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THE MARKETS ON FRIDAY

		Chg#
Sensex	34,103.5▲	1325.3
Nifty	9,955.2▲	365.0
Nifty futures*	9,897.7▼	57.5
Dollar	₹73.9	₹74.2**
Euro	₹82.6	₹83.3**
Brent crude ($/bbl)##	31.9##	31.2**
Gold (10 gm)###	₹41,849.0▼	₹1351.0

*(Mar.) Premium on Nifty Spot; **Previous close; # Over previous close; ## At 9 pm IST; ### Market rate exclusive of VAT; Source: IBJA

WEEKEND SEPARATE SECTION
SCIENTISTS TRYING TO STOP VAAN ISLAND FROM DISAPPEARING

COMPANIES P2
MARRIOTT TO GO SLOW ON INDIA EXPANSION PLANS

OUTBREAK TAKES A TOLL ON AIR INDIA'S SALE PROCESS

The global outbreak of coronavirus has hit the disinvestment process of state-owned Air India. On Thursday, the government deferred the last date to submit expressions of interest (EoIs) for the national carrier by more than a month to April 30. The current deadline is March 17. "The above changes are in view of the requests received from interested bidders and the prevailing situation arising out of COVID-19," a government notification said. 4▸

COMPANIES P3
Car sales skid 7.6% in February: Siam

Domestic passenger vehicle sales dropped by around 7.61 cent to 251,516 units in February from 272,243 units in the same month a year ago, according to the Society of Indian Automobile Manufacturers (Siam) data. Passenger car sales were down by 8.77 per cent to 156,285 units against 171,307 units in February last year.

ECONOMY & PUBLIC AFFAIRS P6
Exports in Feb rise for first time in 6 months

Exports bucked the six-month declining spree by registering modest 2.91 per cent growth in February at $27.65 billion, even as there were fears of the coronavirus effect on outbound shipments. All the major foreign exchange earners such as petroleum products, engineering goods, and electronic items registered expansion in the month year on year.

Dearness allowance of govt employees hiked by 4%

The Union Cabinet on Friday approved 4 per cent increase in dearness allowances (DA) for government employees and pensioners to 21 per cent, which will benefit over 11.3 million people. The move will come into effect retrospectively from January 1, 2020.

Bulls get back on their feet

■ Indices see biggest intra-day recovery; Sensex surges 4,700 points from day's low

■ In opening session, Nifty hits lower circuit, halting trade for 45 minutes

Nifty 50 **9,590.2** Mar 12 close

9,955.2 Mar 13 close

8,555.2 Mar 13 (10:20 AM)

"TOGETHER WITH THE RESERVE BANK OF INDIA, THE GOVERNMENT IS CLOSELY MONITORING THE MARKETS"
NIRMALA SITHARAMAN
Finance minister

1,034 pts or 9.40%: The Nifty lost this week

₹15 trillion: Investor wealth wiped out in the past four sessions

Jan 22, 2008: Last time the circuit freeze happened

SUNDAR SETHURAMAN
Mumbai, 13 March

The Indian markets soared 16 per cent from their lows on Friday as the global selloff triggered by coronavirus concerns showed signs of easing after central banks around the world announced measures to restore stability.

The Nifty plunged 10 per cent in opening session, leading to a trading halt for the first time in 12 years. During the hour-long trading break, US equity futures and the Asian markets saw a dramatic recovery underpinned by central bank measures, which helped repair investor sentiment bruised by stocks plunging to multi-year lows.

After dropping to 8,555, the Nifty managed to end the day at 9,955, up 365 points, or 3.81 per cent, over the previous day's close — and 16.4 per cent over the day's low. The Sensex, after slipping to 29,389, staged a 4,700-point come back to end at 34,103.

The sharply-lower opening in the domestic market, as well as in other Asian markets, came in the wake of a 10 per cent plunge — the worst since 1987— in the Dow Jones index of the US.

Throughout the day, stocks exhibited wild swings, with many gyrating in a 30 per cent band. A day earlier, the Nifty had ended at a 33-month low, pushing the domestic markets into "bear territory".

To stem the rout, Asian central banks announced aggressive measures. The People's Bank of China decided to inject $79 billion into the economy through a reduction in reserve ratios. The Bank of Japan offered to provide $20.8-billion liquidity, while the Reserve Bank of India and the Bank of Korea took steps to iron out currency fluctuations. Lawmakers in the US were also expected to unveil a legislative package to address the economic fallout.

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Market pullback hits short-sellers 10▸

Short-sellers were caught off-guard on Friday as the indices witnessed wild swings — from a 10 per cent low intraday to over 3 per cent in the green — within two hours of market opening.

Turmoil may impact fundraising plans 10▸

The current turmoil has thrown cold water on the fundraising plans of firms, with valuation computations going awry and investors jittery about locking up money in new names.

TOP 5 NIFTY RECOVERIES IN A SINGLE DAY

Date	Close	Fall* (%)	Recovery# (%)	Final close (%)
Mar 13, 2020	9,955.2	-10.8	16.4	3.8
Oct 27, 2008	2,524.2	-12.8	12.0	-2.3
Jan 22, 2008	4,899.3	-14.6	10.1	-5.9
Oct 17, 2007	5,559.3	-9.9	8.9	-1.9
May 17, 2004	1,388.8	-18.3	7.5	-12.2

*From previous close to low; #From low to close

US markets 10:15 pm (IST)

DOW JONES	21,831.40 2.98%
S&P 500	2,560.44 3.22%
NASDAQ COMPOSITE	7,429.17 3.16%

STOCKS THAT RECOVERED MOST (As on March 13)

	Low	Close	% chg
IndusInd Bank	551.1	803.8	45.8
BPCL	275.5	376.1	36.5
ONGC	50.0	65.9	31.8
SBI	184.7	242.0	31.1
GAIL India	65.0	84.6	30.1

Source: Bloomberg/exchange; Compiled by BS Research Bureau

YES Bank gets ₹3,100-crore lifeline from private lenders

Moratorium to be lifted 3 days after plan is notified; new board by subsequent week

SOMESH JHA & SUBRATA PANDA
New Delhi/Mumbai, 13 March

HDFC, Kotak Mahindra Bank, ICICI Bank, and Axis Bank are among the entities that will come to the rescue of troubled YES Bank, even as the government gave its nod to its revival plan on Friday.

After State Bank of India's commitment to invest ₹7,250 crore, the YES Bank reconstruction plan will include an equity investment of ₹3,100 crore from four private lenders. HDFC Ltd and ICICI Bank will invest ₹1,000 crore each, Axis Bank will chip in with ₹600 crore, and Kotak Mahindra Bank will put in ₹500 crore in the equity shares of YES Bank, according to the decisions taken by the respective boards on Friday.

SBI on Thursday announced investing ₹7,250 crore. All the investors will be buying stakes in YES Bank at ₹10 per share.

According to the information made public by the entities, YES Bank will see an investment of ₹10,350 crore so far.

Both HDFC and ICICI Bank will pick up more than 5 per cent in YES Bank. The Reserve Bank of India considers ICICI Bank and SBI domestic systemically important banks. In other words, these are "too big to fail".

HDFC Ltd holds a stake in two other banks — HDFC Bank (another systemically important bank) and Bandhan Bank.

Stock market investors Rakesh Jhunjhunwala, Radhakishan Damani, and the Azim Premji Trust have reportedly shown an interest in picking up stakes in YES Bank. According to an SBI executive, the second tranche of investment in YES Bank of around ₹10,000 crore will take place within six months.

The Union Cabinet met on Friday to approve the 'YES Bank Reconstruction Scheme, 2020' and decided to raise the authorised capital of the existing bank over five times from ₹1,100 crore to ₹6,200 crore.

"This was done to accommodate immediate and subsequent raising of capital requirements. State Bank of India will invest up to 49 per cent of the equity in YES Bank," Finance Minister Nirmala Sitharaman said at a media briefing on Friday.

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INSTITUTIONS PICKING UP STAKE IN YES BANK

	Stake (%)	Amount (₹cr)
ICICI Bank	>5	1,000
HDFC	>5	1,000
Axis Bank	<5	600
Kotak Bank	<5	500

Source: Statement to exchanges

CBI files fresh case of illegal gratification against Kapoor

The Central Bureau of Investigation (CBI) has filed a fresh case against YES Bank co-founder Rana Kapoor and his wife, Bindu Kapoor, for allegedly obtaining illegal gratification by acquiring a property in New Delhi from Gautam Thapar's Avantha group and, in exchange, waiving the industrial house's dues and advancing new loans. 4▸

AT-1 BONDS SEE SPIKE IN YIELDS P4

BS SPECIALS ON SATURDAY

WEEKEND RUMINATIONS
Schools for scandal 9▸
In India's age of financial scandal, with YES Bank and the incredible Rana Kapoor in focus, no questions are being asked of its board of directors and senior management, writes **T N NINAN**

NATIONAL INTEREST
Socialism of the elites 9▸
Scindia's 'non-AC' Range Rover shows how a unique brand of hypocritical— and self-destructive—socio-populism is our national ideology. Reason why Hindu Rate of Growth is India's destiny, writes **SHEKHAR GUPTA**

SENSEX THIS WEEK

Net change -3,473 **% change** -9.2

RBI intervenes to protect falling rupee

ANUP ROY
Mumbai, 13 March

The Reserve Bank of India (RBI) massively intervened in the local currency market on Friday, and most likely in offshore markets as well, as part of a coordinated global effort to arrest the continuously falling financial asset prices.

