack Ma in 2014, is now on track to issue a record 2 trillion yuan (\$282 billion) of new loans to small- and mediumsized companies this year, up nearly 18% from 2019. "In face of the virus outbreak, we have not lowered our business targets," Jin Xiaolong, the firm's president, said in an interview.

While the lending surge aligns with Chinese government efforts to revive the world's second-largest economy from its pandemic-induced slump, it comes with plenty of risk for MYbank and its biggest shareholder, Ma's Ant Financial.

This year's crisis marks the first major stress test of MYbank's loan algorithms, which crunch real-time payments and other data to evaluate borrowers that often lack collateral and credit histories. If the push to boost lending causes defaults to jump, it could mean less profit for MYbank and by extension Ant, which has plans for an eventual initial public offering.

"The model is yet to be tested in a full

### **CRISIS MODE**



- MYbank, launched by Alibaba co-founder Jack Ma in 2014, is now on track to issue a record \$282 billion of new loans
- The lender said its 3,000-variable risk management system kept defaults at a mere 1.3%
- This year's crisis marks the first major stress test of MYbank's loan algorithms

credit cycle," said Wang Haimei, an analyst at Shanghai-based research firm WDZJ, which specialises in online lending.

MYbank is a major part of Ant's socalled open banking strategy, which also includes a consumer lending platform and a technology group that sells cloud computing and other infrastructure to lenders. Ant is on track to generate 65% of its revenue from these services by 2021, up from about 35% in 2017, according to a person familiar with the matter.

Before the coronavirus brought swathes of China's economy to a halt in the first quarter, MYbank said its 3,000-variable risk management system kept defaults at a mere 1.3% of total loans.

### Disney takes \$1-bn hit, but worse's yet to come

THE NEW YORK TIMES May 6

**LASTYEAR AT** this time, Disney was celebrating the record-breaking arrival of "Avengers: Endgame" in theaters. On Tuesday, with movie theaters closed worldwide, along with theme parks, Disney said that its quarterly profit fell more than 90%.

And that was for a period that was only partly affected by the coronavirus.

"Our businesses have been hugely impacted," Bob Chapek, Disney's new chief executive, told analysts on a conference call, noting that theme park employees had been furloughed (an analyst-estimated 100,000 of them) and executives have taken steep pay cuts. "We're doing everything we can to mitigate the impact of the cash burn."

It was Disney's first earnings report since its longtime chief executive, Robert Iger, abruptly transferred power to Chapek, who took over as chief executive on February 25 and joined Disney's board on April 15. Iger, now executive chairman, opened the call with analysts, however. He said that he had been working "in partnership" with Chapek.

"A challenge of this magnitude," Iger said, requires "all hands on deck."

Iger and Chapek both emphasised their expectations for a full recovery over the

"What we create has never been more necessary or more important," Iger said. "People find comfort and inspiration in



What we create has never been more necessary or more important. People find comfort and inspiration in our messages of hope and optimism.

- BOB IGER, DISNEY CHAIRMAN

our messages of hope and optimism." Profit in the most recent quarter, the

second in Disney's fiscal year, totaled \$475 million, down 91% from \$5.43 billion in the same period a year earlier. Excluding one-time items, per-share profit fell 63%, to 60 cents from \$1.61. Revenue added up to \$18 billion, however, an increase of 21% that was largely attributable to Disney's integration of certain 21st Century Fox assets, including FX.

Disney said its board had voted to forgo payment of its summer dividend, preserving about \$1.6 billion in cash.

### IMF says world needs \$20 trn of government investment post pandemic

**BLOOMBERG** Washington, May 6

THE INTERNATIONAL MONETARY Fund sees the world needing public investment of more than \$20 trillion in the next two decades as nations spend on initiatives including improved healthcare systems, infrastructure and green technology.

Low interest rates present an opportunity for public investment to boost growth, modernising aging airports, ports and rails in advanced economies, the IMF said in the second chapter of its semiannual fiscal monitor published Wednesday. The resulting value of assets probably will exceed their liabilities and improve the public sector's net worth, the fund said.

In countries where fiscal space is limited, it may be more appropriate to refocus spending on investment in healthcare systems, infrastructure and people, the IMF said. In emerging and developing economies, high debt levels and rising interest costs mean spending needs to happen in a fiscally responsible way, the fund said.

It highlighted the need to improve management of projects, saying that globally one third of funds for public infrastructure are lost to inefficiencies.

### Samsung heir apologises for scandals, says he's last of family to lead empire

THE NEW YORK TIMES Seoul, May 6

THE DE FACTO head of Samsung, Lee Jaeyong, apologised on Wednesday for the corruption and union-busting scandals that have bedeviled his conglomerate, declaring that he will be the last of his family members to lead the South Korean corporate empire.

Speaking during a nationally televised news conference, Lee, 51, said Samsung would also respect its workers' right to organize independent labor unions, ending its decades-old "no-union" philosophy. That stance was often cited as one of the key reasons Samsung could grow so rapidly while other conglomerates, like Hyundai, were often crippled by militant labor activism at their work sites.

Lee — known as JY Lee in the West officially holds the title of vice chairman of Samsung, but his influence there goes much further. He has been running the



stemmed largely from the Lee family's attempts to ensure a father-to-son transfer of power

conglomerate founded by his late grandfather, Lee Byung-chull, since his father, Chairman Lee Kun-hee, became incapacitated with a heart attack in 2014. But he

has also stood trial on charges of bribing Park Geun-hye, the former president of South Korea who was impeached and ousted for corruption and abuse of power. "Samsung has not strictly complied

with laws and ethics," Lee said with a bow during the news conference held at a Samsung headquarters in Seoul. "Although it has been lauded for being first-rate in technology and products, Samsung has faced harsh criticism." This is my fault," he said."I apologise." Over the decades, Samsung and its top

leaders have often apologised for bribery, tax-evasion and other crimes. But corruption scandals have continued at Samsung, South Korea's largest and most profitable business group. Both analysts and critics have said that

those scandals stemmed largely from the Lee family's attempts to ensure a father-toson transfer of managerial power over Samsung at all costs, even if that meant breaking laws and buying political influence.

### 'US companies cut a record 20.2 m jobs in a month'

**BLOOMBERG** Washington, May 6

**EMPLOYMENT AT US** companies plummeted in April by the most in records back to 2002 as coronavirus mitigation efforts brought business activity to a near standstill.

Private payrolls slumped by 20.2 million from a month earlier, according to ADP Research Institute data released Wednesday. Employment in March was revised down to a 149,000 decrease from a previously reported 27,000 drop. The report reflects data through April 12 to align with Labor Department figures, and doesn't include the impacts of Covid-19 that occurred later in the month.

The report is a harbinger of the government's April jobs report on Friday and adds to evidence of the pandemic's widespread economic devastation. The Labor Department's figures are projected to show a record 21 million decline in total nonfarm payrolls.

### GM profit slumps 88%; Q2 likely to be worse **ASSOCIATED PRESS**

Detroit, May 6

**GENERAL MOTORS' FIRST**-quarter net

income fell 88%, but it still managed to make \$247 million despite the arrival of the global coronavirus pandemic.

US automakers suspended production in much of the world in late March. For GM, that clipped revenue for the quarter by 6%, to \$32.7 billion, but that's not as bad as industry analysts had been expecting.

Shares jumped 7.2% at the opening bell Wednesday. The company essentially has been without revenue since early March, meaning that the second quarter almost certainly will be worse. However, GM plans to reopen most of

its US and Canadian factories starting May 18, and Chief Financial Officer Dhivya Suryadevara said there are signs that demand for cars and trucks exists despite the pandemic.



On a conference call with reporters Wednesday, Suryadevara said demand has been stronger in some pockets of the US where truck sales are high and cases of the coronavirus are relatively low. North America is by far GM's most profitable market."There are bright spots within the industry," Suryadevara said. "Obviously trucks are our strong suit, and that's something we're going to capitalise on."

### **SELECTIONS FROM**

### The Economist

WHERE DID IT come from? After five market in Wuhan.

But conspiracy theorists mutter that

cious". In March one of its spokesmen claimed the virus might have come from America. The row risks corroding public confidence in the crucial work disease laboratories do around the world. It is also a reminder of why China's official culture of opacity and propaganda is such a profound weakness. The virus shows no sign of deliberate

human construction and there is no reason to doubt that it evolved entirely in the wild .But accidents do happen. Bugs studied during legitimate experiments in laboratories have escaped in the past. SARS, a virus that killed 774 people in 2002-03, slipped out of a lab in Beijing twice in 2004. Foot-andmouth disease, which required the culling of 6m animals in Britain in 2001, caused £8bn (\$11.5bn) of damage. A sample later escaped from a research institute in 2007, but was contained. America suffered 34 laboratory-acquired infections in 2000-09, resulting in four deaths. American labs have THE ORIGINS OF THE PANDEMIC

**LEADERS** 

### Where did the novel coronavirus come from?

China's opacity has allowed dangerous conspiracy theories to flourish

accidentally shipped live anthrax, bird flu poorly on biosecurity.

Ending the dispute over covid's origins is especially important because super-secure bio-labs are becoming more common.

There are now around 70 "biosafety levelfour"sites—designed to deal with fatal diseases lacking a cure or vaccine—in 30 countries. America has over a dozen. China has two, one at the Wuhan Institute of Virology, and plans to build up to five more by 2025. If handling pathogens is nerve-jangling stuff, tinkering with them is risky, too. One

branch of research in particular is specifically aimed at making diseases even more dangerous—better at hopping between humans, for instance, or more resistant to antibiotics. Scientists at the Wuhan lab were engaging in such experiments, known as gain-of-function, in collaboration with American and Italian scientists. It sounds creepy, but such work brings

potential rewards, as scientists might understand better how a new disease might behave, aiding the development of drugs that could save many lives. As a result, it is crucial that governments around the world weigh the trade-offs involved in research, monitor breaches and encourage full transparency.

Sadly, policy has been going in the opposite direction. Since 2017 America has had a dedicated panel to scrutinise its own laboratories, but its membership and workings remain regrettably opaque. On April 27th America cut funding for a group conductaviruses jump to humans, seemingly because of its collaboration with scientists in Wuhan. China, meanwhile, has ramped up its campaign of propaganda and intimidation. It threatened a consumer boycott of Australian exports after Australia's gov ernment proposed an independent global review into the origins of the crisis. And it bullied the European Union over an official report into Chinese disinformation about the virus, with officials saying its publication would "be very bad for co-operation" and make China "very angry". The world would be served by a clear account of how the virus made its way from

ing broader research into how bat coron-

bats to humans. Without one, conspiracy theories will flourish, jeopardising sensible scientific discovery. What is needed is rationality, co-operation and full transparency from all countries. Right now the world is getting the opposite. ©The Economist Newspaper Limited

#### sales improved each week since the beginning of April. The figure, a key gauge for restaurants, rose in the first two months of the year before falling 7.7% in March.

company last year.

months and over 225,000 deaths, the question is the subject of a vicious spat between America and China. By far the most likely explanation is that the virus jumped from bats to humans, perhaps via another animal such as a pangolin, at a wet

the bug could have escaped from one of the city's laboratories, at least two of which research into infectious diseases. Some American politicians, including President Donald Trump, want an investigation; China retorts that the claims are "mali-

financialexp

and Ebola to lower-security facilities in recent years. One health-security index suggests that three-quarters of countries score





#### **TECH EDGE**

K VijayRaghavan, principal scientific adviser, Govt of India

We are good at doing something when someone else has already done it. We need to flip it around so that India leads in every sector. This is a wakeup call for us.

