quick BITES

INDICATORS		%
Sensex	35,634.95	-5.17
Nifty 50	10,451.50	-4.90
S&P 500*	2,806.59	-5.58
Dollar (₹)	74.17	-0.42
Pound Sterling (₹)	96.83	0.79
Euro (₹)	84.59	1.26
Gold (10gm) (₹)	45,063▲22	0.004
Brent crude ($/bbl)*	36.67	-8.60
IN 10-Yr bond yield	6.066	-0.118
US 10-Yr T-bill yield*	0.430	-0.277

* As of 9:30 pm on March 9

Cairn expects arbitration award in retro tax case

British oil explorer Cairn Energy Plc expects an international arbitral tribunal to give a decree by the summer of 2020 on its challenge to the Indian government seeking ₹10,247 crore in retrospective taxes. The tribunal, which had in December 2018 completed hearings in Cairn's challenge to India's retrospective tax demand of ₹10,247 crore in taxes, was supposed to give an award by February 2019.

Nirmala to meeet heads of merging banks tomorrow

Finance Minister Nirmala Sitharaman will hold meeting with chief executives of amalgamating banks on Thursday to review preparedness for the merger beginning April 1. Earlier this month, the Union Cabinet headed by Prime Minister Narendra Modi approved consolidation of 10 state-owned banks into four. Sources said the minister will review planning and preparedness of merging banks.

ED slaps ₹5 crore fine on Shriram Transport Finance

Shriram Transport Finance Company on Tuesday said a penalty of ₹5 crore has been imposed on the company through an Enforcement Directorate order in relation to an old case of issuing warrants. The company said it had received a show cause notice from the ED in relation to issue of warrants by erstwhile Shriram Holdings (Madras), which was amalgamated with STFC in April 2012, to an NRI.

TCS declares ₹12 a share interim dividend

Tata Consultancy Services (TCS) on Tuesday said its aboard has approved payment of an interim dividend of ₹12 per share for the financial year 2019-20. The company in a regulatory filing said that "the interim dividend shall be paid on Tuesday, March 24, 2020, to the equity shareholders of the company" existing as on March 20, which is the record date fixed for the purpose.

Printed & Published by T Venkateswarlu on behalf of Deccan Chronicle Holdings Limited, Printed at Deccan Chronicle Press at Deccan Chronicle Holdings Ltd. #563/9/D&9/E, Behind Andhra Bank Pet Basheerbagh, Kompally, Ranga Reddy Dist. Editor: T.Venkatram Reddy, RNI Reg No.APENG/2008/24282.

Saudi escalates oil price war

Riyadh vows to increase oil output further; rejects Russia's offer for talks

Dubai/Moscow, March 10: Saudi Arabia said on Tuesday it would increase its crude oil supply to a record high, raising the stakes in its price war with Russia and effectively rejecting Moscow's overtures for new talks.

The clash of the two oil titans sparked a 25 per cent slump in oil prices on Monday, triggering panic selling and heavy losses on Wall Street's main stock indexes, already hit badly by the coronavirus outbreak.

On Tuesday, Amin Nasser, chief executive of Saudi Aramco said the oil giant would increase supply to 12.3 million barrels per day (bpd) in April for customers inside the kingdom and abroad.

That's 300,000 bpd above its maximum production capacity, indicating Aramco may also free up crude from storage.

Saudi Arabia has also agreed with Kuwait to resume output from jointly operated oilfields in the so-called Neutral Zone, production which is not accounted for under Aramco's output capacity of 12 million bpd.

US Treasury Secretary Steven Mnuchin told Russia's ambassador to the United States on Monday that energy markets needed to stay "orderly" amid rising concerns that extra supply from Saudi Arabia and Russia could trigger bankruptcies among higher-cost US shale oil producers.

Saudi Arabia has been pumping around 9.7 million bpd in the past few months. The kingdom holds hundreds of millions of barrels of oil in storage so its can supply oil above its production capacity.