The one-month forward points in offshore markets collapsed from 50 paise to 32 paise in a matter of minutes. The fall in offshore forward points was accompanied by a rapid strengthening of the rupee in onshore markets. The partially convertible currency recovered from 74.50 a dollar to close at 73.76 a dollar.

An RBI spokesperson did not want to comment on the issue, but currency dealers were almost certain that the Indian central bank had shed all its inhibition to operate overseas, beyond its comfort zone, to protect the rupee. If offshore intervention happened, it would likely be for the first time ever. But some keen currency observers said the RBI might not be a complete stranger to these markets.

"The central bank may have been intervening in these markets in small measures in the past too, but Friday's action was quite loud," said a senior currency dealer, requesting anonymity.

"It looks like there was globally coordinated action. Everything went up together. Stocks rose, crude oil and metals rose, currencies strengthened, the rupee really did a smart comeback, and offshore forward points collapsed. There are tell-tale signs that the RBI may have intervened in offshore markets," said the currency dealer.

Abhishek Goenka, managing director at IFA Global, said the RBI heavily sold dollars even when there was huge risk aversion. And so, "as the risk on sentiment came back, the rupee benefitted".

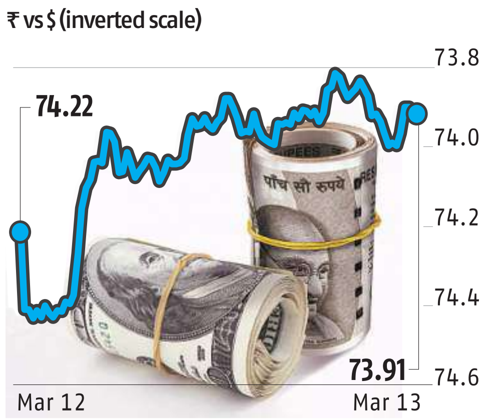
According to Goenka, the fall in the crude oil prices has managed to protect the rupee, otherwise the currency could have reached 77 a dollar. The RBI, it seems, would want to protect the rupee's lifetime closing lows of 74.48 a dollar it reached in October 2018.

The RBI doesn't put out direct data on its domestic intervention, but the data on dollar purchase and sales comes with a two-month lag. However, currency dealers get to know any central bank intervention by seeing how the exchange rate swings on persistent dollar buying or selling by nationalised banks. These banks work as a go-between the RBI and the markets.

However, if the RBI has to intervene in offshore markets — located in Dubai, Singapore, Hong Kong, and New York — it has to do it through local banks there. Or, it can take help from other central banks, which can intervene directly. For example, the Malaysian Central Bank and South Korean central bank are known to have capabilities to directly intervene in these markets.

Asian central banks pumped liquidity into the financial system and discussed emergency action to fight the global economy's biggest threat since the financial crisis, *Bloomberg* reported.

TRACKING THE CURRENCY
₹ vs $ (inverted scale)



IPL quarantined till April 15

BCCI to take a call in mid-April; over ₹8,000 crore hangs in the balance

SURAJEET DAS GUPTA
New Delhi, 13 March

The Board of Control for Cricket in India (BCCI) on Thursday decided to "suspend" the Indian Premier League (IPL) by a fortnight till April 15 on account of the spread of coronavirus in the country.

After April 15, according to sources in the cricket body, it will take a call on the matter.

Sources said the reversal of position by the cricket body, whose president, Sourav Ganguly, said a few days ago the tournament would be held on schedule, was just to bide time because more than ₹8,000 crore was at stake this year. Cancelling the tournament would have had a serious impact on stakeholders, they added.

Stakeholders include, apart from the BCCI, the advertisers, eight franchisees, US media giant Disney, which has the broadcasting and digital rights for the IPL matches, and more than 200 players.

The bulk of the BCCI's revenues comes from this tournament. The tournament was expected to start on March 29.

But according to sources, with limited wiggle room for the BCCI to extend the tournament due to a tight global cricket schedule, IPL matches will have to become double-headers instead of one match played every day (expect during weekends). However, this could impact viewership because some of the matches will have to be played in the afternoon, not to peak time. Last year around 500 million viewers watched the show.

Sources also said the matches would have to be held without spectators. Already the remaining two one-day matches between India and South Africa, which are in India on tour, have been cancelled.

It is expected that foreign players, many of whom are reluctant to come to India, could find it difficult to get the visa after the government decided to keep out people from abroad till April 15.

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BACK PAGE P14▸
AIRPORT OPERATORS LOOK TO LEVY FEE TO COVER LOSSES

2nd corona death reported

A 68-year-old woman in Delhi became the country's second victim of coronavirus on Friday as several states went into battle mode to contain the spread of COVID-19. The number of positive cases in the country includes the woman and a 76-year-old man from Karnataka who became the country's first coronavirus fatality, health ministry officials said. 14▸

MONEY RIDING ON THE LEAGUE

₹4,000 cr
BCCI earns through broadcasting and digital rights, and 20% of franchisee revenues and sponsorships

₹250-300 cr
Each franchisee makes from share of central revenues, home stadia ticket sales, licensing fee, merchandising and advertising, and sponsors of the team

₹3,000 cr
Disney is expected to make from advertising and broadcasting sponsors as it beams the matches on TV and its OTT channel, Disney-Hotstar

₹700 crore
Fees of players, including foreign ones, at stake

IN BRIEF

SpiceJet inks pact with GMR Hyderabad Aviation SEZ

GMR Hyderabad Aviation SEZ (GHASL), a 100 per cent subsidiary of GMR Hyderabad International Airport, will build a facility for SpiceJet to carry out warehousing, distribution, and trading activity within the Free Trade Warehousing Zone, known as GMR Aerospace and Industrial Park, in the city. SpiceJet signed an agreement with GHASL on Friday for developing the facility, which will be 33,000 square feet in size initially, with a potential to expand to 100,000 square feet based on demand. "The Free Trade Zone and the end-to-end service provided by SpiceXpress will greatly boost businesses saving valuable time for our partner companies," SpiceJet Chairman and Managing Director Ajay Singh said. BS REPORTER

Tata Sons buys more shares of group companies

Tata Sons bought more shares of Tata Steel and Tata Motors DVR on Friday. On Friday, Tata Steel ended 13.5 per cent higher, after falling as much as 12 per cent in intra-day trade. Tata Motors' DVR shares ended eight per cent higher, after falling as much as 11 per cent lower on NSE. BS REPORTER

Tata Steel directors approve raising ₹670 crore via NCDs

Tata Steel said its committee of directors had approved raising ₹670 crore through issuance of debentures. The NCDs are proposed to be listed on the wholesale debt market segment of the BSE, it added. Tata Steel stock was trading at ₹295, up 2.86 per cent, on the BSE. PTI

AAI to raise $300 mn to fund airport development

In order to step up investments in capacity expansion of airport infrastructure in the country, the Airports Authority of India(AAI) has decided to raise $300 million through external commercial borrowing (ECB) route next year as part of the proposed five-year outlay with ₹25,000 crore, starting this year. BS REPORTER

Fitch affirms MDL's long-term rating at CCC

Fitch Ratings has affirmed Macrotech Developers' (MDL's) long-term issuer default rating (IDR) at 'CCC'. The agency has also affirmed MDL's existing $324 -million 12 per cent senior unsecured notes at 'CCC' with a recovery rating of 'RR4'. AGENCIES

Vistara imposes travel ban on Kunal Kamra

Vistara said on Friday it has barred stand-up comedian Kunal Kamra from taking its flights till April 27. The decision has been taken after Kamra was found "guilty" for alleged misbehaviour by an internal committee of IndiGo, an airline official said. The ban on Kamra comes into effect immediately. PTI

British Airways to cut jobs over coronavirus: CEO

British Airways would cut jobs after the coronavirus pandemic devastated demand for global air travel, CEO Alex Cruz saidon Friday. "Given the changing circumstances, we can no longer sustain our current level of employment and jobs will be lost, " he said. PTI

HUL board to meet on April 1 for GSK Consumer merger

Hindustan Unilever (HUL) said on Friday its board of directors would meet on April 1 to declare that the merger with GlaxoSmithKline (GSK) Consumer would be effective from that day. HUL has already received approval from the Mumbai and Chandigarh Benches of the NCLT for the same. PTI

Wipro, PLEXIS Healthcare ink partnership pact

Wipro said on Friday it had partnered with PLEXIS Healthcare Systems. The partnership will enable a streamlined, efficient, accurate and integrated plan administration solution to support healthcare payers and plan sponsors worldwide, Bengaluru-headquartered Wipro said in a statement. PTI