### FIGHTING COVID-19 WITH TECH

## Zoho's apps aid study & work

SaaS major Zoho has introduced targeted programmes and tools to help businesses and communities severely impacted by the Covid-19 pandemic

SAJAN C KUMAR

**SOFTWARE-AS-A-SERVICE** (SaaS) major Zoho Corp is helping educational institutions and government organisations cope with disruption caused by the Covid-19 pandemic. Under an ambitious 'Swadeshi Sankalp: Made in India. Made for India'initiative, the Chennai-based company empowers workers with the software they need, built in India and run on Indian data centres. Company officials reckon that by using Zoho's secure Indian data centres, educational and government institutions will inherit the company's top-tier privacy and security practices across all products. And the icing on the cake is that most of the offerings are free for the next three months.

"The Swadeshi Sankalp initiative is one way in which we can be of service to our country, by providing relief to the education and government sectors that are in need of a secure solution," says Sridhar Vembu, CEO and co-founder of Zoho.

After Covid-19 was declared a pandemic, Zoho launched Zoho Remotely, a remote work toolkit and offered it for free to all businesses until July 1. Currently, around 15,000 businesses globally, 18% of which are in ment schools in India. For all

Tech boost

for frontline

IBM Watson Assistant to

process of capturing data

TECHNOLOGY CONTINUES TO play a sig-

nificant role in India's fight against Covid-

19. Indian Council of Medical Research

(ICMR) has collaborated with IBM to imple-

ment a Watson virtual agent (called Watson

Assistant) on its portal to respond to specific

queries of frontline staff and data entry

operators from various testing and diagnostic facilities across the country on coron-

avirus pandemic. The virtual agent has been

deployed on protected pages of the ICMR

website that can be accessed only by autho-

rised personnel who are involved with sam-

ple collection and testing in hospitals and

diagnostic labs. The queries could be related to nature and process of data to be captured

by test labs, how to record inventory of test

kits and reagents, process of reporting to

government agencies and references to the

latest guidance, in addition to responding to

said, "With the number of on-field testing

Balram Bhargava, director general,

Indian Council of Medical Research

teams expanding across the nation as part of India's Covid-19 measures, this collabo-

ration with IBM will help automate

responses from the field and facilitate access to accurate and updated data on Covid-19

diagnostics and reporting. This will help

augment our teams' response time and

allow them to concentrate on priorities like

developing and updating testing and treat-

ment protocols and guidance for Covid-19."

India/South Asia said, "As India rises to meet

the challenge of Covid-19, it is crucial to

enable government bodies such as ICMR to

utilise data and capabilities effectively for rapid detection and treatment. This collab-

oration is GoodTech in action and a testa-

ment to IBM's commitment of enabling

governments, businesses and citizens across

the globe to have access to our technology

and expertise in tackling the challenges of

and will be able to understand and respond

to queries in English and Hindi, from

approved testing facilities for Covid-19 at

scale, around the clock in a uniform and

The Watson virtual agent is AI-enabled

Sandip Patel, general manager, IBM

Balram Bhargava, director general, ICMR

queries on Covid-19 in general.

help ICMR manage the

relating to Covid-19

**FE BUREAU** 

workers

BIG DATA

India, are using Remotely. Zoho also launched its Small Business Emergency Subscription Assistance Programme, which has benefited around 10,000 businesses, 12% of which are in India. To ensure that people have access to the latest data about the coronavirus, Zoho has created Covid dashboards. Zoho Classes is a new mobile app that

enables schools and colleges to connect with their students online. It replaces the need for educators to deploy multiple, disintegrated apps including video conferencing tools that were originally meant for business users and are, in some cases, unsecure to use. With Zoho Classes, teachers can upload courses, broadcast live classes, share assignments under set deadlines, and collect responses on one interface. Zoho is offering Classes free to all govern-

The Swadeshi Sankalp initiative is one way in which we can be of service to our country, by providing relief to the education and government sectors that are in need of a secure solution. - SRIDHAR VEMBU,

otherschools, it's free for up to 100 students. Schools can pay ₹250 per student, per year for additional students.

CEO & CO-FOUNDER, ZOHO

For individualised learning environments including classroom breakouts or professional training, Zoho ShowTime facilitates virtual collaborative learning and interactive events. One-click access to ShowTimewithin Zoho Classes will be available in the coming weeks. The online meetings

and webinarapp, Zoho Meeting, is available for free for three months to government bodies. Meeting allows group video calls for up to 25 participants, while other This is currently supported for up to 100 participants. Under the Zoho Creator Covid-19 App Programme, Zoho builds app for free for non-profits and government bodies involved in patient monitoring, food distribution, etc., using Zoho Creator, a low-code application development platform.

Recently, the Jammu and Kashmir administration launched the Union Territory's first Covid response call centre in Srinagar. ClearWire Technologies, which runs the call centre, uses Zoho Desk, a customer support software. Zoho is now extending free licences of Zoho Desk to all state governments for enabling them to help citizens.

Vembu also has a clear picture on how the pandemic will impact the business of the company. "We are talking about 30% of GDP loss in countries like US. Almost 45% of our revenue comes from the US. That will have an impact on us. However, some of the larger organisations are switching over to Zoho from other players," he says.

The recovery is going to be prolonged and this is not only due to the pandemic itself. "Assuming the world comes back to operations tomorrow, we are still going to have lasting impact of the economic crisis and that is going to lead to consolidation in SaaS, which was already over due," he says, adding, "We have too many players and there were issues already there. Those issues will get exposed."

According to him, companies with strong balance sheet, ability to endure cost structure and who are not out of control in their spends are the ones who will survive this. "That has been our long term projection and that is why we remain subdued during those times. We continue to innovate, and are reorienting our products and over the course of next six months to a year you will attendees can join via audio. see more innovations from us,"Vembu says.

STAYING SAFE AT WORK

### Balancing remote working needs with security



WHILE MILLIONS OF people around the world are now working remotely due to the lockdown, are they sure they are doing so safely and securely? It's an essential business question to ask at the best times. But it is even more so nowadays. These days, our inboxes, mobile alerts and news updates are all about Covid-19, all the time. It's over whelming and attackers know it. Therefore we are seeing an increase in the success of phishing and social engineering attacks.

Microsoft's intelligence shows that these attacks are settling into a rhythm that is the normal ebb and flow of the threat environment, where every country in the world has seen at least one Covid-19 themed attack Attackers are pivoting their existing infrastructure for the distribution of ransomware, phishing emails, and other malware, leveraging COVID-19 keywords that get us to click on links or open emails. Once we click, they can infiltrate our inboxes, steal our credentials, share malicious links with our coworkers, and lie in wait to steal the information that will give them the biggest payout.

Here's what you need to look for to strike a balance between enabling remote working while ensuring cybersecurity:

#### Safety and privacy are integral to online collaboration

As we enable work and school remotely, the ability to manage who participates in meetings, who can present and who has access to meeting information has never been more critical. Look for a solution that empowers the organisers to use controls to decide who from outside your organisation can join your meetings directly, and who has to wait in the "lobby" to be let in. For further control, the meeting organiser should be able to designate "presenters" and "attendees". Equally important is the ability to moderate and control who is and isn't allowed to post and share content as well as to monitor chats. When recording a meeting, participants should be notified before



recording has started and the recordings should be stored in an encrypted repository, available only to those on the call or directly

### Access is everything

invited to the meeting.

In the case of collaboration tools, having multi-factor authentication feature (MFA) turned on by the IT administrator provides an additional layer of security. Given that cybercriminals are looking for ways to exploit vulnerabilities and leverage the weakest links, protecting usernames and passwords and requiring users to provide a second form of verification to prove their identity can help organisations to strengthen their security perimeter.

### Safeguarding personal data

Ensure that collaboration tools offered to employees are designed for enterprisegrade deployment. They should incorporate industry standard technologies such as Transport Layer Security (TLS) and Secure Real-Time Transport Protocol (SRTP) to encrypt all data between devices and the cloud. They should also have safety measures for data loss prevention and sensitivity labels to restrict and regulate who can access sensitive information.

### Privacy by design

Ground rules for deciding on selecting the right collaboration tool: ■ It should not track user data to serve

■ It should delete all data after the ter mination or expiration of subscription.

■ It should give the ownership of customer data to the customer.

### The future normal, now

It's very clear that enabling remote work is more important than ever, and that it will continue to have lasting value beyond the Covid-19 outbreak. As organisations embrace this evolution, keeping a very close eye on the security and privacy of data will enable them to work effectively and with peace of mind.

> The writer is assistant general counsel, regional lead, Microsoft Digital Crimes Unit Asia

### **HP SMART TANK 530 PRINTER**

### Remote workers will love this HP machine

**HP Smart Tank 530** delivers hassle-free, reliable printing at an affordable price

**SUDHIR CHOWDHARY** 

THE CORONAVIRUS LOCKDOWN has forced most of us to stay at home in order to contain the spread of the virus. Many among us have built worl set-ups in the quiet corners of our homes to earn our daily bread. A decent performing notebook computer, always-on television to know what's happening in the outside world, internet connectivity and lots of cables strewn around—that's the typical work arena for many among us, right?

It would be blasphemy on my part not to mention the much-desired (and needed) printer for many people who are more comfortable reading vital documents on a plain piece of paper. Herein, I must mention the HPSmart Tank 530 allin-one printer. An all-in-one, it can print, copy, scan, wireless and ADF (more on it later). Based on its month-long stay at my end, I strongly recommend it as a musthave equipment for every home.

Priced at ₹18,900, the HP Smart Tank all-in-one printer with ADF is designed to provide good ink tank experience and print quality for home users. Let me first explain what ADF is. In multifunction or all-in-one printers, fax machines, photocopiers and scanners, an automatic document feeder or ADF is a feature which takes several pages and feeds the paper one page



**HP Smart Tank** 

is powered by a

sensor based

Ink Tank

technology that

alerts the user

before the ink

runs out

at a time into a scanner or copier, allowing the user to scan, and thereby copy, print, or fax, multiple-page documents without having to manually replace each page.