Brent oil prices jumped 10 per cent on Tuesday above $37 per barrel after Russian energy minister Alexander Novak said Moscow was ready to discuss new measures with OPEC, effectively offering an olive branch to Riyadh.

But Saudi Arabia's energy minister Prince Abdulaziz bin Salman appeared to rebuffed the idea.

"I fail to see the wisdom for holding meetings in May-June that would only demonstrate our failure in attending to what we should have done in a crisis like this and taking the necessary measures," Prince Abdulaziz told Reuters.

Riyadh's unprecedented hike in crude supply follows the collapse of talks between Opec and other producers led by Russia — a grouping known as Opec+ — which had sought to extend their joint efforts to curb supply beyond the end of March.

Three years of cooperation among OPEC+ producers ended in acrimony on Friday after Moscow refused to support deeper production cuts to support prices hit by the coronavirus outbreak.

Opec responded by removing all limits on its own output. Oil prices plunged as the development revived fears of a repeat of the 2014 price crash, when Saudi Arabia and Russia fought for market share with U.S. shale oil producers, which have never participated in agreed output curbs.

Russia's energy ministry has called a meeting with oil companies on Wednesday to discuss future cooperation with OPEC, two sources said.

Novak said Russian oil companies may boost output by up to 300,000 bpd, and that the country's producers have the potential to increase output by 500,000 bpd. — *Reuters*

Russia president Vladimir Putin

Saudi Arabia's crown prince Mohammed bin Salman

CLASH OF EGOS

- Oil prices jumped 10 per cent on Tuesday above $37 per barrel after Russian energy minister Alexander Novak said Moscow was ready to discuss new measures with Opec, offering an olive branch to Riyadh.
- But Saudi Arabia's energy minister Prince Abdulaziz bin Salman appeared to rebuffed the idea saying there is no point in holding meetings in May-June.
- The United States tried to calm the tempers by telling Russian envoy to the US that energy markets needed to stay orderly.
- There are concerns that extra supply from Saudi Arabia and Russia could trigger bankruptcies among higher-cost US shale oil producers.

Covid-19 may affect hiring plans in India

SANGEETHA G
CHENNAI, MARCH 10

While India Inc is expecting that the hiring sentiments will improve by next quarter, it is sitting fingers crossed to see what could be the possible impact of coronavirus on the economy and hiring.

"Corporate India is all up with its expectations and hopes for 2020. Progress of technology along with more macro-economic stability and entrepreneur friendly schemes is certainly going to pamper the hiring sentiments," said Sandeep Gulati, Group Managing Director of Manpower Group India.

Manpower Group Employment Outlook Survey indicates steady hiring plans for the upcoming three months. Sectors like mining and construction, wholesale and retail trade and services sectors are likely to lead the job market.

However, the industry is cautious about the COVID impact while making projections on hiring.

"The survey states that the hiring condition will certainly improve however the condition may fluctuate due to the recent virus scare. It completely depends on whether the right precautionary measures are taken to prevent further spread of virus," said Cynthia Gokhale, associate director, marketing, ManpowerGroup India.

According to Rituparna Chakraborty, co-founder and executive vice president, TeamLease Services, the virus impact has not affected the hiring sentiments yet as the last quarter of the financial year is generally subdued in terms of recruitment.

"The momentum picks up by April. Those companies which are dependent on China, would probably be lot more cautious when it comes to hiring," she said.

With more than 60 countries getting affected and the markets and currencies getting battered by the infection, the impact on the global economy and recovery is still not clear.

"While it is too early to predict the potential impact of Covid-19 on global hiring, the reality today is that unemployment remains low in many markets and organizations globally are still struggling to find people with the right skills" said Gulati.

According to Manpower survey, India's job market overall looks steady when compared to the last quarter. A growing demand for super specialised skills will rule the job market across industries. Hiring parameters are, therefore, changing, with increasing demand for higher calibre candidates in the lower age group.