Coronavirus: Entertainment industry stares at losses

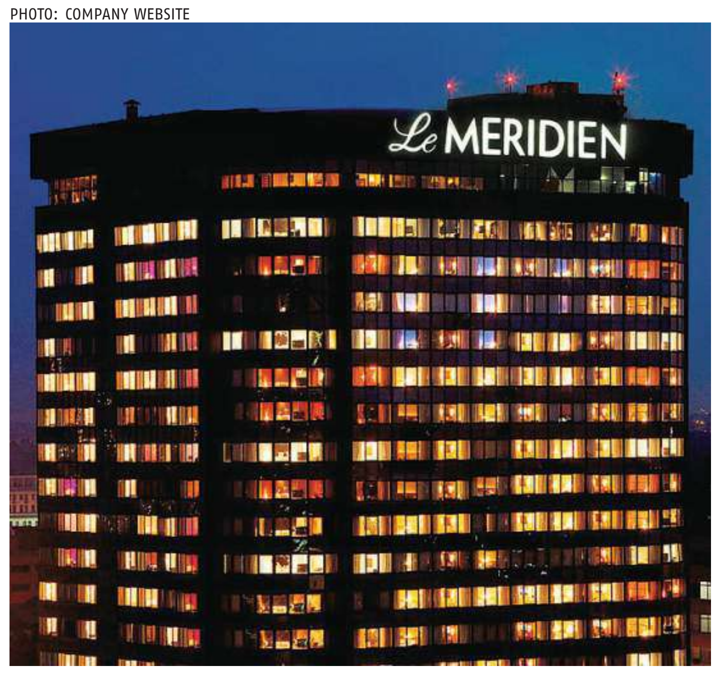
With theatres in parts of the country under lockdown, shootings stalled, and promotional events and interviews on hold because of the spread of coronavirus, the television and film industries are facing huge losses, say experts.It is hard to quantify exactly how much money is at stake but theatres in Delhi alone may incur a loss of ₹2 lakh to ₹10 lakh in the coming 10 days without earning a single penny, said film distributor Joginder Mahajan."A theatre shutdown like this is unprecedented, though there have been strikes in the past. Cinema halls were also closed for three-four days in 1984 during the riots. It is hard to estimate the losses now but there are many indirect expenses," he said. PTI

Marriott to go slow on India expansion plans

Faces combined impact of economic slowdown and COVID crisis

SHALLY SETH MOHILE
Mumbai, 13 March

PHOTO: COMPANY WEBSITE



Marriott International's expansion plans in India could face delays because of the overall economic slowdown and disruption in construction-related supplies from China after the coronavirus (COVID-19) outbreak, a top official of the firm said.

The world's biggest hotel operator was planning to add 20 hotels to its existing portfolio of 120.

The owner of Le Méridien, Fairfield and 14 other brands opened seven hotels before the outbreak. The fate of the remaining ones will depend on their location, the progress of construction and the overall demand scenario, said Neeraj Govil, senior vice-president — South Asia, Marriott International.

"There will be a slowdown in openings now as it's about two things — the prevalent demand and economic conditions. Would I want to open a hotel when there is no demand or do I push it to when demand revives? Secondly, there are delays in procuring stuff from places like China," Govil told Business Standard.

From furniture and fixtures to glasses and bathroom fittings, hotel and hotel developers source quite a few items from China.

Marriott globally and in India has an asset light, management contract model.

Additionally, Marriott like other hotel chains has seen a drop in occupancy across its properties and brands because of visa restrictions and rising number of COVID-19 cases in India. "Bookings for March, April and May have reduced with lots of cancellations," said Govil, adding that the hotel chain has waived cancellation fee for its guests till March 31.

Compared to its business hotels, Marriott's properties at leisure destinations like Goa are relatively less affected, but they too have been impacted.

"Typically, in March our properties in Goa would see 90 per cent occupancy. This has fallen by 40-50 per cent this year," said Govil.

Marriott is reaching out to guests to inform them about the hygiene and cleanliness measures the hotel has put in place.

CORONAVIRUS PANDEMIC

"This happened with Marriott in China, so we got an early sense of what could happen. We had information on how hotels are dealing with it there," said Govil.

He added that company's hotels in India had a good January and a good first half of February till COVID-19's spread to South Korea and Japan, which are big source markets for hotels in India.

The recovery in India and non-China markets will kick in with a lag of two to three months, much like the delayed spread of the virus, believes Govil.

ROADBLOCKS

- The global hotel major was earlier planning to add 20 hotels
- Poor economic conditions and supply disruption from China to delay plans
- The Group has seen decline in bookings and cancellations across all properties
- Even leisure destinations have seen a steep drop in occupancy

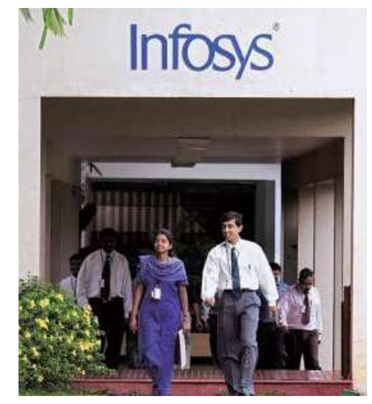
The luxury hotels, given their high dependence on foreign travelers, will feel a greater impact of the epidemic, according to Jaideep Dang, managing director at hotels and hospitality Group at JLL.

"A large chunk of their business will potentially be impacted this season," said Dang. These hotels will also see a decline in room rates in both the first and second quarters.

"A full rebound may take time. Assessing the impact is a challenging proposition," he said.

Infosys revenue growth likely to decline in FY21

DEBASIS MOHAPATRA
Bengaluru, 13 March



Infosys is likely to post lower revenue growth of around 7 per cent in organic terms in financial year 2020-21 (FY21), compared to FY20 as the spread of coronavirus (COVID-19) is widely expected to pull down the global economy.

The revenue growth number will be around 200 basis points (bps) lower on constant currency basis than the Bengaluru-headquartered firm is expected to post in FY20, said analysts at ICICI Securities based on their interaction with Infosys Chief Financial Officer Nilanjan Roy.

The company has guided for a revenue growth of 10-10.5 per cent in constant currency terms in FY20, of which around 9 per cent is likely to come through the organic route, while the rest is expected to come from acquisitions, especially that of Stater NV.

However, the IT services firm is better-placed to handle the slowdown arising from COVID-19.

"The company's exposure to markets like Germany and Italy is modest. Management believes that apart from 'net-new' discretionary work which can potentially get postponed, impact on existing book from COVID-19 should be limited," said ICICI Securities. "Work around infra and maintenance is expected to continue even if COVID-19 issues persist," it added.

Despite severe restriction being imposed on talent mobility because of the virus' spread, Infosys believed that a major portion of enterprise applications work could be handled remotely from offshore locations like India and wouldn't require deploying engineers at the client site.

All IT services companies have widened their travel restrictions to include many other nations such as Italy, France, Singapore, South Korea, and Japan. Several of them have even imposed a restriction on non-essential travel to the US, which accounts for 60 per cent of revenues of Indian IT companies.

While travel and automotive sectors have been severely impacted because of the ongoing spread of COVID-19, cancellations of meetings, travel plans and other such business disruptions are likely to pull down global growth in the current year. Analysts have already started factoring in the effect of a global slowdown on the IT spend of companies.

Typically, discretionary spends are instrumental in driving large transformational projects. During a slowdown or uncertain business environment, clients hold back such expenses first, though spends on ongoing research and development (R&D) continue to run the business.

Amidst all the business disruptions and market crashes, there are also silver linings for the IT industry. "There are also opportunities for (the IT industry) as clients evaluate transformational cost saving project initiatives in an accelerated fashion where the speed to market and automation driven cost benefits of India heritage vendors will enable material share gains at the expense of in-house teams," according to the note.

Oyo to entice virus-stricken hotels in Japan with cash

To pay members a sum equal to a proportion of past year's revenue

BLOOMBERG
Tokyo, 13 March

Oyo Hotels, one of the largest start-ups in SoftBank Group's portfolio, is promising cash to hotels in Japan that join its platform as bookings plunge in the coronavirus-stricken country. The Indian start-up, looking to get more hotels into its network and expand its reach, will pay new members a lump sum equal to a proportion of their past year's revenue, the company said in a statement on Friday. Dubbed Oyo Partner Support Program, the offer is available immediately and will run indefinitely, the company said, without giving further details.

Oyo has struggled in Japan despite having the full endorsement and support of SoftBank's ubiquitous brand. The SoftBank name is on one of the largest wireless carriers, Japan's leading web portal and the Fukuoka SoftBank Hawks, which have won five of the last six baseball championships. Oyo's push for rapid growth in the market was hampered by technical problems and a public backlash from hotels, leaving it far short of its targets.

The coronavirus outbreak has contributed to a dramatic retrenchment in China, where Oyo is cutting about half of its staff. The company is reducing its global workforce by about 5,000 jobs, to 25,000 people as part of a worldwide overhaul.

Founder and Chief Executive Officer Ritesh Agarwal has said he is prioritising improved relations with hotels and stronger corporate governance. Tourists from China and South Korea, among the hardest-hit by the virus, account for nearly half of overseas visitors to Japan. The country's tourism industry is also bracing for the likely delay of the Tokyo 2020 Summer Olympics.

"Japan is an extremely important market for Oyo and we intend to contribute to it over the long term," Agarwal said in the statement. "This is our response as a global hotel group to Japan's lodging industry in the time of crisis."

50% flights cancelled in Asia Pacific: Boeing

PRESS TRUST OF INDIA
Hyderabad, 13 March

Air traffic in China and other Asia Pacific countries has plummeted by more than half because of the coronavirus scare, Darren Hulst, vice-president and global head of marketing, Boeing Commercial Airplanes, said on Friday. Speaking on the sidelines of 'Wings India 2020', an aviation-related event, he said China used to witness as many as 15,000 departures on an average in a normal day. This has come down to about 3,000 flights a day, whereas in India, it did not have much impact.