HP Smart Tank is designed for users with busy home and home office needs, powered by a sensor based Ink Tank technology that alerts the user before the ink runs out. Thankfully during the lockdown period, the printer did not disappoint despite being put to hectic use. The printer has the ink tank integrated into the unit that makes it stylish, compact and easy to fit into the modern household.

Set up is simple. Make sure your mobile device (phone or tablet) has been connected to your wireless network and you know your Wi-Fi password. From the

Home screen on the printer, touch the Wireless icon, touch the Settings icon, and then touch "Restore Network Settings". The printer resets the network settings,

and the Wireless light begins blinking. If you have never installed the HP Smart app before, open a web browser, visit 123.hp.com to install the app, and then follow the instructions on your mobile device. If the HP Smart app is already installed, open the app. If the printer isn't found, select"Adda new printer" and then follow the on-screen instructions. After the printer

connects successfully, the Wireless light stops blinking and stays on. In terms of its working, the HP Smart

Tank printer let users print up to 6,000 pages (black)/8000 pages (colour) right out

of the box. Company officials claim it's high volume printing at just 10 paise per page. Like I explained earlier, there is enhanced mobile experience and connectivity through dual-band Wi-Fi, HP Smart mobile print app and Bluetooth LE. The printer has Wi-Fi Direct capability that lets the smartphone connect to the printer

without the need for internet network.

**SPECIFICATIONS** 

Functions: Print, copy, scan,

■ Display: **5.58 cm (2.2-inch)** 

wireless and automatic

document feeder

Wi-Fi, Bluetooth LE

Upto 16 ppm

Dimensions: 449 x 373 x 198mm

Touchscreen MGD (Mono graphics)

■ Connectivity: Hi-Speed USB 2.0,

Print speed: Black (draft, A4):

Upto 22 ppm; Colour (draft, A4):

■ Recommended monthly page

Estimated street price: ₹18,900

volume: 400 to 800 pages

Let me highlight some of the things I liked about the HP Smart Tank printer. First, its compact design is built with space saving functionality in mind. Second, setup is simple and with considerable ease, the printer can print, copy and scan easily from mobile phones, tablets and laptops which are connected over the same Wi-Fi network. Third, it promises decent volume printing at affordable cost. Therefore, I strongly recommend this HP creation is an ideal machine for homes and small businesses enterprises.

### CYBER FRAUDS

### Tips to avoid Covid-19 related online scams

New Google website helps users avoid Covid-19 online security risks

**FE BUREAU** 

**AS PEOPLE AROUND** the world are staying at home due to Covid-19, many are turning to new apps and communications tools to work, learn, access information, and stay connected with loved ones. While these digital platforms are helpful in our daily lives, they can also introduce new online security risks.

Towards this, Internet behemoth Google has rolled out a new website focussed on Covid-19 related security risks.The site will inform about online risks

and scams and help users stay safe online. The website is available in Hindi, English, Marathi, Tamil, Telugu and Bangla.

The Google Threat Analysis Group continuously monitors for sophisticated hacking activity, and their security systems have detected a range of new scams such as phishing emails posing as messages from charities and NGOs battling Covid-19, directions from "administrators" to employees working from home, and even notices spoofing healthcare providers.

With many of the Covid-19 related scams coming in the form of phishing emails, it's important to pause and evaluate any Covid-19 related email before clicking any links or taking other action. Users should be wary of requests for personal information such as home addresses or bank details. Fake links often imitate established websites by adding extra words or letters to them check the URL's validity by hovering over it (on desktop) or with a long press (on mobile), taking care not to click any suspicious links.

Besides, Google systems have also spotted malware-laden sites that pose as signin pages for popular social media accounts, health organisations, and even official coronavirus maps. During the past couple of weeks, Google's advanced machine-

learning classifiers have globally seen 18 million daily malware and phishing attempts related to Covid-19, in addition to more than 240 million Covid-related spam messages. Google has built advanced security protections into Google products to automatically identify and stop threats before they ever reach users. Google machine learning models in Gmail already detect and block more than 99.9% of spam, phishing, and malware.

#### timely manner, as per the latest guidelines. financiales, epan, in

Covid-19 pandemic."

## 1arkets THURSDAY, MAY 7, 2020



#### FREE FINANCIAL ADVICE

Jaideep Arora, CEO, Sharekhan by BNP Paribas

Financial health in these times is an essential as well and we would like to help people in whatever way we can with their investments... It would benefit people at large if we made our research and services available (through this initiative).

#### POOR ASSET QUALITY **Money Matters**

# Icra downgrades long-term ratings of Edelweiss firms

The rating action also took challenges, as witnessed in reduced fundraising by widening credit spreads

**FE BUREAU** Mumbai, May 6

**ICRAHAS DOWNGRADED** the long-term ratings on various facilities of Edelweiss Housing Finance and Edelweiss Finance and Investments after taking a consolidated view of the Edelweiss Group.

Given the close linkages between the group entities, common promoters and senior management team, shared brand name, and strong financial and operational synergies, the rating agency downgraded the long-term ratings on several facilities of the group's with a negative outlook.

The rating downgrade action took into account the increased stress in the wholesale portfolio, which could lead to a deterioration in the asset quality, and the con-

sequent impact on the financial performance. The group's gross non-performing assets (GNPAs) increased to 2.76% of total advances as of December 31, 2019, from 1.87% as of March 31, 2019. "Edelweiss Group has actively looked at divestment of stressed/potentially stressed assets to asset reconstruction companies (ARCs) to leverage the resolution capabil-

as the seasoning of the book increases.

said in its note. The rating actions also took into

pressure in the current fiscal as well," Icra

account funding challenges, as witnessed by the reduced fundraising by the group, and the widening credit spreads.

Even as the rating action factored in asset quality deterioration, Icra also said the group had a demonstrated track record and established position in the financial services industry as well as its diversified business profile. While the credit businesses had emerged as a key business segment, the group continued to have a healthy stream of fee & advisory income, it said. However, these positives were partially offset by the credit and concentration risks in the group's wholesale lending segments and the risks associated with the distressed assets business, given the focus on large-ticket exposures. Moreover, retail lending has also seen an increase in NPAs in the past few quarters

Icra noted that the group was actively pursuing alternatives to resolve potential stress and managing portfolio. "Going forward, the progress on such endeavours and the impact on the group's asset quality would be important," the rating agency said.

### New benchmark bonds likely to see coupon below 6%: Experts Bonds proposed to be issued during

**BHAVIK NAIR** Mumbai, May 6

THE NEW 10-YEAR benchmark bonds to be introduced during Friday's auction are likely to see their coupon set below 6%, given that the current benchmark bonds have rallied in recent times and the market anticipates the coupon on the new paper to be lower.

PNB Gilts senior executive vice-president Vijay Sharma expects the new benchmark bonds to yield 18-20 basis points (bps) lower than the yield on the current benchmark bonds when it commences this Friday. "On Wednesday, we saw the present benchmark bonds rally due to the sharp hike in excise duty on petrol and diesel that will add more than ₹1 lakh crore to the government's kitty this fiscal. Based on Wednesday's assessment, the yield on the new benchmark should be close to 5.85% unless there is a big move either ways in the current benchmark yield,"he said.

A Barclays report estimates the central government's revenue benefit from the additional hikes in fuel taxes could be as much as ₹1.4 lakh crore on an annual basis. The potential of additional revenue was cheered by the bond market with the yield on the 10-year bonds closing 5 bps down at 6.028% to hit the lowest level since March 2009.

Issued'trading takes place between the time

Friday's govt auction saw bids as low as 5.83% in the 'When Issued' market on Wednesday

a government security is announced for issuance and the time it is actually issued. All 'When Issued' transactions are on an 'if' basis, to be settled if and when the actual security is issued. On Wednesday, the bonds maturing in 2030 that are proposed to be issued during Friday's government auction saw bids as low as 5.83% in the 'When Issued'market. No trades involving the new benchmark paperwere reported in this market on Wednesday since the offer yield stood at 5.75%. However, the bid shows there is buying interest at such a low level.

STCI Primary Dealer's head of treasury Siddharth Shah is also of the view that the coupon on the new 10-year G-secwill most likely get set below 6%, given that historically the new benchmark begins trading 15-20 bps lower than the yield on the current benchmark paper. "Even if you see the 'When Issued' market, we saw a bid as low as 5.83%. Also, whenever the new benchmark bonds hit the market, there is renewed interest and trading activity. With the government selling ₹10,000 crore worth of the new benchmark paper, we expect the new bonds to see significant trading volumes once 3-4 auctions involv-

### Debt funds' AUM hit after shutdown of 6 schemes

**FE BUREAU** Mumbai, May 6

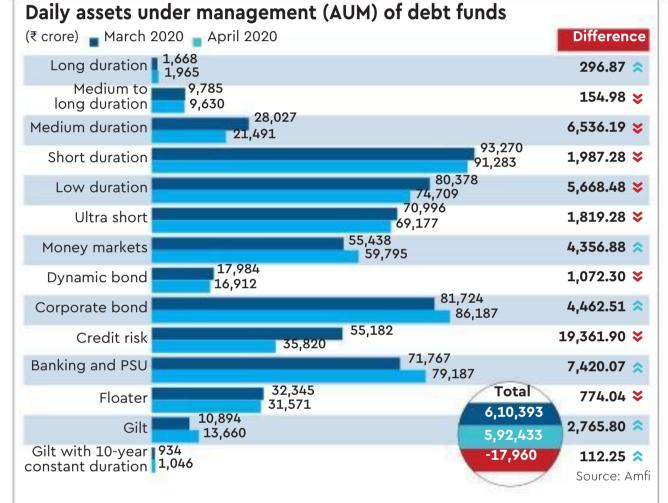
FLOWS INTO DEBT funds have been hit after Franklin Templeton Mutual Fund decided to shut down six of its schemes. Data from Association of Mutual Funds in India (Amfi) show that daily assets under management (AUM) of debt funds in March end were ₹6.10 lakh crore, which came down to ₹5.92 lakh crore on April 30 — a fall of around ₹18,000 crore.

According to fund managers, investors have exited low-duration funds. The daily AUM of such funds stood at ₹74,709.11 crore in April, compared with ₹80,377.59 crore in March — declining ₹5,668.48 crore. "Investors have exited the low-duration

funds where schemes were holding lowerrated papers," head-fixed income at Tata Asset Management Murthy Nagarajan said. Low-duration funds invest in debt and

money market instruments such that the Macaulay duration of the portfolio is between 6 and 12 months.