> **THE SURVEY** states that the hiring condition will certainly improve however the condition may fluctuate due to the recent virus scare.
>
> — CYNTHIA GOKHALE
> Associate director, Manpower Group India

> **THE MOMENTUM** picks up by April. Those companies which are dependent on China, would probably be lot more cautious when it comes to hiring.
>
> — RITUPARNA CHAKRABORTY
> Co-founder, TeamLease Services

Women share in MGNREGA is high in south

SANGEETHA G
CHENNAI, MARCH 10

While the women's participation in rural employment guarantee scheme has been going up over the past few years, southern states have fared better than other regions. States like Uttar Pradesh and some of the north-eastern states are at the bottom of the list.

Among different states, Telangana has the highest share of women employment under the scheme at 96.5 per cent in FY20, followed by Kerala at 96 per cent. Tamil Nadu and Pondicherry has a women's share of 94 per cent while in Karnataka it stands at 90 per cent.

In the list, Nagaland is at the bottom with 38.3 per cent women's share and Uttar Pradesh with 42.2 per cent. Arunachal Pradesh too has relatively lower share of 41.9 per cent. Overall, at a national level women's share stands at 54.74 per cent of the total person days generated of 241 crore.

It stood at 54.58 per cent in FY19 and 53.5 per cent in FY18. This has been above the statutory requirement of one-third women participation under MGNREGS.

Women participation has improved over the years. Between 2010 and 2012, the average participation was 48 per cent at a national level and in one of the best performing states like Kerala it was 90 per cent. Between 2006 and 2010, the national average was 45 per cent and that of Kerala was 78 per cent.

However, when it comes to average women person days generated per household, Mizoram tops with 83.7 per cent, followed by Kerala at 46.8 per cent. Goa is among the states with lowest women person days per household at 15.9 per cent. A large number of states fall in the bracket of 16 to 30 per cent. This has come down as the total person days generated per households, which has come down significantly in Fy19-20 compared to the previous year.

- Telangana has the highest share of women employment under the scheme at 96.5 per cent in FY20 followed by Kerala at 96 per cent.
- Nagaland is at the bottom with 38.3 per cent women's share and Uttar Pradesh comes last but one with 42.2 per cent.

Asian markets see relief rally, US market ends up in see-saw

Hong Kong, March 10: A bounce in the price of oil helped fuel a rally in equities in Asia on Tuesday, a day after global markets suffered their biggest losses in more than a decade, but traders remain on edge over the coronavirus outbreak.

Global stock markets capitulated on what has become known as "Black Monday", with the Dow on Wall Street plunging more than 2,000 points, triggering an emergency break in early trade.

Asia had suffered a meltdown as the deadly disease continues to infect thousands and shows no sign of abating.

But there was relief on Tuesday as oil prices jumped up to eight per cent after plunging by a third the previous day, in their worst session since the 1991 Gulf War.

The rush for safe investments also sent yields on US Treasuries to record lows, while the VIX "fear" index is within touching distance of its record high seen during the global financial crisis.

After a shaky start that had sparked fears of another wild rout, regional markets pushed into positive territory, with energy firms clawing back some of their massive losses.

Tokyo ended up 0.9 per cent and Shanghai finished 1.8 percent higher with Hong Kong adding two per cent in the afternoon. Indian stock markets were closed on the account of Holi festival.

Sentiment was boosted by news that Chinese President Xi Jinping had visited Wuhan, the centre of the virus outbreak, lifting hopes that the country is well on track to recovery as new infections fall. The news comes after weeks of quarantines that have rocked the global and local economy.

US stocks, however, wiped out a gain that reached 3.5 per cent in another wild session on Wall Street on Tuesday as signs mounted that stimulus promised by President Donald Trump is not imminent even as the coronavirus threatens to upend the economy.

The S&P 500's gain slimmed to virtually nothing with investors pining for signs that the administration can deliver what Mr Trump said would be "major" moves to combat the fallout from the spreading virus.

The Dow Jones Industrial Average erased a gain of four per cent, or 900 points, and a four per cent rally in European stocks got zapped.

Some investors, meanwhile, are betting that markets will stay turbulent in the coming weeks.