"In the mainland China market during normal operations, we see about 15,000 departures a day, and at the peak of the virus, they were operating around 3,000 flights a day, which is about an 80 per cent decline. If you exclude China, in the rest of the Asia Pacific market, it was probably about 5,000 flights a day and at one point in time we saw about 2,500. These are rough numbers," Hulst said.

He said that in other areas where the presence of the virus is felt, such as Europe and North America, several airlines have started taking measures in terms of passenger admissions.

"I think we are going to see similar reduction in capacities by airlines for a very short period of time, not necessarily to the magnitude of that China number," he added.

Asked if there are any deferments in deliveries of aircraft by airlines because of the slump in the industry, he said: "Aircraft deliveries are case-by-case and one-on-one basis. We have not done any deferring yet."

Boeing's sourcing from India stands at over $1 billion a year from over 200 suppliers who are manufacturing high-end systems and components for some of Boeing's most advanced products as part of its global supply chain, and the aircraft maker has plans to double it to $2 billion, Hulst said without specifying any timeframe.

India's Silicon Valley placed under lockdown for a week

Tech firms ask staff to work from home as Google techie tests positive; DoT relaxes norms for BPMs

SAMREEN AHMAD & NEHA ALAWADHI
Bengaluru/New Delhi, 13 March

The Silicon Valley of India has been put under a lockdown for a week to tackle the coronavirus (COVID-19) pandemic.

Most of Bengaluru's top tech companies are asking employees to work from home. The state government ordered that all malls, cinema halls and populated areas in the city be shut beginning Saturday.

After a Google techie in Bengaluru tested positive on Thursday, the US-headquartered company closed its office in the city for a day. It asked all employees to work offsite as a precautionary measure.

"We can confirm that an employee from our Bengaluru office has been diagnosed with COVID-19. The employee was in one of our Bengaluru offices for a few hours before developing symptoms. The employee has been on quarantine since then. We have asked colleagues, who were in close contact with the employee, to quarantine themselves and monitor their health," said the company in a statement.

But Google staff in Gurugram said it was business as usual for them. However, visitors were not allowed for any of the employees, and usual measures of sanitisation were being followed for keeping Googlers as safe as possible.

Dell and Mindtree in Bengaluru had earlier said their employee had tested positive. RMZ Infinity, which houses the Google office, wore a deserted look as most of the 10,000-odd employees working out of the tech park chose to work from home.

"All other offices in the premises have been apprised of the situation and necessary safety measures such as fumigation and sanitisation of the premises have been taken up to help them in the best way possible," said RMZ Corp.

PHOTO: REUTERS

E-commerce giant Amazon, earlier on Friday, issued an advisory to all its employees to work from home till March end in response to the coronavirus outbreak. The company, in an email, asked its employees globally to work from home.

Worldwide, Amazon has reported three positive coronavirus cases, one in Seattle and two in Italy.

Earlier, the company had also announced that employees diagnosed with COVID-19 or placed into quarantine will receive up to two weeks of pay. "This additional pay, while away from work, is to ensure employees have the time they need to return to good health without the worry of lost pay," said Amazon in a blogpost. While most of Uber India employees have been working from home for the past one week, the company came up with an advisory for staff to work remotely till April 6.

Microsoft has started work-from-home for most employees even before the coronavirus outbreak, and most personnel are utilising that option even now. Similarly for Facebook, there is a voluntary work from home option for most employees.

According to sources, Bytedance, the parent company of short video messaging app TikTok, has also asked all its employees to work from home.

Flipkart, too, has piloted a work from home for three days for its 10,000 employees working out of its Bellandur office in Bengaluru. The Walmart-owned company has made it compulsory for its employees who operate out of its corporate headquarters in the city to work from home, starting Wednesday, for three days.

Brokerage start-up Zerodha has also announced work from home for its entire team of 1,200 employees to reduce the chance of any spreading of the virus. Several others such as Swiggy, Ola, BYJU's and Udaan are also strongly recommending work from home.

Meanwhile, software services body National Association of Software and Services Companies (Nasscom) got a long-awaited nod from the department of telecommunications (DoT) to allow work from home to employees of business process management (BPM) firms until April 30.

Car sales skid 7.6% in February

Siam data shows total automobile despatches were down by 19.08% during the month

T E NARASIMHAN
Chennai, 13 March

Domestic passenger vehicle sales dropped by around 7.61 cent to 251,516 units in February from 272,243 units in the same month a year ago, according to the Society of Indian Automobile Manufacturers (Siam) data.

The decline in wholesale despatches was primarily because of the economic slowdown and lower production of BS-IV vehicles. Total two-wheeler sales in February fell 19.82 per cent to 1,294,791 units compared to 1,614,941 units in the same month last year. Sales of commercial vehicles were down 32.9 per cent to 58,670 units in February against 87,436 units in the same month last year, Siam said.

Vehicle sales across categories registered a decline of 19.08 per cent to 1,646,332 units from 2,034,597 units in January 2019, it said.

Rajesh Menon, director-general, Siam, said that the automobile industry continues to face hardship owing to steeper decline in production and wholesale despatches in all segments in February 2020.

Rajan Wadhera, president, Siam, said the decline in wholesale despatches is primarily due to the economic slowdown and lower production of BS-IV vehicles.

"Some upside on the registration numbers of VAHAN can be attributed to last minute purchases by customers trying to advance buying of BS-IV vehicles" Wadhera added. On Thursday, the Federation of Automobile Dealers Associations (Fada), apex body of the automobile retail industry, released retail numbers. The figures showed that after nearly 11 months, auto retail sales turned green, excluding passenger vehicles.

There was a 2.6 per cent growth in overall retail sales to 1,711,711 units in February 2020 compared to 1,668,268 units, a year ago.

"Supply chain disruptions from China are also a concern, which may impact the production plans of companies, going forward. The auto industry is grateful to the government for issuing a notification of Force Majeure for coronavirus and 24x7 clearance of shipments at all customs formations," said Wadhera.

Carmakers have said that rural sales growth was higher than urban markets. This is owing to good monsoon, rabi and kharif crops, which were better and increased rural income, which in turn is fuelling the positive sentiment.

On the way forward, they said that while the sentiment is better and will improve, the challenge is converting enquiry into sales.

While domestic sales are in the red, exports continued to grow. In February, they rose by 11.05 per cent to 415,329 units. This was led by passenger vehicles, which reported 8.86 per cent growth in exports and two-wheelers, which grew by 15.64 per cent. Commercial vehicle exports were down 19.6 per cent. Passenger car exports declined by 4.5 per cent.

Across all categories, production was down 18.14 per cent in February to 2,025,931 against 2,475,018 units in February, 2019. The worst hit was medium and heavy commercial vehicle (M&HCV), which saw nearly 50 per cent drop in production, followed by LCVs (down by 33.7 per cent), three wheelers (down 23.72 per cent), two wheelers (down 18.30 per cent) and passenger vehicles (9.43 per cent).

Commercial vehicle production, as a whole, declined 40.11 per cent. Passenger car production declined 13 per cent during the month at 189,783 units.

ON A SLIPPERY ROAD

	Production			Domestic sales		
	Feb'19	Feb'20	% chg	Feb'19	Feb'20	% chg
Passenger vehicles	335,904	304,217	-9.43	272,243	251,516	-7.61
Commercial vehicles	91,794	54,975	-40.11	87,436	58,670	-32.9
Three-wheelers	108,519	82,783	-23.72	59,875	41,300	-31.02
Two-wheelers	1,938,265	1,583,556	-18.3	161,4941	129,4791	-19.82
Quadricycles	536	400	-25.37	102	55	-46.08
Total	2,475,018	2,025,931	-18.14	2,034,597	1,646,332	-19.08

Source: Siam

Dealers sitting on BS-IV two-wheeler stocks of ₹3,800 cr

T E NARASIMHAN
Chennai, 13 March

With just two weeks left for the automobile sector to switch over to the new emission norms, two-wheeler dealers in the country are sitting on BS-IV inventory worth over ₹3,800 crore.

Federation of Automobile Dealers Associations (Fada) says a very high number of two-wheeler dealers will not be able to fully liquidate their BS-IV inventory and its members have expressed inadequate support from their original equipment manufacturers (OEMs) for 100 per cent liquidation of this stock. After March 31, BS-IV vehicles can't be sold in India. Fada says 700,000 BS-IV two-wheelers are lying with dealers, valued at around ₹3,850 crore.

Ashish Harsharaj Kale, president, Fada, said two-wheeler inventory of BS-IV vehicles remains a serious concern.

"With the Supreme Court not considering our application for allowing extension of sale period for BS-IV, Fada urges two-wheeler OEMs to handhold dealers for 100 per cent liquidation of their BS-IV stocks," said Kale.

He said passenger and commercial vehicles inventory was at a reasonable level, but selling slow moving, non-popular models is a challenge. Fada has already advocated for return of unsold BS-IV stocks and will be pursuing this for its members if the need arises, as many dealers will be unable to sustain such losses. On demand and outlook, Kale said that with banks and non-banking financial companies getting into a cautious mode with regards to financing BS-IV stocks and transport authorities prescribing their own cut off dates for permanent registration, retails of 100 per cent of dealer inventory of BS-IV stocks continue to be a challenge. Retail sales of two-wheelers grew by around 1.5 per cent to 12,85,398 units in February 2020 from 12,66,163 units in February 2019.