On the other hand, debt categories such



as banking and PSU funds and gilt funds saw daily AUM increase in April. "Both these categories of funds have delivered positive returns in the last one year and there is no credit concern. This could be one of the reasons why they have seen surge in assets," CIO-fixed income at Mirae Asset Investment Managers (India) Mahendra Kumar Jajoo said.

Data from Value Research show banking and PSU funds and gilt funds delivered returns of 10.70% and 15.01% respectively, in the last one year.

The fall in assets of debt funds is largely due to the credit risk funds where assets are down by around ₹19,361.90 crore in April, compared with March. Market participants say in the past few months, credit profile of Indian corporates started deteriorating due to the lockdown. Winding up of six debt schemes by Franklin Templeton aggravated the matter. "Towards the month end when we saw a fund house closing its six schemes, redemptions escalated across other debt categories," Nagarajan said.

### **ED** chargesheet against Rana Kapoor

ing this paper are conducted," Shah said.

PRESS TRUST OF INDIA Mumbai, May 6

THE ENFORCEMENT DIRECTORATE (ED) on Wednesday filed a chargesheet against Yes Bank co-founder Rana Kapoor, arrested on money laundering charges, in a special court here.

Kapoor, former MD and CEO of Yes Bank, was arrested by the ED on March 8 under the Prevention of Money Laundering Act (PMLA). He is accused of sanctioning loans to certain companies against kickbacks.

Among other things, the central probe agency is investigating ₹600 crore received by a company allegedly controlled by Kapoor, his wife and three daughters from an entity linked to the scam-hit Dewan Housing Finance (DHFL).

Kapoor and his family members allegedly got benefits worth ₹4,300 crore through the companies controlled by them as kickbacks for sanctioning huge loans, the ED has alleged. He is also accused of receiving bribes for going easy on recovery of loans given to some big corporate groups which had turned into non-per-

### forming assets (NPAs). Covid-19 provision takes a toll, JM Financial reports

PRESS TRUST OF INDIA Mumbai, May 6

almost flat net

JM FINANCIAL ON Wednesday reported a marginal 1.5% rise in consolidated net income to ₹130.6 crore for the three months period to March on a 6.12% growth in revenue.

The numbers would have been higher had it not been for a one-time provision of ₹175 crore to deal with the uncertainties arising from the Covid-19 pandemic, the company said in a statement.

The company reported a total revenue of ₹840.58 crore in the reporting quarter, registering a growth of 6.12 per cent over the same period previous fiscal, it said.

For the full year, consolidated net profit declined 4.75% to ₹545 crore, while rev-

enue slipped a marginal 1.3% to ₹3,453.55 crore. The numbers have been hit as the asset quality suffered during the year, with gross

March 2019 and net non-performing

assets also more than doubled to 1.13%

from 0.55%.

expects in October. The firm, however, believes that by the time there would be a second wave, the countries would be better equipped to

ICIS UK also said India witnessed a 45% decrease in refinery throughput since April, followed by Europe which saw a 41% decrease as well as the US and Canada which saw a 25% decrease in its refinery throughput.

### Sensex snaps two-day losing streak as bank, auto stocks shine

Wednesday after two sessions of losses as investors made a cautious return to some recently-battered banking, finance and auto counters. Dismal macroeconomic data and ris-

ing concerns over the country's economic outlook amid rising Covid-19 cases capped the gains, traders said.

31,685.75. On similar lines, the NSE Nifty rose 65.30 points, or 0.71%, to finish at 9,270.90.

M&M was the top gainer in the Sensex pack, spurting 5.27%, followed by Bajaj Finance, HDFC Bank, Bharti Airtel, ICICI Bank, Hero MotoCorp and HDFC. On the other hand, ITC cracked 5.81%. HUL, TCS, Titan and Infosys too ended in the red.

macroeconomic data kept investors wary.

since records began in December 2005.

"Markets were volatile as 9,100 levels held out as a key support for the Nifty in a day of mixed gains for its constituents. Financials led the gains, in anticipation of

Sensex Intra-day, May 6 32,300 31,685.75 32,000 31,700 31,400 31,100 Previous close: 31,453.51 30,800

IT stocks and OMCs disappointed.

"The volatility in the indices is expected to continue as investors look out for trading cues in the form of stimulus measures by the government and global market trends," said Vinod Nair, head of research at Geojit Financial Services.

BSE finance, telecom, bankex, auto, basic materials and realty indices climbed up to 2.46%, while FMCG, consumer durables, IT and energy closed lower. Broader BSE midcap and smallcap

indices rose up to 0.78%. Global equities were mixed as investors tracked the rising coronavirus cases and

escalating US-China tensions. Bourses in Shanghai, Hong Kong and

Seoul settled with significant gains, while Tokyo was closed for a holiday. European markets were trading on a

cautious note in early deals. International oil benchmark Brent crude futures rose 1.65% to \$31.48

per barrel.

**URVASHI VALECHA** Mumbai, May 6

per litre on petrol and ₹13 per litre on diesel. The shares of OMCs fell sharply even as the benchmark Nifty 50 was up by 0.7%.

Hindustan Petroleum's (HPCL) stock declined by 5.9% to close at ₹201.85 after hitting lower circuit in the early hours of trade. Indian Oil and Bharat Petroleum shares declined by 2.4% and

1.3%, respectively, on the NSE. With the intention of gar-

nering an additional revenue of ₹1.6 lakh crore, the central government increased the excise duty on automobile fuels such as petrol and diesel. However, the increase in prices would not be passed on to the customer and will be borne by the companies themselves.

HDFC Securities' institutional research analyst Harshad Katkar said: "On Tuesday, the government

increased excise duty but that has not been passed on to the consumers. This means that the oil marketing companies' marketing margins will decline and the markets are reacting to that." This, according to experts, would hurt

the net margins that had improved after crude prices started declining in February. Brent crude was trading at \$31.6 per barrel on Wednesday.

According to a report by ICICI Securi-

ties, after the excise hike, the net margin of these companies would decline to ₹2.3 to ₹4.4 per litre on May 6 from ₹14.5 to

of the view that the margins in spite of the decline continue to remain healthy. Senior research analyst at Sharekhan by BNP Paribas Abhijeet Bora said, "The government has increased excise duty which will be borne by the OMCs to that extent but still the marketing margins are expected to remain healthy at ₹5-10 a litre (higher than normative marketing margins)." The stocks of OMCs so far

Hindustan this year have seen a price cor-Petroleum, rection of 23.7-39%. The **Indian Oil** shares of BPCL earlier in the year were performing well on and Bharat anticipation of divestment in Petroleum the company by the government. However, the stocks 2.4% and 1.3%, started correcting since the respectively start of equities' rout in February as demand took a hit owing to the lockdown since

> March. Experts are factoring a painful June quarter of FY21 for OMCs owing to the steep decline in demand and throughput for the companies.

In its report, ICICI Securities said: "We 'hold'from 'buy'."

### FY21E EPS by 10-27% (still up 190-468% year-on-year on a low base) and target price by 16-34%. We downgrade OMCs to

#### are now assuming decline in OMCs'FY21E sales volume by 15% y-o-y, crude throughput by 10-15% and have cut their GRM estimate to \$4.0-4.5 per barrel from \$4.5-5.5 per barrel This has meant cut in their bad loans more than doubling to 1.65% of the total book, compared with 0.68% in

## NSE readying its systems to handle crises like crude price crash

**FE BUREAU** Mumbai, May 6

THE NATIONAL STOCK Exchange (NSE) on Wednesday said it was working to equip its systems to handle crises such as

that caused by the crash in crude prices. The bourse added that even though the chances of Brent crude trading in the negative are few, the exchange is preparing its systems to handle

crisis situations. Indian crude prices are linked to Brent crude. The crude oil market has been facing severe volatility ever since the prices started crashing towards the end of February. This was because of the slump in demand over the Covid-19 lockdown and the price war between Russia and Saudi Arabia.

NSE chief business development officer Ravi Varanasi said: "Even though it is



theoretically possible for Brent crude to trade in the negative territory, it may never happen but we are preparing our systems to handle crises."

The UK-based Independent Commodity Intelligence Services (ICIS) also said going ahead for the calendar year, the dynamics in the oil market would depend on how the global recession played out and its impact on oil demand as well as the second wave of Covid-19 which China

handle their inventory.

#### **G-SEC** 0.046% The benchmark yield fell due to buying support 6.208 6.028 into account funding Apr 21 the group, and the ₹/\$ The rupee depreciated

0.17% on global cues

76.83 **£/**\$

The euro fell against

the dollar

1.0858

Quick

View

**IOB** to revise marginal

revise its marginal cost of funds based

lending rate (MCLR), the bank said on

Wednesday. The rate of interest would

be revised to 8.05% from the existing

8.10% for tenure of three months

8.15%, the PSB said in a BSE filing.

New external benchmark

based rate at Bank of Maha

BANK OF Maharashtra on Wednesday

said it has introduced a new external benchmark based lending rate linked

to six-month treasury bill for better-

MSME customers, the bank already

has repolinked lending rate (RLLR).

to Kanchan shareholders

price to shareholders who were

Sebi eases

compliance

rights issues

PRESS TRUST OF INDIA

New Delhi, May 6

SEBI HAS directed eight entities to

Kanchan International. The market

regulator also directed the entities to

pay 10% interest along with the offer

holding shares at the time when the

requirement for

MARKETS REGULATOR SEBI on Wednes-

day gave certain relaxations to companies

from compliance with procedural norms

pertaining to rights issues opening up to

offer, application form and other issues

material to shareholders can be undertaken

by electronic transmission as already pro-

vided under the ICDR (Issue of Capital and

related conditions will not be treated as noncompliance, the Securities and Exchange

However, the issuers would have to pub-

lish the letter of offer, abridged letter of offer

and application forms on the websites of the

company, registrar, stock exchanges and the

lead manager(s) need to undertake all ade-

quate steps to reach out its shareholders

through other means such as ordinary

post, SMS, audio-visual advertisement on

television or internet, among others.

financiales.

Further, the issuer company along with

Board of India (Sebi) said in a circular.

lead manager(s) to the rights issue.

Failure to adhere to modes of dispatch through registered post or speed post or courier services due to prevailing Covid-19

Disclosure Requirements) norms.