The Cboe Volatility Index, known as "Wall Street's fear gauge," climbed by more than 20 points above its Friday closing level to peak at 62.12, its highest level since December 2008.

Speculation is also mounting that the Federal Reserve will cut interest rates again, having slashed them last week, while the European Central Bank is due to meet this week to discuss monetary policy.

Still, while governments and central banks have unleashed, or are preparing to unleash, stimulus, the spread of Covod-19 is putting a huge strain on economies and stoking concerns of a worldwide recession.

That has now been compounded by an oil price war between Saudi Arabia and Russia that sparked Monday's crude price plunge.

"Given market moves and other developments, we expect to see further stimulus announ-cements, both monetary and fiscal. As these come, they should help to stabilise sentiment, though we believe fear and volatility will remain high for some time," said Esty Dwek, at Natixis Investment Managers.

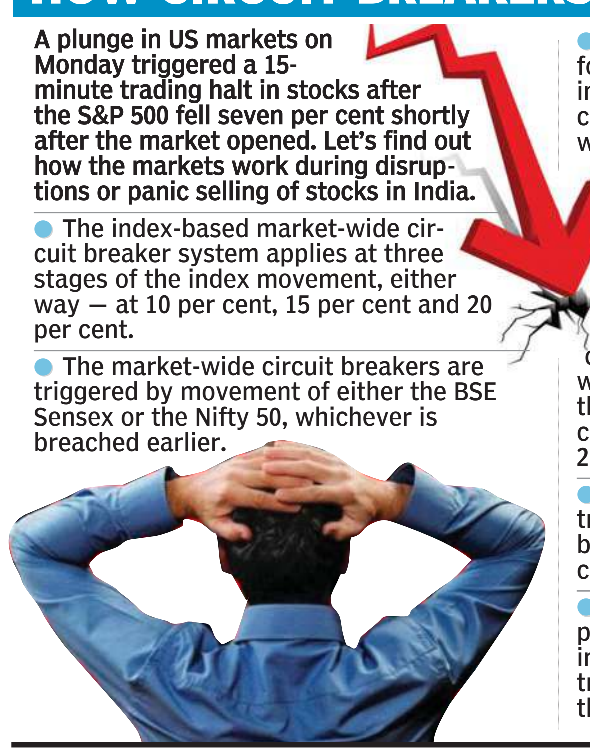
AxiCorp's Stephen Innes warned the panic on markets had not yet stopped, with "growing evidence that an oil shock of historic proportions is now underway".

And Toshikazu Horiuchi, a broker at IwaiCosmo Securities, added: "Nervous trading is likely to continue for now." — *Agencies*

HOW CIRCUIT BREAKERS WORK

A plunge in US markets on Monday triggered a 15-minute trading halt in stocks after the S&P 500 fell seven per cent shortly after the market opened. Let's find out how the markets work during disruptions or panic selling of stocks in India.

- The index-based market-wide circuit breaker system applies at three stages of the index movement, either way — at 10 per cent, 15 per cent and 20 per cent.
- The market-wide circuit breakers are triggered by movement of either the BSE Sensex or the Nifty 50, whichever is breached earlier.



- The trading would halt for 45 minutes if the index declines by 10 per cent before 1 pm. It would halt for 15 minutes, the index falls by 10 per cent between 1 pm and 2.30 pm.
- The market would shut for 1 hour 45 minutes if the index declines by 15 per cent before 1 pm. It would halt for 45 minutes, the index falls by 15 per cent between 1 pm and 2.30 pm.
- There would be halt in trading if the index falls by 10 per cent or 15 per cent after 2.30 pm
- If the index falls by 20 per cent at any time during the market hours, the trading would halted for the entire day.

NMDC looks for greenfield mines

DC CORRESPONDENT
HYDERABAD, MARCH 10

India's largest iron ore miner NMDC Ltd plans to double its production capacity from the current 32.36 million tonnes in the last fiscal to 67 million tonnes to meet the expected increase in demand.