Dealers are also facing an alarming drop in customer walk-ins at showrooms due to the coronavirus scare.

Kale said nearly 60 per cent of sales happen through walk-ins in the two-wheeler segment.

CCI warns drugmakers not to indulge in unfair biz practices

PRESS TRUST OF INDIA
New Delhi, 13 March

Fair trade regulator CCI has asked Bengal Chemists and Druggists Association (BCDA), its two district committees, Alkem Laboratories, and Macleods Pharmaceuticals to refrain from indulging in anti-competitive business practices. The district committees are Murshidabad District Committee and Burdwan District Committee.

In a press release, CCI said it has passed an order against the entities for violating provisions of the Competition Act by involving in anti-competitive business practices. The Competition Commission of India (CCI) found that pharmaceutical companies — Alkem Laboratories and Macleods Pharmaceuticals — had an anticompetitive agreement with BCDA.

CCI noted that BCDA used to mandate pharmaceutical companies in some districts of West Bengal to ask their new stockists to obtain a stock availability information (SAI), no-objection certificate from BCDA before supply of drugs can be commended to them and used to collect monetary considerations for issuance of SAI through its district committees.

Also, the promotion cum distributor agents of pharma companies had to obtain product availability information from BCDA after paying money to the association in the form of donations to start marketing drugs of their respective pharma companies in West Bengal.

Since BCDA has taken several steps to stop the practice of requiring NoC/SAI and Alkem and Macleods have filed the plea before the Commission that they were indulging in such conduct under threat from BCDA, CCI has "decided not to impose any monetary penalty on the erring entities".

Alkem Labs gets EIR from USFDA for Baddi facility

PRESS TRUST OF INDIA
New Delhi, 13 March

Drug firm Alkem Laboratories on Friday said the US health regulator has issued an establishment inspection report (EIR) for its manufacturing facility at Baddi in Himachal Pradesh. The Baddi facility was inspected by the United States Food and Drug Administration (USFDA) from February 17 to 21, 2020, Alkem Laboratories said in a filing to BSE. The USFDA has now issued an EIR for the manufacturing facility, it added.

Co-working firms lag in attracting multinationals, says Anarock

Companies refute claim, say they have a sizeable number of clients

RAGHAVENDRA KAMATH
Mumbai, 13 March

Property consultancy Anarock Property Consultants on Wednesday said that co-working spaces are failing to attract large multinational firms (MNCs) despite low rents. However, co-working firms do not agree with Anarock. They say they have a sizeable amount of MNCs.

Anarock said MNCs are not taking up co-working spaces because the latter lack separate canteens or pantries for occupiers, and they also bar corporates from organising events in common areas. The consultant said maintenance of these properties is another challenge.

Abhishek Goenka, chief executive at co-working space provider CoWrks said MNCs constitute more than 75-80 per cent of its member base and have been growing steadily.

Goenka said the demand side of their business is very robust.

"We are proud that many of the largest companies in the world are working from our centres, and this is testimony to our philosophy of being a space provider of choice to the best of enterprises," he said.

He added that they have always created large event and community spaces, as well as common areas for dining and recreation. "These are available for use by our members as part of their pricing with us. We invest heavily in managing its operations," he said.

"WeWork provides customised office spaces. Customisation can mean creating a separate floor or putting in a desired number of meeting rooms, and even common areas for events "

KARAN VIRWAN
CEO, WeWork India

Karan Virwani, CEO, WeWork India, said the company provides office spaces inside WeWork spaces, which are completely separate and customised according to the requirement of members.

"Customisation can mean creating a separate floor or putting in a desired number of meeting rooms, canteens, larger pantries and common areas for events and gatherings which the company might like to host," Virwani said, adding that they allow large- to medium-sized business owners to use their spaces according to their requirements, and to focus on running their business rather than their offices.

On maintenance of properties, Virwani said WeWork works with Embassy Services and leverages its expertise of over two decades to not only manage facilities, but to also reduce operational costs.

However, Virwani did not answer a query on the amount of space leased to MNCs this year and last.

Anarock said that in Bengaluru, co-working spaces charge nearly 20 per cent lower rentals in key areas such as MG Road, Millers Road, Vittal Mallya Road, Residency Road, and so on.

The average monthly rental for flexible workspaces is between ₹7,500-15,000 per desk, while rent for traditional office spaces is between ₹10,000 to ₹18,000 per desk.

In Mumbai Metropolitan Region, co-working spaces come at 14 per cent lower rentals in key micro markets such as Ballard Estate, Colaba, Churchgate, Fort, and Nariman Point. The average monthly rental in co-working spaces is between ₹18,500 and ₹28,500 per desk, while for traditional office spaces, it hovers between ₹24,500 to ₹30,000 per desk, Anarock said.

In NCR's Gurugram, flexible workspaces command only six per cent lower monthly rentals at ₹9,000-14,000 per desk, against ₹9,500-15,000 per desk in regular office spaces, it said.

IN BRIEF

Goyal pitches for private sector investment, skills in railways

Union Railway Minister Piyush Goyal on Friday made a strong pitch for private investment in railways, saying it would help the Centre realise the goal of ₹50-trillion investment in the sector over the next 12 years. If it is only left to the government to raise all the money, then welfare schemes will be hit and it may be forced to boost revenue by raising taxes and fare, Goyal told the Lok Sabha in his reply to a discussion on demands for grants of his ministry. It was later passed by the House with a voice vote. He favoured using skills of private sector and facilities it may bring at less cost, saying it will strengthen the railways and help its expansion. There is a need for ₹50-trillion investment in the railways in the next 12 years, Goyal said. PTI

Private agents no longer needed for booking rail tickets

The Centre is considering barring private vendors and agents from booking train tickets for passengers, Railway Minister Piyush Goyal told Lok Sabha on Friday. He spoke about his ministry's crack-down on touts, including arrests, and asserted that private agents are no longer needed when most people can book tickets on mobiles. PTI

Indian Oil declares ₹4.25 per share interim dividend

State-owned Indian Oil Corp (IOC) declared an interim dividend of ₹4.25 per share, which will give the government ₹2,060 crore. "The Board of Directors of the company at its meeting held today (Friday) has declared an interim dividend of 42.50 per cent i.e. ₹4.25 per equity share of face value of ₹10 each for the 2019-2020," it said. PTI

Govt approves ₹7,660-cr green highway project

The government approved a proposal for the construction of 780 km of green highways at a cost of ₹7,660 crore. "The Cabinet has approved building 780-km 'green' National Highway project at a cost of ₹7,660 crore," Union Minister Prakash Javadekar said. PTI

NCLAT Chairman Mukhopadhaya retires

National Company Law Appellate Tribunal (NCLAT) Chairperson Justice Sudhansu Jyoti Mukhopadhaya retired on Friday. Justice Mukhopadhaya, who turns 70 on March 15, was the first chairperson of the NCLAT. PTI

₹1.83 trillion spent on MNREGA in 2017-2020: Govt

Expenditure under MNREGA almost doubled to ₹1.83 trillion during 2017-18 to 2019-20, as compared to 2011-12 to 2013-14, the government said on Friday. There were provisions of providing wages in case of delays in assigning work or delays in payment to beneficiaries. PTI

Ex-BJP MLA Sengar sentenced to 10 years in prison

A Delhi court sentenced expelled BJP MLA Kuldeep

Singh Sengar to 10 years' imprisonment in the custodial death case of Unnao rape victim's father. District Judge Dharmesh Sharma directed both Kuldeep Singh Sengar and his brother Atul Singh Sengar to pay ₹10 lakh each as compensation. PTI

Telangana plans to construct six airports in state

The Telangana government said it was planning to re-activate old airports, create greenfield airports, and construct a chain of heliports to connect the remote parts of the state. It has identified areas for three greenfield and brownfield, for which the Airports Authority is preparing feasibility studies. BS REPORTER

Govt to table MTP amendment Bill next week

The Medical Termination of Pregnancy (Amendment) Bill, 2020 will be taken up for consideration and passage in the Lok Sabha next week, Union Minister of State for Parliamentary Affairs Arjun Ram Meghwal said. PTI

Farooq Abdullah released after seven months of PSA detention

Former Jammu and Kashmir chief minister Farooq Abdullah was released on Friday after he spent over seven months in detention, with the government revoking the draconian Public Safety Act (PSA) under which he had been held at his residence here. Immediately after his release, the 82-year-old politician demanded that his son and former CM Omar and PDP's Mehbooba Mufti and other political leaders be released at the earliest to allow political activities to take place. "I would also like to express gratitude to every individual who prayed for us ... I will not speak on any political matter till others are released," he said, not accepting any questions from the scribes. PTI

YES BANK CRISIS

CBI files another case against Kapoor, wife

'Conspired' with Avantha group and bought house at discounted price

SHRIMI CHOUDHARY
New Delhi, 13 March

The Central Bureau of Investigation (CBI) has filed a fresh case against YES Bank co-founder Rana Kapoor and his wife, Bindu Kapoor, for allegedly obtaining illegal gratification by acquiring a property in New Delhi from Gautam Thapar's Avantha group and, in exchange, waiving the industrial house's dues and advancing new loans.