The regulator said the abridged letter of

July 31 amid the coronavirus lockdown.

company violated the Sebi norms.

make an open offer to shareholders of

Sebi asks 8 to make open offer

rated corporate and public sector enterprise customers. For retail and

and 8.10% for six months from

cost of funds based

INDIAN OVERSEAS Bank would

lending rates

0.32%

1.0805

One indication that the new benchmark bonds may commence with a coupon below 6% comes from the bids seen in the 'When Issued' market. According to RBI, 'When

ities of ARCs; adjusting for this the GNPA

level would be higher. The resultant

higher credit costs, in turn, impacted the

group's profitability in M9FY20 (return

on assets RoA declined to 0.2% in

Q3FY20 and 0.5% in M9FY20 from 1.6%

in FY19) and are likely to continue to exert

PRESS TRUST OF INDIA Mumbai, May 6

MARKETS FOUND FIRMER ground on

After swinging over 800 points during the day, the 30-share BSE Sensex closed 232.24 points or 0.74% higher at

According to traders, economic uncertainty due to the Covid-19 pandemic, muted corporate earnings and weak

India's service sector activity plummeted to a historic low in April amid the coronavirus lockdown. The IHS Markit India Services Business Activity Index stood at just 5.4 in April, from 49.3 in March—the most severe contraction in services output

stimulus measures while FMCG, bluechip

#### duty hike on petrol, diesel **SHARES OF OIL** marketing companies ₹16.5 per litre on May 5. (OMCs) crashed on the bourses on Wed-However, some market participants are nesday, reacting to the decision of the central government to hike excise duty by ₹10

OMC stocks plummet after

THE ₹75,000-CRORE PAPER

Paper biz staring at negative

growth in first quarter

## FCI buys half of wheat procurement target

Wheat procurement

Target (lakh tonne) \_ % procured

**FE BUREAU** New Delhi, May 6

THE FOOD CORPORATION of India (FCI) has been able to buy half of its wheat procurement target of 40.7 million tonne by Wednesday despite a delayed start this year as Punjab has exceeded expectation by purchasing nearly 75% of its target in only 22 days. States like Uttar Pradesh, meanwhile, will have to make concerted efforts to reach near the targeted procurement.

While the government has fixed the wheat MSP at ₹1,925/quintal, traders were buying the grain at about ₹1,700-1,800/quintal in Gujarat and Rajasthan before the start of the official procurement.The open market arrivals were also very low, about 8,000-9,000 tonne per day, against about 40,000 tonne in the yearago period in Rajasthan, where the crop arrives earlier than

**Edible oil** 

down 34%

imports

in April

**FE BUREAU** 

Pune, May 6

THE EDIBLE OILS import de-

clined by 34% to 7,90,377 tonne

during April, mainly due to logis-

tics related issues during the

lockdown, industry body Solvent

Extractors Association of India

Import of palm oils showed a

drastic decline in April, while

shipment of soft oils like soybean and sunflower oils rose, it

said in a statement. The imports in April 2020 was reported at

790,377 tonne as compared to

941,219 tonne in March 2020

and 1,198,763 tonne in April

2019, down by 34% on y-o-y ba-

sis. The drop in April is mainly

due to logistics issues at destina-

tions as well as at discharge

ports, a statement released by

had

11,98,763 tonne of edible oils

during April 2019. Among palm

oils, import of RBD palmolein fell

87% to 29,750 tonne in April

2020 from 2,38,479 tonne in the

corresponding month last year

after the commodity was placed

under a restrictive list of imports

Last year, Malaysia had

shipped excessive RBD pal-

molein to India taking the bene-

fit of lower duty concession, SEA

said. Even import of crude palm

oil and crude palm kernel oil reg-

istered 14% drop in inbound

shipments during November-

April period due to slump in de-

mand in the lockdown period,

the association noted.

on January 8, 2020, SEA said.

imported

the association said.

India

(SEA) said on Wednesday.

### Punjab, Haryana and UP.

Madhya Pradesh, which had so far seen arrival of 40.28 lakh tonne of wheat, has purchased 39.65 lakh tonne. The slow arrival has been attributed to asking farmers to come in batches to the procurement centres as per capacity to handle so that social distancing is maintained.

Even though the food ministry is hopeful of achieving the

and experts said that it could be around 35 million tonne (against 34.13 million tonne last year) as purchases may be much

targeted procurement, traders

below target in Uttar Pradesh and Rajasthan. According to the government estimates, wheat production is estimated at record 106.21 million tonne for 2019-20 crop year (July-June), up 2.5% from a year earlier.

### Pandemic set to melt sugar mill profitability: Crisil

**FE BUREAU** Lucknow, May 6

THE COVID-19 PANDEMIC is expected to exert downward pressure on the credit quality of sugar mills by eroding operating profitability and shoring up debt in fiscal 2021, an analysis of 26 Crisil-rated sugar companies, which carried debt of over ₹11,000 crore as on March 31, 2020, shows.

According to the rating agency's report, 'the operating profitability is expected to decline by 150-300 basis points (bps) due to a troika of factors namely, reduction in industrial usage of sugar, lower demand for ethanol and fall in exports. Consequently, lower accruals and higher inventory are expected to lead to elevated debt levels and deterioration in the

credit metrics of sugar firms'.

In the report, Crisil states that the first of these factors is the expected reduction in industrial usage, which accounts for nearly two-thirds of the annual demand of 26 million tonne, as several food manufacturing units - including soft beverages, chocolates, confectionery, bakeries, hotels, restaurants and cafes – are either shuttered or running at low capacities.

lower by 1.5-2 million tonne in the current sugar season, as reflected in softening prices over the past few weeks. Secondly, oil marketing companies (OMCs) would re-

As a result, overall domestic

demand is expected to be

duce ethanol off-take because the lockdown has lowered demand for fuel.

Besides, they have limited storage capacity available.

### States/UTs lift 69.28 lakh tonne free foodgrains under PMGAY: Centre

PRESS TRUST OF INDIA New Delhi, May 6

**STATES AND UNION territo**ries (UTs) have so far lifted 69.28 lakh tonne of foodgrains under the Pradhan Mantri Garib Anna Yojana (PMGAY) for free distribution to the poor ration card holders and help them sail through the Covid-19 crisis, according to the Union food ministry.

Around 14 states/UTs have lifted foodgrains for one month, 18 states for two months and five UTs for the entire three months in one go under the PM-GAY, it added.

In March-end, the government announced free distribution of 5 kg foodgrains to each of 81 crore ration card holders for three months from April to June. This is over and above 5 kg allocation at a subsidised rate to each beneficiary under the National Food Security Act (NFSA). "There has been enthusiastic

response from the state governa quantity of 69.28 lakh tonnes statement.

cent of the total allocation of 120 lakh tonnes has been lifted so far under the scheme.

the states in the pattern of lifting under the scheme. So far, five UTs including Chandigarh, Puducherry, Andaman and Nicobar, Ladakh and

About 18 states including Andhra Pradesh, Jharkhand, Odisha, Telangana, Karnataka,

three months' foodgrains under the PMGAY.

have lifted foodgrains for two

About 14 states such as Punjab, Delhi, Chhattisgarh, West Bengal, Uttar Pradesh, Madhya Pradesh, Uttarakhand, Punjab, Haryana, Bihar, Gujarat, Assam, Manipur and Nagaland have lifted foodgrains for one month.

"Every support is being extended to the states by the Food Corporation of India (FCI) for completing the lifting of stocks in the earliest," the ministry said.

months.

industry, which has resumed production after relaxations were issued effective from April 15, may have a negative growth in the first quarter of this fiscal as demand lost in this lockdown cannot be compensated entirely. However, the industry is hopeful of around 6% growth in the sub-

> sequent nine months. "To some extent it will be compensated, as we cannot

make up entire production if it was down for 30 days.

Before lockdown, the industry was operating at an average 90-95%, some even more than 100%," said A S Mehta, president of the Indian Paper Manufacturers Association (IPMA). Any recovery, however, will depend on opening up of shops and normalisa tion of transport, said Mehta, who is also president & director of JK Paper. — FE BUREAU

### IDFC MUTUAL FUND

#### NOTICE

#### Declaration of Dividend:

Notice is hereby given that the Board of Directors of IDFC AMC Trustee Company Limited (Trustee to IDFC Mutual Fund) has approved the declaration of dividend under the Dividend option of the following Scheme/Plan(s), subject to availability of \*distributable surplus, with the Record Date as 'Tuesday, May 12, 2020.

Scheme Name	Plan(s)	Option(s)	Quantum of Dividend Per Unit (in Rs.)	NAV (in Rs.) Per Unit as on May 05, 2020
IDFC Fixed Term Plan - Series 131	Regular	Quarterly Dividend	*Entire Distributable surplus as on the Record Date i.e. May 12, 2020	10.2890
IDFC Fixed Term Plan - Series 131	Regular	Periodic Dividend		10.0780
IDFC Fixed Term Plan - Series 131	Regular	Half Yearly Dividend		10.2207

- \* TDS and other statutory levies (if any) shall be levied on the amount received by the investor. Considering the volatile nature of markets, Trustee reserves the right to restrict the quantum of dividend upto the per unit distributable surplus available on the record date in case of fall in market.
- # If in any case the Record Date falls on a non-business day, the immediately following business day shall be deemed to be the Record Date.

All investors whose names appear in the register of unit holders of the Scheme/Plan(s)/Option(s) as on the

close of the record date will be eligible to receive the dividend. Pursuant to the payment of dividend, NAV of the Scheme/Plan(s)/Option(s) will

fall to the extent of payout and statutory levy (if any).

Date: May 06, 2020

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



(CIN: L28920MH1949PLC006870)

Registered Office: Kasturi Buildings, Mohan T Advani Chowk, Jamshedji Tata Road, Mumbai 400 020 Telephone No.: +91 22 6665 4000/+91 22 6654 4000; Fax: +91 22 6665 4151 **Website:** www.bluestarindia.com; **E-mail:** investorrelations@bluestarindia.com

#### **NOTICE TO MEMBERS**

Notice is hereby given that pursuant to Sections 108, 110 and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act'), read together with the Companies (Management and Administration) Rules, 2014 (the 'Rules'), Secretarial Standard on General Meetings (SS-2) and Regulation 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations') (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), General Circular No.14/2020 dated April 8, 2020 and General Circular No. 17/2020 dated April 13, 2020 (the "MCA Circulars") and any other applicable laws and regulations, the Company is seeking approval of its Members by way of Postal Ballot voting (only through remote e-voting) for the businesses as set out in the Postal Ballot Notice dated April 30, 2020 together with the Explanatory Statement relating

### **Special Resolutions:**

- 1. To increase the limits of borrowing by the Board of Directors of the Company under Section 180(1)(c) of the Companies Act, 2013
- 2. To seek approval under Section 180(1)(a) of the Companies Act, 2013 inter alia for creation of mortgage or charge on the assets, properties or undertaking(s) of the Company

The Company is pleased to offer its Members the facility to cast their vote by electronic means through e-voting facility provided by National Securities Depository Limited ('NSDL') in compliance with Sections 108 and 110 of the Act read with the Rules framed thereunder and Regulation 44 of the Listing Regulations. The Company has on Wednesday, May 6, 2020 sent the Postal Ballot Notice by e-mail only

to those Members, who have registered their e-mail addresses with the Company's Registrar and Share Transfer Agent or their respective Depository Participants. In view of the current extraordinary circumstances due to COVID-19 pandemic requiring social distancing and in compliance with the requirements of the MCA Circulars, hard copy of Postal Ballot Notice along with Postal Ballot Forms and pre-paid business reply envelope will not be sent to the members for this Postal Ballot and members are required to communicate their assent or dissent through the remote e-voting system only. Members who have not registered their email address and in consequence could not receive

the procedure of e-voting/postal ballot notice may temporarily get their email registered with the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited, by visiting the link: https://linkintime.co.in/EmailReg/email\_register.html and following the registration process as guided thereafter. Post successful registration of the email, the members would get soft copy of the notice and the procedure for e-voting along with the User ID and the Password to enable e-voting for this Postal Ballot. In case of any queries, members may write to rnt.helpdesk@linkintime.co.in

The e-voting period commences on Thursday, May 7, 2020, (9:00 hours IST) and ends on Friday, June 5, 2020 (17:00 hours IST). During this period, Members of the Company, holding shares either in physical form or demat form, as on Friday, May 1, 2020 (the 'cut-off date') may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter and the voting shall not be allowed beyond the said date and time. Once the vote on the Resolutions is exercised and confirmed by the Member, he or she shall not be allowed to modify it subsequently. Any recipient of the Postal Ballot Notice who was not a Member of the Company as on the cut-off date should treat the Postal Ballot Notice for information purpose only.