"The company is developing a greenfield mine in Bailadila, Chhattisgarh, in joint venture with Chhattisgarh Mineral Development Corporation. The company is pursuing for allocation of new iron ore deposits both through participation in auction and reservation through government dispensation route," said NMDC chairman N. Baijendra Kumar.

He said the company would use a large part of the Deposit-13 mine output in Bailadila sector for the raw material requirements of steel and sponge iron plants within the state itself.

Speaking to this newspaper as part of the company's Har Kaam Desh Ke Naam campaign, Mr Kumar said NMDC is also setting up a 3 MTPA greenfield steel plant at Nagarnar in Chhattisgarh, which is in an advanced stage of construction.

"We are planning to set up two MTPA pellet plant at Nagarnar in Chhattisgarh," Mr Kumar. The company currently operates a 1.2 million tonnes per annum pellet plant at Donimalai in Karnataka.

Pellets are small balls of iron ore used in the production of steel.

The Hyderabad-based company is also investing substantially in evacuation infrastructure by investing in doubling of railway line.

"Doubling of the KK Railway line (Kirandul-Jagdalpur-Ambagaon) has been undertaken which will enhance the capacity from a level of 28 million tonnes per annum to 40 million tonnes per annum. To further increase the evacuation capacity and utilisation of iron ore fines and slimes from Bailadila sector, NMDC is also constructing a 15 MTPA slurry pipeline from Kirandul to Vizag along with iron ore processing plants and pellet plants," he said.

Nissan may exit Renault's jointly run VC fund

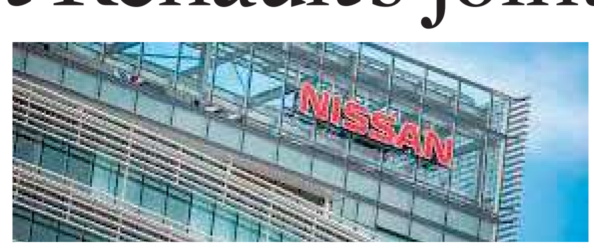
Tokyo, March 10: Nissan Motor Co is likely to pull out from a venture capital fund it runs with alliance partners Renault SA and Mitsubishi Motors, as part of the Japanese automaker's drive to cut costs and conserve cash, two sources said.

Nissan will formally take a decision on whether to leave the fund, Alliance Ventures, by the end of this month, the two Nissan insiders told Reuters, declining to be identified because the information has not been made public.

The likely move comes after Nissan's junior partner, Mitsubishi Motors Corp, told an alliance meeting last week that it would no longer continue to inject money into the fund, one of the sources said.

The decision to leave the Amsterdam-based fund was all but a done deal, the other source said, adding: "Of course we're out. The house is on fire."

A Nissan spokeswoman said it was speculation and declined to comment. A Mitsubishi spokesman said no decision had been made.



The move comes as Nissan — which has seen its earnings slump — is now facing a downturn in China, its biggest market, due to the impact of the coronavirus outbreak. China sales plunged 80 per cent last month.

It also highlights the extent of the automaker's cost-cutting under new CEO Makoto Uchida, who is under pressure for a quick turnaround.

Alliance Ventures is aimed at finding "learning opportunities" for the alliance through investing in startups, and is supposed get up to $200 million a year from the three alliance partners, although it never achieves that full amount, the first source said.

It was set up under former alliance head Carlos Ghosn, whose dramatic arrest in Japan culminated in an escape to his childhood home of Lebanon in December. Ghosn faces multiple charges in Japan, including of under-reporting earnings and misappropriation of company funds, all of which he denies.

According to its website, the fund was set up with a $200 million initial investment and aims for up to $1 billion by 2023. Portfolio companies include WeRide, a Chinese robotaxi startup and Tekion Corp, a cloud-based retail platform for cars.

"It wasn't established by Ghosn as a way to make money. It was for those learning opportunities we get from investing in smart startups," the first source said. "But given the tough financial situation we are facing, we are looking at investment return," the source said. — *Reuters*