The CBI has charged Thapar, Rana Kapoor, and his wife with criminal conspiracy and cheating under the Indian Penal Code and the Prevention of Corruption Act, according to the report.

According to the CBI first information report, Kapoor and his wife entered into a criminal conspiracy with the Gautam Thapar group and bought a 1.2-acre bungalow in Amrita Shergill Marg at a discounted price of ₹378 crore. The valuation of the property was done at ₹550 crore.

The transaction was through Bliss Abode, a company which is now an accused in the fresh case and in which Bindu Kapoor is one of the two directors.

And in exchange Kapoor disbursed ₹1,900 crore as loan from YES Bank to Thapar's Avantha Realty and other group companies, the CBI said.

The central agency on Friday carried out searches at the residence and offices of Rana Kapoor and his wife in Mumbai, the premises of Bliss Abode, and the offices of Avantha Realty in Delhi and the National Capital Region, said the CBI.

Explaining the details of the transaction, the CBI alleged Kapoor bought the bungalow at ₹378 crore, paying through Bliss Abode, adding that it was mortgaged to Indiabulls Housing Finance (IBHFL) for a loan of ₹685 crore.

Loan agreements were executed between Bliss Abode and IBHFL later on October 5, 2017. Kapoor is shown as a co-borrower in all these loan agreements.

Further, the CBI alleged this loan transaction with IBHFL was not disclosed by Kapoor to the board of YES Bank.

"... There was a situation of conflict of interest and related party transaction and a clear violation of the Bank's code of conduct as well as the provisions of the Companies Act, 2013," the CBI said.

The agency has alleged the property was mortgaged to ICICI Bank, and then released in favour of YES Bank through a loan of ₹400 crore given to Avantha Realty.

In June 2017, Rana Kapoor persuaded Avantha Realty to sell this property to Bliss Abode in return for the favours given to the Avantha group and extending another ₹1,165 crore as loan to the group companies even when the existing loans were under stress, it added.

Meanwhile, the Enforcement Directorate has identified further investment of Kapoor and his family in hotels in the UK and the US.

According to the officials, Kapoor invested ₹348 crore in hotel projects in New York and London.

YES Bank founder Rana Kapoor being taken to court for a hearing in connection with money laundering charges, in Mumbai, on Wednesday PHOTO: KAMLESH PEDNEKAR

LORD JAGANNATH'S MONEY IN YES BANK: ODISHA HOUSE PANEL TO PROBE

Odisha Assembly Speaker S N Patro on Friday announced the formation of a House committee to probe into the circumstances under which Lord Jagannath's ₹545 crore was deposited in the crisis-hit YES Bank.

The Speaker named 12 members of the committee headed by him. The committee will inquire into the deposit of the Lords money in the private bank by the Shree Jagannath Temple Administration. The panel will present a memorandum to the Centre and the RBI governor relating to the release of the Lords funds. PTI

CONGRESS ATTACKS GOVT OVER SBI'S REVIVAL FUND FOR CRISIS-HIT BANK

The Congress on Friday alleged that the ₹7,250 crore, which State Bank of India is set to infuse into the cash-strapped YES Bank for its revival, will be provided by the cut in interest rates for over 445.1 million SBI account holders.

Congress' chief spokesperson Randeep Surjewala and the party's leader in Lok Sabha Adhir Ranjan Chowdhury said it was important to understand the "chronology" of the Modi government's "new experiment" of "looting" over ₹7,000 crore interest from account holders to save a sinking bank. PTI

MAHA CIVIC BODIES ASKED NOT TO KEEP MONEY IN PVT BANKS

In the wake of YES Bank crisis, Maharashtra Minister Eknath Shinde on Friday said the government would ask the civic bodies in the state not to park their money in private sector banks.

Taking part in discussion on the YES Bank issue, he said the government would take a review to know the quantum of civic bodies' funds stuck in that bank.

"If a civic body has violated norms and kept its deposits in the private banks expecting higher interest rates, they will face action," he said. The government will take some concrete steps to avoid such a crisis in the future, he added. PTI

AT-1 bonds see spike in yields

JASH KRIPLANI
Mumbai, 13 March

The yields on banks' additional tier-I bonds (AT-1), also called perpetual bonds, have started to see a spike in the light of the Reserve Bank's (RBI's) move to propose write-down of YES Bank's bonds as part of its reconstruction scheme.

Among the AT-1 bonds issued by banks, State Bank of India's (SBI's) perpetual bonds have seen a 150-170 basis points (bps) spike in yields. "The jump in SBI yields is indicative of AT-1 bond market, as it is among the most traded AT-1 bonds and has the lowest risk-perception among the AT-1 bonds trading in the market," said a fund manager requesting anonymity.

Market participants say ask yields for other large-sized banks' AT-1 bonds have widened further. "For other banks, the yields would be in excess of nine per cent, higher than SBI, when trades are settled in the market," said a bond dealer.

According to the data sourced from Bloomberg, the bid yields on SBI's AT-1 bonds spiked to 9.45, widening 175 bps since the RBI declared its reconstruction scheme for YES Bank on Friday. The yields on SBI's AT-1 bonds were 7.7 per cent on Friday. Industry sources say that banks are re-thinking their fundraising plans through bond issuances with risk-perceptions towards AT-1 bonds becoming stronger following YES Bank crisis.

On Saturday, IndusInd Bank decided not to consider issuing bonds for fundraising. The bank said Monday's board meeting, which was to consider issuances of AT-1 bonds and/or tier-2 bonds, was being put on the back-burner.

Meanwhile, to mitigate impact of RBI's proposal to write-down YES Bank's AT-1 bonds, bondholders are seeking relief from courts. The RBI move has cast a shadow over ₹10,800 crore of bondholders' investments in these bonds. Mutual funds, which have over ₹2,700 crore of investments, have already marked down their exposure to zero with 'D' or default grade being assigned to the bank.

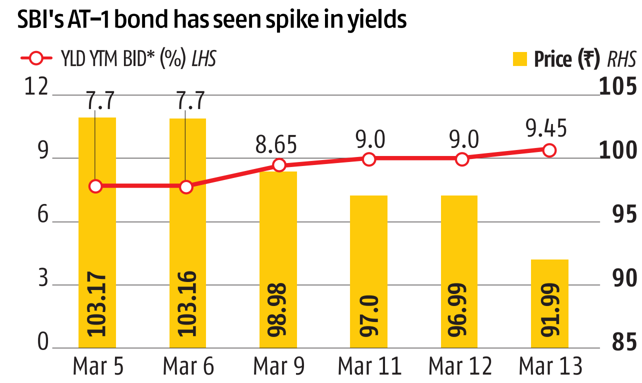
Industry participants point out that yields on these bonds are hardening when domestic bond market yields have been softening after US Fed's rate cut and the RBI expected to keep a dovish stance to support growth. On Monday, domestic bond yields for 10-year government securities had dipped to over ten-year low of 6.065 per cent. Further, sources say bondholders might have to eventually settle for an 80 per cent markdown.

"Investors are negotiating with the RBI and have proposed equity conversion as an alternative, instead of a complete write-down. We should at least get treated on a par with equity shareholders if not given superior treatment. This would lead to 70-80 per cent erosion on the face value of the investments, which is better than full write-off," said a fund manager.

"While there was always an element of risk in such bonds, AT-1 bonds have always got serviced in the past even by banks under prompt corrective action. However, YES Bank episode has put spotlight on the equity-like loss-absorption features of these bonds, which is now leading to re-pricing of such instruments," the fund manager added.

FACTORING THE RISKS

SBI's AT-1 bond has seen spike in yields



*Bid yield to maturity; Note: Table shows yields for SBI 8.5% perpetual Sr II
Source: Bloomberg

COVID-19 affects Air India's sale process

ARINDAM MAJUMDER
New Delhi, 13 March

The global outbreak of coronavirus has hit the disinvestment process of state-owned Air India.

On Thursday, the government deferred the last date to submit expressions of interest (EoIs) for the national carrier by more than a month to April 30. The current deadline is Match 17.

"The above changes are in view of the requests received from interested bidders and the prevailing situation arising out of COVID-19," a government notification said.

Sources said the decision was taken after India announced that it is suspending all visas till April 15, virtually sealing off its borders.

"It would have been impossible for foreign bidders to function normally with the closures and suspension. Hence the extension, "a government official, involved in the process, said. The official added that there is a possibility of further extension if the situation doesn't improve.

Industry executives and investment bankers said there is less chance of the process being successful in the current situation as business houses, including airlines, are looking to conserve cash. "The process should resume as the global economy settles down after impact of the virus outbreak. No one knows how long it will last and hence will look to save cash rather than indulge in a buy," said an executive of a global carrier.

Major airline groups globally are under severe stress as the virus has forced the government to impose travel restrictions, leading to airlines cutting routes and even grounding aircraft.

For instance, the top management of Singapore Airlines has decided to take a paycut and offered voluntary retirement scheme to its staff. German major Lufthansa has been forced to ground almost half of its fleet due to the outbreak.