The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date.

The Postal Ballot Notice, and manner of e-voting process can be downloaded from the website: www.evoting.nsdl.com or www.bluestarindia.com

The Board has appointed Mr Bharat Upadhyay, failing him Mr N L Bhatia and failing him Mr Bhaskar Upadhyay, of M/s N L Bhatia & Associates, Practising Company Secretaries, Mumbai, as the Scrutinizer for conducting the Postal Ballot and remote e-voting process in a fair and transparent manner.

The result of voting conducted through Postal Ballot (through remote e-voting process) will be announced on or before June 7, 2020. The said results along with the Scrutinizer's Report will be available on the website of the Company www.bluestarindia.com and on NSDL's website www.evoting.nsdl.com and will also be intimated to BSE Limited www.bseindia.com and National Stock Exchange of India Limited www.nseindia.com where the Equity Shares of the Company are listed in accordance with the provisions of the Listing Regulations. In the event that the national lockdown on account of COVID-19 situation is eased off and the Company's offices are open for business, the Company will also display the results of the postal ballot at its registered office.

The last date specified by the Company for remote e-voting shall be the date on which the Resolutions shall be deemed to have been passed, if approved by the requisite majority.

In case of any grievance/clarification in connection with the Postal Ballot through remote e-voting, Members may contact NSDL by email at evoting@nsdl.co.in or on toll free no. 1800-222-990 or contact Ms Pallavi Mhatre, Assistant Manager, NSDL, Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 at the designated e-mail address: pallavid@nsdl.co.in / evoting@nsdl.co.in or at telephone no. +91 22 2499 4544 or at investorrelations@bluestarindia.com or the undersigned at the contact details given hereinabove.

For Blue Star Limited

Sd/-Vijay Devadiga **Company Secretary** 

ments against this scheme and has already been lifted up to May 6," the ministry said in a This means, about 57 per

Though overall lifting has been encouraging, the ministry said there are variations among

Lakshadweep have lifted entire

Tamil Nadu, Himachal Pradesh

बैंक ऑफ़ इंडिया BOI Head Office, Information Technology Department, C 4, G BLOCK, Star House 2, 8th Floor, Bandra-Kurla Complex, Bandra (E), Mumbai-400 051. E-mail: headoffice.it@bankofindia.co.in

AT HEAD OFFICE, STAR HOUSE The captioned RFP is available on Bank's Corporate

Website www.bankofindia.co.in under "Tender" section.

REQUEST FOR PROPOSAL

PROCUREMENT OF NEW AUDIO VIDEO EQUIPMENT

**SECURITIES AND EXCHANGE BOARD OF INDIA** Recruitment of Officers in Grade A (General, Legal,

And Official Language Streams) Corrigendum to Advertisement dated March 07, 2020 and Corrigendum dated March 19, 2020

Information Technology, Engineering, Research

Due to the lockdown announced by Government of India, the last date for On-line Application and Payment of Fee has been revised as under:-

Activity	Earlier	Rescheduled	
On line Application and Payment of Fee		March 07, 2020 to May 31, 2020	

For the detailed advertisement and online application form, visit SEBI website at: https://www.sebi.gov.in/ department/human-resources-department-37/ career.html

davp 15204/11/0002/2021



### FRANKLIN **TEMPLETON**

Franklin Templeton Mutual Fund

Indiabulls Finance Center, Tower 2, 12th and 13th Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai 400013

### **Notice**

Notice is hereby given that following official point of acceptance of transactions (OPAT) of Franklin Templeton Asset Management (India) Private Limited which were non-operational, as notified by AMFI due to outbreak of Covid-19, are now operational with effect from 5th May 2020, subject to government directives from time to time. Please note that the office timings in these locations will be from 9.00 am till 3.00 pm on all business days till further notice.

Name of the Branch	Address of the Branch
Panjim (Goa)	3 <sup>rd</sup> Floor, Opp. Mahalaxmi Chambers J.N. Chambers, Dr. Shirgaonkar Road, Panjim, Goa – 403001
Guwahati (Assam)	Raji Bhavan, No.2C, Second Floor, ITAG Plaza, GS Road, Bhangagarh, Guwahati - 781005
Cochin (Kerala)	41/418 C Western Half, I Floor, Chicago Plaza, Rajaji Road, Ernakulam - 682 035

transactions/ requests using various other modes i.e. FTAMC website, FT mobile application/ MFU website or connect to vour financial advisor. In case of any queries, our toll-free investor line is available to assist you at 1-800-425-4255 or 1-800-258-4255 (Monday

For other jurisdictions where the branch operations have yet not resumed, we encourage investors to submit their

to Saturday, 8 am to 9 pm). Alternatively, you can also e-mail us at service@franklintempleton.com

Investors are requested to take the note of the above.

For Franklin Templeton Asset Management (India) Pvt. Ltd. (Investment Manager of Franklin Templeton Mutual Fund)

Place: Mumbai

Date: May 6, 2020

Sd/-Sanjay Sapre

**President** 

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

### **PUBLIC NOTICE**

ganganagar, Madhyamgram, Kolkata-700132 is going to change name of its 35 (thirty five) CIB (Central Insecticides Board) registrations to M/s Agri Biochem Private limited.

1> Carbendazim 12% + Mancozeb 63% WP- CIR-141648/2017-Carbendazim + Mancozeb WP (377)-855

This is to certify that M/s Arghos International Reg office: ChandigharMathpara,

- 3> Carbendazim 50% WP- CIR-141640/2017-Carbendazim (WP) (377)-854 4> Carbofuran 3% C.G.- CIR0141631/2017-carbofuran (CG) (377)-190 5> Chlorpyriphos 50% + Cypermethrin 5% EC- CIR-159694/2019-Chlorpyriphos + Cypermethrin (EC) (397)-801
- 6> Cypermethrin 25% E.C.- CIR-159693/2019-Cypermethrin (EC) (397)-1310 7> Deltamethrin 2% EW- CIR-167798/2019-DELTAMETHRIN (EW) (408)-184 8> Deltamethrin 2.5% WP- CIR-141647-Deltamethrin (WP) (377)-709

2> Carbendazim 46.27% SC- CIR-141636/2017-Carbendazim (SC) (377)-853

- 9> Deltamethrin 2.8% EC- CIR-141638/2017-Deltamethrin (EC) (377)-108 10> Deltamethrin 11% EC- CIR-167801/2019-Deltamethrin (EC) (408)-945
- 11> Deltamethrin 25% Tablet- CIR-167802/2019-Deltamethrin (tablet) (408)-946
- 12> Diffubenzuron 25% WP-CIR-141629/2017-Diffubenzuron (WP) (377)-14 13> Fipronil 0.05% Gel-CIR-159695/2019-Fipronil (Gel)(397)-2411
- 14> Fipronil 5% SC-CIR-159689/2019-Fipronil (SC)(397)-2409 15> Fipronil 40% +Imidacloprid 40% WG-CIR-159692/2019-Fipronil+Imidacloprid (WG)(397)-2410

16> Gibberellic Acid 0.001% L-CIR-142714/2017-Gibberellic Acid(L)(377)-425

- 17> Imidacloprid 17.8% SL-CIR-141645/2017-Imidacloprid (SL)(377)-1617 18> Imidacloprid 30.5% SC-CIR-141634/2017-Imidacloprid(SC)(377)-1616 19> Imidacloprid 70% WG-CIR-141649/2017-Imidacloprid (WG)(377)-1618
- 20> Lambda Cyhalothrin 2.5% EC-CIR-141642/2017-Lambda Cyhalothrin (EC)(377)-655 21> Lambda-Cyhalothrin 4.9% Capsule Suspension-CIR-141650/2017-Lambda-Cyhalothrin(Capsule
- 23> Malathion 25% WP-CIR-159690/2019-Malathion(WP)(397)-274 24> Malathion 5% DP-CIR-159691/2019-Malathion(DP)(397)-275 25> Mancozeb 75% WP-CIR-141643/2017-Mancozeb(WP)(377)-415

22> LambdaCyhalothrin 5% EC-CIR141639/2017- LambdaCyhalothrin(EC)(377)-654

- 26> Propiconazole 25% EC-CIR-141646/2017-Propicovazole(EC)(377)-382 27> Pyrethrin 0.2% Spray- CIR-141535/2017-Pyrethrin(spray)(377)-35
- 28> Pyrethrum 0.2% Aerosol-CIR-141533/2017-Pyrethrum(aerosol)(377)-33 29> Pyrethrum 2% EC-CIR-141534/2017-Pyrethrum(EC)(377)-34 30> Pyrethrum Extract 2%-CIR-141536/2017-Pyrethrum Extract(377)-36
- 31> Sulphur 40% sc-CIR-141641/2017-Sulphur(SC)(377)-669

financialexp.epap.in

- 32> Sulphur 80% WDG-CIR-141644/2017-Sulphur(WDG)(377)-670
- 33> Temephos 50% EC-CIR-141635/2017-Temephos(EC)(377)-109 34> Transfluthrin 1.6% LV-CIR-141637/2017-Transfluthrin (LV)(377)-160
- 35> Deltamethrin 2.5% Flow-CIR-168565/2020-Deltamethrin(FLOW)(409)-949
- Objections if any please be conveyed to M/s Agri Biochem Private Limited within 7 days of publication.