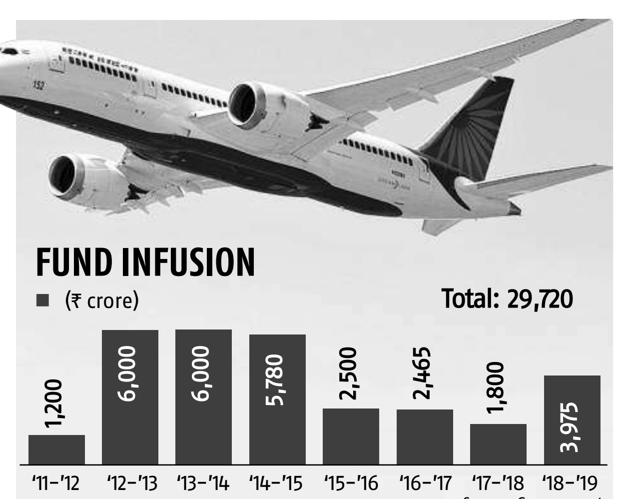
Cyril Amarchand Mangaldas, the law firm advising Air India's sale process, said the outbreak can impact mergers and acquisition across the world.

However, the official involved with Air India's transaction process said the airline's balance sheet will not materially change for a prospective buyer, as rising future losses and liabilities will be absorbed by the government.

"A prospective buyer will be insulated from the current impact on the balance sheet," the person said. He added that in comparison to major airline groups, Air India's business is quite small for a person or entity wanting to acquire it.

This is the third attempt by the government to sell Air India. As part of its attempt to sell the carrier, the government changed multiple conditions to sweeten the offer. These include selling 100 per cent stake against the earlier 76 per cent.

The others changes include reduction of debt – the successful bidder would have to take over only debt worth ₹23,286.5 crore. The liabilities would be decided depending on the current assets at the time of closing of the transaction.



Low petro prices, phased rise in LPG rate to bring down subsidy

Analysts say the subsidy burden on both LPG and kerosene is likely to be around ₹35,000 crore

SHINE JACOB
New Delhi, 13 March

Low international petroleum prices, coupled with phased increase in price of both kerosene and liquefied petroleum gas (LPG), are likely to bring relief to the government on the oil subsidy front. Oil marketing companies (OMCs) are passing on the reduction in government subsidy on LPG by increasing prices by ₹4 every month.

"Depending on the cost of the cylinder, every month there is a marginal reduction in the subsidy by increase in prices of ₹4 a cylinder," said a senior executive of an OMC.

According to analysts' estimates, the subsidy burden on both LPG and kerosene is likely to be around ₹35,000 crore — of which ₹5,000 crore is estimated to be kerosene's share. The revised government estimates, however, provided for ₹33,686 crore this year, part of which has been used for funding rollover of last year's subsidy.

In 2018-19, the petroleum subsidy was ₹37,397 crore. This was a sharp increase from ₹25,552 crore in 2017-18. Brent crude price was up 3.79 per cent at $34.48 a barrel on Friday.

The subsidy is the amount reimbursed by the government to public sector OMCs for selling the product below the market price. "Based on the price of LPG in the global market, the subsidy amount goes up or down. If the prices are low, which should ideally be the case for the next few months, the subsidy will go down," the official added.

In March, the price of non-subsidised LPG was cut by ₹53 per 14.2-kg cylinder from ₹858.50 a cylinder to ₹805.5 in Delhi because of the fall in international prices.

According to official data, the subsidy borne by the government increased from ₹153.86 a cylinder in January to ₹291.48 in February. For Pradhan Mantri Ujjwala Yojana (PMUY) consumers, the subsidy borne by the government increased from ₹174.86 a cylinder to ₹312.48. Simultaneously, prices of subsidised cylinders increased from ₹560.14 to ₹567.02 a cylinder in February to pass on some of the increase to consumers.

The government subsidises 12 LPG refills a year for those earning less than ₹10 lakh annually. Those earning more or using more than 12 cylinders have to pay a non-subsidised price.

"In February, there was a historic hike of ₹144.5 based on the international price increase only for non-subsidised cylinders. Which came down in March," the official added. This was because the international price of LPG in January increased from $448 for a tonne to $567a tonne.

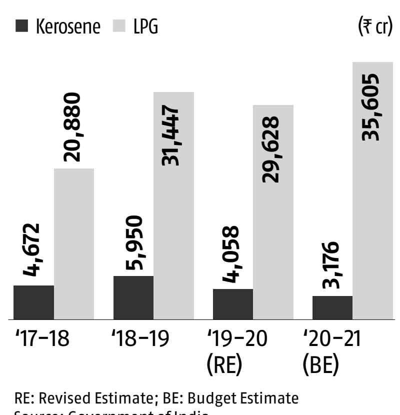
The retail price in March came down to ₹534.1 a cylinder. LPG is priced on preceding months' average of global price.

According to data available with the ministry of petroleum, LPG consumption recorded a growth of 6.1 per cent in January and a cumulative growth of 7.4 per cent so far in financial year 2019-20.

In 2018-19, the petroleum subsidy was ₹37,397 crore. This was a sharp increase from ₹25,552 crore in 2017-18

In January, the northern region had the highest share in total LPG consumption of 32.7 per cent followed by the southern region at 26.8 per cent, western region at 22.6 per cent, eastern region at 15.4 per cent and northeastern region at 2.4 per cent. The northeastern region saw the highest growth of 27.5 per cent in total LPG consumption in the month.

SUBSIDY IN NUMBERS



RE: Revised Estimate; BE: Budget Estimate
Source: Government of India

Vivad se Vishwas extension likely

FM says end date will be notified later based on suggestions from assessees and studying the impact of implementation

DILASHA SETH
New Delhi, 13 March

OF COURSE WE WANT OFFICIALS TO TAKE EVERY SCHEME OF THE GOVERNMENT SERIOUSLY, BUT NOT TO THE EXTENT OF COMPELLING EVERY ASSESSEE TO COME FOR THE SCHEME

NIRMALA SITHARAMAN
Finance minister

PHOTO: PTI

Union Finance Minister Nirmala Sitharaman on Friday indicated that the Vivad se Vishwas scheme for direct tax dispute resolution would be extended, saying the end date would be notified later based on suggestions from assessees and studying the impact of implementation.

March 31 is the last date for tax payment without 10 per cent additional charge.

"...the Bill authorises the government to notify the end date. Based on how this whole thing is going and suggestions from assessees themselves, the notification will be issued subsequently," Sitharaman said. She was responding to a question in the Rajya Sabha that the Scheme provides too short a time for assessees to participate.

The Rajya Sabha later passed the Bill, which will now require President Ram Nath Kovind's assent before it is notified. This leaves assesees barely a fortnight to take part in the process if they want to avail of full benefit of the scheme.

Addressing criticism pertaining to the tough target of 100 per cent cases for field officers, Sitharaman said the target was more for outreach activity and not to get every assessee on board.

"Of course we want officials to take every scheme of the government seriously, but not to the extent of compelling every assessee to come for the scheme," the finance minister said, adding the outreach programme was about the scheme and why assessees should come on board.

She also clarified that search and seizure cases of over ₹5 crore have been excluded as the government doesn't want large fraud and evasion cases to come under the scheme.

There are more than 400,000 such cases eligible to avail of the scheme, and they involve at least ₹9.3 trillion.

Gouri Puri, partner at Shardul Amarchand Mangaldas, said the government had addressed several concerns surrounding the scheme. "The rules on set off of loss against amounts payable under the scheme are still awaited. Given that March 31 is around the corner, an extension would have been helpful," said Puri.

Sitharaman said the government was also addressing the root cause of tax disputes by reducing the discretion of tax officers and physical interface between tax officers and tax payers. She said the government had planned to reduce litigation using technology for faceless assessment as well as for faceless appeals.

Rohinton Sidhwa, partner at Deloitte India, said time was exceedingly short for tax payers to take advantage of the scheme prior to March 31. "The forms to avail of the scheme are required to be filed with the designated authorities, who have 15 days to decide the amount due. After that the assessee should get another 15 days to pay taxes and withdraw appeals. However, because of the delay in approving the scheme by Parliament, taxpayers will have to move very quickly," said Sidhwa.

The designated authority will determine the amount payable within 15 days of receiving the declaration and grant a certificate of amount to be paid. The declarant will have to deposit the money within 15 days of the determination of the tax liability.

The clarification gives little time to assessees to square up by March 31 because the Bill is yet to be enacted.

The Central Board of Direct Taxes had, however, clarified in the FAQs issued on Thursday that "15 days is (the) outer limit". A clarification said designated authorities would be instructed to grant a certificate at an early date enabling the appellant to pay the amount on or before March 31, so that the entity could take the benefit of reduced payment.

Disputes relating to wealth tax, securities transaction tax, commodity transaction tax, and equalisation levy are not covered under the scheme.

DIRECT TAX COLLECTION 2019–20

	(₹ trn)	% Growth
Budget estimate	13.35	17.30
Revised estimate	11.7	2.80
Collection (Apr–Jan)	7.45	-6.25
Required collection (Feb–Mar)	4.25	20.0

Source: CGA, Budget

WTO-compliant remission of tax scheme gets nod

INDIVJAL DHASMANA
New Delhi, 13 March

The Cabinet Committee on Economic Affairs on Friday approved a World Trade Organisation (WTO)-compliant scheme for reimbursement of taxes and duties to exporters.