#### I HDFC MUTUAL JNDS Sahi Hai MUTUAL FUND 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

Key Information Memorandum(s) of Scheme(s) of HDFC Mutual Fund **Modification to SIP Pause Facility NOTICE** is hereby given that in partial modification of Addendum dated February 24, 2020, Systematic

Notice-cum-Addendum to the Scheme Information Document(s) /

Investment Plan ("SIP") Pause facility ("the Facility") is now also available for SIPs registered on online and digital assets of HDFC Mutual Fund and its Registrar and Transfer Agent i.e. Computer Age Management Services Limited (CAMS). All other terms and conditions of the Facility remain unchanged.

HDFC Asset Management Company Limited / HDFC Trustee Company Limited reserves the right to modify the Facility from time to time. Please refer to the SIP Pause Facility Form and terms & conditions before enrolment.

This addendum forms an integral part of the Scheme Information Document(s) / Key Information

Memorandum(s) of the eligible Schemes of HDFC Mutual Fund as amended from time to time. For HDFC Asset Management Company Limited

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

Date: May 6, 2020 Place: Mumbai

Authorized Signatory

### BOOZ BIZ

# Zomato targets push into home delivery of alcohol

There is currently no legal provision for home deliveries of alcohol in India

**ADITYA KALRA** New Delhi, May 6

FOOD DELIVERY COMPANY Zomato aims to branch out into delivering alcohol, according to a document seen by *Reuters*, as it seeks to cash in on high demand for booze during the country's coronavirus lockdown.

Zomato has already diversified into grocery deliveries as the restrictions on movement shuttered some restaurants and people hesitated to order outside food due to fears of catching the disease.

Alcohol stores, closed nationwide on March 25, were allowed to re-open this week, generating queues of hundreds of people outside some outlets in some cities and leading to baton charges by police to enforce social distancing protocols. To deter the large crowds,

PARIS WINES पॅरिस वाईन SAGAR STUDI

Liquor stores were allowed to re-open this week, generating queues of people outside some outlets

New Delhi authorities introduced a "special corona fee" of 70% on top of retail alcohol prices, while Mumbai shut its liquor stores within two days of reopening them.

There is currently no legal provision for home deliveries of alcohol in India, something that industry body International Spirits and Wines Association of India (ISWAI) is lobbying to change in conjunction with Zomato and others.

"We believe that a technology-enabled home delivery based solution can promote responsible consumption of alcohol," Mohit Gupta, Zomato's CEO for food delivery, wrote in a business proposal to ISWAI.

The legal age for drinking alcohol varies from state to state, ranging between 18 and 25 years.

Zomato would target "areas that are relatively less affected by Covid-19," Gupta wrote in the unpublished document, submitted to ISWAI in mid-April and seen by *Reuters*.

Zomato did not respond to a request for comment.

ISWAI's executive chairman Amrit Kiran Singh said states should allow alcohol deliveries to help boost state revenues hit by the lockdown.

"The challenge is to ensure revenue from alcohol continues to be available," he told Reuters."...It is imperative they (states) reduce the load on the retail counter...by encouraging home delivery."

India's alcohol drinks market was worth almost \$27.2 billion in 2018, according to the most recent figures from London-based research group IWSR Drinks Market Analysis.

Backed by Ant Financial - an affiliate of China's Alibaba Group Holding — Zomato bought Uber's Indian food delivery business in January.

Its main local rival is Swiggy, which is backed by China's Tencent and which Singh said ISWAI had also contacted.

Swiggy also declined to **—REUTERS** comment.

#### Aviation min's site crashes due to 'unprecedented traffic'

PRESS TRUST OF INDIA New Delhi, May 6

A DAY AFTER the Indian government's announcement that Air India would operate 64 flights between May 7 and May 13 to repatriate around 15,000 Indians stranded in 12 countries, the website of the ministry of civil aviation (MOCA) crashed on Wednesday afternoon.

"The MOCA website is down due to unprecedented traffic. Team NIC (National Informatics Centre) is working on it. Details regarding evacuation flights will be put up on the Air India website soon. Kindly check there directly. Our apologies for the inconvenience caused," the ministry said on Twitter at 12.22 PM on Wednesday.

India has been under lockdown since March 25 to curb the spread of Covid-19. All scheduled commercial passenger flights have been suspended for this period. Consequently, thousands of Indian citizens are stranded abroad.

Cargo flights and special flights approved by the aviation regulator DGCA are allowed to operate during the lockdown period. The 64 repatriation flights would be conducted by Air India and its subsidiary Air India Express to repatriate Indians from 12 countries.

# Govt bans exports of alcohol-based sanitisers

**FE BUREAU** New Delhi, March 24

THE GOVERNMENT ON Wednesday banned exports of certain alcohol-based hand sanitisers, tightening the restrictions on the outbound shipment of such disinfectants imposed in March, to keep domestic supplies steady in the wake of the Covid-19 outbreak.

The commerce ministry had on March 24 banned the exports of all sorts of ventilators, including artificial respiratory apparatus, oxygen therapy apparatus and breathing devices, and sanitisers.

The latest ban by the commerce ministry is aimed at squeezing any scope for exports of these products by alternate classification. The ministry had on March 19 restricted the export of ventilators, surgical/disposable masks and textile raw material used for making the masks.

In March, alarmed by the increasing Covid-19 cases, the ministry had also restricted the exports of a total of 26 drug formulations and active pharma ingredients (APIs), including paracetamol, tinidazole and metronidazole. However, the export restrictions on some of the products were lifted later.



The move is aimed at squeezing any scope for exports of these products by alternative classification

While the Indian pharmaceutical industry is a key formulation drug (value-added products) exporter, it relies heavily on imports of bulk drugs (active pharmaceutical ingredients and intermediates that give medicines their therapeutic value). As much as 68% of these raw materials were imported from China last fiscal.

According to a CII estimate in February, India imported bulk drugs worth around ₹24,900 crore in FY19, up by 30% from a year before,

accounting for roughly 40% of the domestic consumption. Imports of raw materials from China have been on a steady rise over the years (from 62% in FY12 to 68% in FY19) due to the low-cost advantage enjoyed by Chinese manufacturers.In FY19,India imported APIs worth ₹17,400 crore from China while exporting these items worth merely ₹1,600 crore. In certain critical antibiotics and antipyretics, dependence on imports from China is even close to 100%.

### Procedural relief to GST payers, but experts say no substitute for fin package

New Delhi, May 6

**FE BUREAU** 

THE GOVERNMENT HAS provided more procedural and compliance-related relief to GST taxpayers, but experts said these measures are not a substitute for a stimulus package in the form of tax relief to help struggling businesses, especially MSMEs.

Among the measures announced late on Tuesday, the government extended the eway bill validity for the second time since the lockdown was imposed. The e-way bill generated on or before March 24 and expiring during the March 20-April 15 period would now be valid till May 31. This is likely to help trucks stuck en route to reach their destinations.

Further, the notification extended by three months the deadline for furnishing the annual return and GST audit

for financial year 2018-19 to September 30. Additionally, a taxpayer can now furnish monthly return GSTR-3B showing nil sales through SMS using the registered mobile number. This return would be verified by a registered mobile number based one-time password (OTP) facility, the notification said.

"These procedural reliefs will support basic finance functions of the industry, however, what MSMEs need currently is a big stimulus package, without which millions of jobs could be threatened," Rajat Mohan, senior partner at AMRG & Associates, said.

Pritam Mahure, a chartered accountant, said the Covid-19 pandemic has left no choice for the government but to provide substantial tax relief for businesses as procedural relief would only help them manage the compliance burden.

### Trade unions want timeline for employers on delayed contributions to EPFO

**SURYA SARATHI RAY** New Delhi, May 6

WHILE THE EPFO'S decision to push back deadline for payment of monthly statutory dues for a later date might have helped employers with muchneeded liquidity, trade unions are of the view that the retirement fund body should set a definite timeline for employers to deposit the money already deducted from employee's monthly salary.

As per rule, an employer needs to deposit the statutory contributions, amounting 25% of an employee's monthly wage, for a wage month within the first 15 days of the next month. The EPFO earlier extended to May 15 the due date for depositing contributions for the wage month of March which was due to be paid by April 15.

On April 30, EPFO decided to separate the filing of monthly electronic challancum-return (ECR) from pay-



ment of statutory contributions reported in the ECR."The ECR can now onwards be filed by an employer without the need of simultaneous payment of contributions and contributions may be paid later by the employer after filing the ECR," it said in a statement. Sans any definite timeframe, the word 'later' has been left for conjecture.

Virjesh Upadhyay, All India general secretary of Bharatiya Mazdoor Sangh (BMS), said the EPFO should issue a communication soon clarifying the ambiguity that is there now and not

keep the timeline open-ended. "The EPFO should issue a communication on this. However, if an employer does not

deposit the contributions even after the new deadline, EPFO will recover that money with penalty and interest. The employees' money is safe," said Upadhayay, who was till recently a member of the Central Board of Trustees (CBT), EPFO's highest decision-making body.

CITU president K Hemalata said, "Unscrupulous employers who sit illegally on the employees' provident fund money are to be fined with interest and penalty as per the law; but here the government is legalising the illegality. The provident fund collected from the employees should be immediately deposited with the EPFO. No leeway should be given."

Pushing back of deadline by a month can provide around ₹15,000 crore liquidity to around 6.5 lakh business establishments subscribed to the EPFO. The retirement fund body collected ₹1,63,176 crore (revised estimate) as compulsory contribution from enterprises having 20 or more people on their payroll, in 2019-20. It estimates around ₹1,81,709 crore (BE) collection in 2020-21.

Meanwhile, in a statement issued on Wednesday, the government said 9.6 lakh members of EPFO has taken benefit of online withdrawal of nonrefundable advance from EPFO account, amounting to ₹2,985 crore. Under Pradahan Mantri Garib Kalyan Yojana (PMGKY), launched on March 26, a provision for withdrawal from one's provident fund accumulation to fight Covid-19 pandemic was announced by the government.

Subsequently, through an urgent notification, a new provision was introduced in the EPF scheme under which subscribers were allowed to avail non-refundable withdrawal up to three months' wages and dearness allowance (DA) or up to 75% of the amount standing to member's credit in the EPF account, whichever is less.

### Unions raise concern over migrant workers' woes

**FE BUREAU** New Delhi, May 6

THE ISSUE FACED by migrant workers took the centre stage as labour minister Santosh Kumar Gangwar met the representatives of 12 central trade unions (CTUs) on Wednesday.

RSS-affiliated Bharatiya Mazdoor Sangh (BMS) said considering the plight of such vulnerable workers, compulsory methods should not be adopted to dissuade them from going to their home states to rejoin with their families.

BMS president Saji Narayanan said the government should immediately start creating a national register for migrant workers. He also pointed out that the Inter State Migrant Workers Act, 1979 was grossly violated when train fare was collected from workers.

Other trade unions were also on the same page on the migrant workers'issue, sources said. However, labour secretary Heeralal Samariya clarified that "no train

fare has been taken from the migrant workers," as per an official release. Samariya informed the CTUs that a database of migrant workers in various states to monitor their situation is being collected in coordina tion with the states. Twenty helplines/control rooms have been set up to resolve any issue relating to food, payment of

Covid-19. Unions also demanded that more trains need to be provided to transport the migrant workers stranded in various parts of the country. These labourers may also be provided with financial assistance to run their families and may also be facili tated to return to work once the

situation gets under control.

wages to workers or any other

issue of workers arising due to

### From the Front Page

### Workers baffled as Karnataka

stops trains ANGRY, THE 51-year-old, who has been travelling to Bengaluru for work for 10 years now, said: "There was supposed to be a train in the morning, but they sent us back. Now, we hear that trains are being cancelled. How can this happen? I have to go home. Majboori hai, ghar mein log bimaar hain (I don't have a choice, there are people ailing at home). Those who want to go should be allowed to go.'

On Tuesday, the state government wrote to South Western Railway withdrawing its request to arrange for train services scheduled for migrants the next day. In a series of tweets, Chief Minister B S Yediyurappa said that after a meeting with builders "to discuss issues related to migrant labourers", it was "explained that unnecessary travel of the migrant workers has to be controlled" since the Covid-19 situation in the state was in control.

"The builders said that the labourers were given all essential facilities and construction activities have already started. Directions were given to the ministers to convince the labourers to refrain from returning to their home states," the CM said.

The decision has triggered disquiet in labour colonies and factories across the city, where thousands of workers have been waiting since the lockdown to go home. They contest claims of builders of having paid their wages, saying they have been struggling for the past month and a half. The AICTU has moved an

financiale

application in the Karnataka High Court, seeking an urgent hearing, given the "grave consequences of the state's order".

Rishi, a worker from Bihar, said he is surviving on food provided by employers. "We get a paltry Rs 270 a day, because the contractor takes away a big chunk. That, too, we haven't got. How long can we wait? All this talk of paying us more is nothing. All these companies are worried that once we leave, there will be no one to do theirwork. Par humne unka theka le rakha hai kya (However, are they our responsibility)?"he says.

Fayaj Alam, a tailor from Bihar's Purnea district, said he applied to travel back home through the Sindhu Seva portal. While he received a message, no further instructions came. "It's maddening to spend the days here, just waiting. My employer gives us food — that is his generosity. But we have not been paid. Our debts are growing. We have watched so many workers walk to Majestic (railway station) for a train. If students can be sent back, why can't mazdoor (labour)?"he asked.

At a labour colony in Bommanahalli, those working for contractors employed by Bengaluru Metro are not convinced by promises of Rs 3,000 if they stayed on. "Many workers from Jharkhand and Bihar have already left. Only some of us from Uttar Pradesh and Madhya Pradesh remain. How can the construction company even run with so few people? What is the guarantee it won't fold up?' asked Harinder Singh, who is hoping to catch a train to his

home in Mau, Uttar Pradesh. Several workers are afraid of being left stranded away from their families amidst the coroanvirus pandemic. "It is

not just about money or food. There will be no one to look after us if we fall ill. We will have to call a helpline, and they will send us to a hospital, and then no one will be able to reach us," said Rajesh Kumar, a 25-year-old JCB operator from Karnataka Congress chief D

K Shivakumar opposed the government's decision. Having arranged around Rs 1 crore for the travel of the migrants, he said, "We are for the free travel of migrants, whether inside the state or inter-state. We cannot hold them captive. They should be allowed to go if they want to. We have asked the government and the real estate sector or other industrialists to instead declare a package for the workers. They should be taken into confidence, you should sit with them, ask what their problems are. They will work only if they feel protected. If Indians in other countries can come back, why can't they? We can't be that selfish."

### Trains empty as workers get work, stay back in Punjab

THE TRAIN THAT left on Wednesday noon for Jharkhand's Daltongonj, however, was nearly full (with 1,150 on board).

Punjab has seen around 11.4 lakh registrations on its portal to take trains out of the state, with 1.32 lakh registering in the past 24 hours alone. Of the 11.4 lakh, 5.88 lakh have registered from Ludhi-

Ludhiana DC Pardeep Agarwal said, "We have over 1 lakh labourers working in factories. A number of them are taking last-minute decisions and not boarding after looking at the relaxations being given to the industry to open up." Agarwal said the fact that they had not paid for the tickets, and hence were not being charged any cancellation fee, was also a factor in them changing their minds.

Agarwal said that with 20% on an average not turning up, they would be sending SMS regarding the train to 25%

more than capacity. Among those who decided to stay back was Lakshman Kumar, from Tikapur village in Bihar's Begusarai."I registered on the portal, but then I felt I might get the virus during travel. My brother Bharat Kumar who works in Haryana has also decided to stay put. When 3,000 people who came from Nanded are testing positive in large numbers, we are going in lakhs. Then I will have 14 days quarantine in the village and, if I come back, again 21 days of quarantine in Ludhiana. It is a waste of time. Moreover, now the unit where I work is open and I am getting paid," said Kumar, who is in his 30s and works at an automobile unit, Rajnish Industries Pvt Ltd.

Rahul Ahuja, the director of the unit and president of the CII's Punjab branch, said he opened his unit on April 9 itself, with adequate safeguards, and has managed to convince half of his 800 workers to stay back. "My unit deals in domestic demand as well as exports. Work is not on in full swing, but something is better

than nothing." Upkar Singh, the president of the Chamber of Industrial and Commercial Undertakings (CICU), and owner of a unit making agricultural tools, Swan Industries, said some employees who left have been calling him.

Ghanshyam Kumar, who belongs to Patna, has a tempo and transports goods from factories. "I had registered along with a group of 15 others to leave, but now owners have started calling me for work. It is not the same amount that I used to get earlier. But when work has started, why should I leave?"he said.

Ravinder Kumar and 12 of his friends who work on contract at the steel unit of Samrala said, "We are from Odisha and got ourselves registered. But as units are opening up, employers are calling. If we start getting even 50% of the work we got earlier, we will stay put."

The Districts Industry Centre (DIC) records show that over 6,000 units at Ludhiana have given an undertaking that they are keen to open units. "An undertaking is enough to open, no other permission is needed. Based on the I-card of a factory, workers can commute. No other curfew pass is needed," Mahesh Khanna, the General Manager, DIC, said.

The eased rules have meant that the number of open units has been rising steadily from nearly 900 that were functional already by April 25. While over 1,500 units registered with the Federation of Industrial and Commercial Undertakings have opened up, so have over 600 units with the CICU.

Gurmeet Singh Kular, the president of the FICO, said, "We are giving a thermal thermometer, a small spray pump, 5 litres of sodium hypochlorite, masks and face shield to our members for free. It costs us nearly Rs 5,000 per member. But it is an encouragement for them to open up units. Our workers are also feeling encouraged by this. My 1,200 workers work on alternate days. I will absorb everyone."

Sanjay Kumar, the owner of Nice Exports, a bicycle manufacturer, said, "I am facing a problem of plenty, rather. I am planning to run my unit with 60 workers, though I had 100. However, all 100 came to me and told me to employ them. Now I am thinking of absorbing all and making them work three days each."

Kular said, "Recently forty workers staged a dharna in front of a bicycle unit, asking that they be employed. They had left for Uttar Pradesh but came back from Rajpura."

Gurpreet Singh Gogi, the Managing Director of the Punjab State Industrial and Export Corporation, said they also procured a sanitising machine and sanitisers for their members. "We want the workers to know they should stay back as we are making many arrangements for their safety."

### Maha plans messages in Urdu after minority surge in deaths

BETWEEN APRIL 15 to May 3, of the 361 additional deaths, 150 were from the community.

State officials and experts point to several reasons behind this: curbs on travellers from the Gulf came as late as mid-March; Friday prayers in many mosques continued until March 20; a significant share of the community lives in neighbourhoods where social distancing is difficult, population density is high, and access to healthcare poor.

Incidentally, only 60 Covid positive cases in Maharashtra

were traced to the Tablighi Jamaat event in New Delhi. The lone death in the state linked to the Tablighi event was that of a Filipino national on March 22. By contrast, at the last count

(April 18), the number of posi-

tive cases linked to the Niza-

muddin superspreader group

countrywide was 4,291. "A lot of people working (in the Gulf) returned home and were missed during airport screening. That was a gamechanger. We noticed that several of them, although asymptomatic, spread infection in community," state epidemiol-

ogist Pradeep Awate said. As per guidelines, it was only on March 16 — almost two months after the first China advisory—that the government started quarantine of passengers coming from the UAE, Oatar, Oman and Kuwait. The same day, passengers from EU, Turkey and the UK were banned, and on March 22, all international flights were suspended.

Awate added that most cases were now coming from the lower socio-economic strata."The cases are spreading in slums not because of a particular religious group, but because of poor living conditions. And in the slums, Muslims are in large numbers. At least 8-10 people live in a small room where social distancing is difficult," Awate said.

This is clear in the E-ward of Mumbai, which covers Agripada and Nagpada. With 34 deaths, it has the second highest Covid-19 toll after the G-South ward (Worli) in Mumbai.

"Several in this ward live in chawls and it is there that cases are increasing. One residential building with Muslim residents had 26 people with foreign travel history, but only one tested positive. The infection did not spread in the building. But in

a chawl one case can potentially infect several others, and all nearby chawls have Covid cases, said Prashant Gaikwad, assistant commissioner, BMC.

While the Tablighi Jamaat meeting in Delhi itself did not lead to a surge in cases, it could have had an impact. Said Bhi wandi MLA Rais Shaikh: "The Tablighi Jamaat episode instilled fear in the community. They do not report symptoms fearing they will be stigmatised."

He cited the example of a 36-year-old Govandi resident who died last week due to Covid-19. "He avoided going to a hospital due to these reasons and took medicines based on local doctor's prescription. Eventually his condition did worsen and he died in KEM hospital,"Shaikh said. He added that local community leaders are trying to address this fear and encourage reporting when

someone has symptoms. Then there are issues of delayed intervention. "Intensive care treatment for critical cases comes late if they are from the low-income group. Poor people are visiting multiple hospitals before they get admitted, by then it is too late," Shaikh added.

The state public health department has roped in mosques and local Maulanas to relay Covid awareness messages to community. "We are now trying to look for local popular figures who can act as messengers and disseminate information about the disease locally. We will soon issue awareness messages in Urdu in hotspots like Malegaon and Mumbai to reach out to minority," said Awate.

UntilWednesday,Maharashtra had recorded 617 deaths and 15,525 cases of Covid-19. Mumbai and Pune together account for 77% of cases.