This would replace the existing scrip-based scheme. The decision is aimed at giving a boost to the country's dwindling exports.

At present, goods and services tax (GST) and Customs duty on inputs required to manufacture exported products are either exempted or refunded. However, certain taxes are outside GST and are not refunded for exports. These include value-added tax on fuel used in transportation, mandi tax and duty on electricity used during manufacturing. These taxes would be covered for reimbursement under the remission of duties and taxes on export products (RoDTEP) scheme.

The taxes to be reimbursed under RoDTEP would also include those on the farm sector as well as captive power generation. It would also include stamp duty and central excise duty on fuel used in transportation. The sectors and products, under the scheme, would be notified in a phased manner. Benefits under the existing Merchandise Exports from India Scheme (MEIS) for those sectors and items will be withdrawn.

Under the scheme, an inter-ministerial committee will determine the rates and items on which the reimbursement of taxes and duties would be provided.

In line with "Digital India", refund under the scheme, in the form of transferable duty credit or electronic scrip, will be issued to exporters. This will be maintained in an electronic ledger. The scheme will be implemented with end-to-end digitisation.

Briefing the media about this decision, commerce minister Piyush Goyal said the scheme was going to provide a level-playing field to Indian producers in the international market. This will ensure that domestic taxes are not exported.

The scheme would hit the exchequer by ₹50,000 crore, sources said.

Refunds, under the RoDTEP scheme, along with refunds, such as drawback rates and integrated GST (IGST), would be a step towards zero-rating of exports. Zero rating refers to zero taxes on inputs of final products.

The move assumes significance as a WTO dispute resolution panel had ruled that MEIS was not in compliance with global trade rules.

Under WTO rules, certain duties like state taxes on power, oil, water, and education cess are allowed to be refunded. The country's exports contracted for a sixth month in a row by 1.66 per cent in January to $25.97 billion. Exports slipped 1.93 per cent to $265.26 billion during April-January 2019-20.

BENEFITS

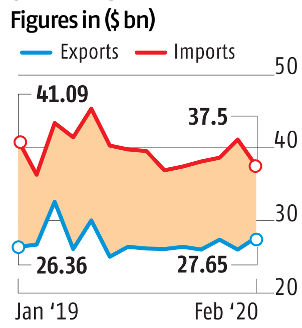
- The scheme for reimbursement of taxes and duties to exporter would replace the existing scrip-based one
- The decision is aimed at giving a boost to the country's dwindling exports
- The taxes to be reimbursed under the scheme will also include those on the farm sector as well as captive power generation
- It will also include stamp duty and central excise duty on fuel used in transportation

Exports see recovery in Feb after 6 months of contraction

INDIVJAL DHASMANA
New Delhi, 13 March

MERCHANDISE TRADE OVER LAST YEAR

Figures in ($ bn)



Source: Ministry of Commerce & Industry

Exports bucked the six-month declining spree by registering modest 2.91 per cent growth in February at $27.65 billion, even as there were fears of the coronavirus effect on outbound shipments.

All the major foreign exchange earners such as petroleum products, engineering goods, and electronic items registered expansion in the month year on year. However, gems and jewellery exports saw a whopping 20 per cent decline.

Economists warned that exports might again contract in March due to the effects of coronavirus. "...the impact of coronavirus on supply chains may well result in a contraction in exports in the ongoing month," said Aditi Nayar, principal economist at ICRA.

Exporters body FIEO chief Sharad Kumar Saraf also said the impact of pandemic will be more visible in exports figure of March onwards.

Non-petroleum non-jewellery exports were up 6.16 per cent at $21.23 billion in the month. Imports also broke the nine-month trend of falling and clocked a 2.48 per cent rise to $37.5 billion in February. Petroleum also saw a rise in imports despite softening prices.

Consequently, trade deficit fell to the lowest level of FY'20 so far at $9.85 billion in the month. This would augur well for the current account deficit, which already fell to just 0.2 per cent of GDP in the third quarter of the current fiscal year from 0.9 per cent in the second quarter.

Economists believe that there could be surplus in the current account balance in the fourth quarter of FY20.

"Overall, the impact of the coronavirus, the decline in crude oil prices, and constrained demand for gold are likely to contribute to a small current account surplus in Q4FY20," said Nayar.

Non-oil non-gold imports, taken as an indicator of the health of industrial sector in the country, contracted 0.9 per cent. However, the rate of fall came down from 4.7 per cent in January, showing only a marginal relief.

Exports declined seven months of 11 in the current fiscal year, for which the data is available. As such, the outbound shipments fell 1.05 per cent to $292.91 billion in the first 11 months of FY20.

On the other hand, imports declined in nine of 11 months for FY20, leading to a 7.30 per cent drop at $436.03 billion during April-February of the current fiscal year.

Trade deficit declined to $143.12 billion in the first 11 months of FY20, against $173 billion a year ago.

Growth in services trade exports falls in Jan

Growth in export of services slowed to 6.99 per cent in January, against 11.59 per cent in December.

In January, the exports stood at $18.99 billion. The estimated value of services exports for February stood at $19.48 billion. This would be revised next month.

Growth in import of services also came down to 8.83 per cent in January, against 10.36 per cent in December.

Services worth $12 billion were imported in January. Imports to the tune of $12.43 billion were estimated to have been made in February. This figure would also be revised next month.

As such, surplus in trade services stood at $6.98 billion in January, lower than $7.45 billion for December.

That month, trade deficit (merchandise) stood at $15.17 billion, leaving a deficit in both services and goods at $8.19 billion that month.

Don't hike GST rates amid tough times, says Mitra

DILASHA SETH
New Delhi, 13 March

The West Bengal finance minister wont attend the GST Council meeting today owing to his "pre-occupation with Budget session in the Assembly" and health issues

A day before the goods and services tax (GST) Council meeting on Saturday, West Bengal Finance Minister Amit Mitra wrote to his Union counterpart Nirmala Sitharaman, expressing contention against the proposed hike in rates of textiles, footwear, fertilizers, and mobile phones amid "very difficult times".

He said the proposed hike, aimed to correct the inverted duty structure, must be deferred as markets in India were facing a double whammy of stagflation and coronavirus (COVID-19) outbreak. Acknowledging that the inverted duty structure had created a set of problems, Mitra said it needed to be addressed suitably but once economy stabilised.

"May I urge you not to make any changes in the rate structure during these perilous economic times, particularly keeping in mind the interest of the common people?" he said in the letter on Friday.

"I, therefore, suggest that you defer this issue in the upcoming GST Council meeting and take it up for discussion when the economy of India has stabilised reasonably and the COVID-19 matter is not a burning issue," said Mitra, who will not attend the 39th Council meeting in New Delhi owing to his "pre-occupation with Budget session in the Assembly" and health issues. He had requested for his participation via video conference, which was not responded to.

Inverted duty structure arises when the GST rate on raw material is higher than finished products, resulting in higher input tax credit (ITC) output. A registered taxpayer can claim refund of unclaimed ITC on account of higher tax on input and lower tax on output.

The GST rate on mobile phones is 12 per cent, whereas that on phone parts and batteries is 18 per cent, resulting in an inverted tax structure, creating case of unutilised ITC and hence issuance of refunds by the government.

Cabinet okays additional fixed cost of ₹350 per tonne to 30 urea units

AGENCIES
New Delhi, Mar 13

The government on Friday decided to provide an additional fixed cost of ₹350 per tonne to 30 urea manufacturing units to boost domestic production and reduce imports.

The decision was taken in April 2014 but was not implemented. The fertilizer industry has been urging the government to provide this additional fixed cost to urea plants.

Sources said a cumulative impact of ₹5,600 crore could be released to the fertilizer companies as result of the Cabinet decision. The Centre fixes the maximum retail price (MRP) of urea. The difference between the cost of production and selling price is reimbursed to manufacturers. India's domestic production of urea is around 25 million tonnes (mt), while demand is over 30 mt.

"The Cabinet Committee on Economic Affairs has given its approval to the proposal of department of fertilizers to remove ambiguities in the Modified New Pricing Scheme-III (NPS-III) for determination of fixed costs for the urea units. Modified NPS-III was notified on 2nd April, 2014," an official statement said.

"However, due to ambiguous language of the notification, it could not be implemented," it added.

FROM PAGE 1

Bulls get back on their feet

The US Federal Reserve promised to start purchasing a range of treasuries -- a step that effectively marks a return to the 2008 crisis-era bond-buying programme known as quantitative easing.

The sharp recovery in the markets was on optimism around stimulus measures announced by various central banks, said Vinod Nair, head of research, Geojit Financial Services.

"After another sharp fall, some had to sell desperately to honour margin commitments. Following the early morning rout, huge value emerged in several stocks," said U R Bhat, director, Dalton Capital India.

Apart from the stimulus packages, analysts said "short-covering" contributed to the dramatic recovery. Market players said the markets were not yet out of the woods as COVID-19 (disease caused by coronavirus) cases across the globe continued to rise. Also, the selling by overseas investors showed no signs of easing. On Friday, overseas investors sold shares worth over ₹6,000 crore, extending their 14-day selloff to ₹43,000 crore. After the latest jump, the Sensex and the Nifty are down 17 per cent from their all-time highs, logged in January. Sanjay Mookim, India Equity Strategist, Bank of America Merrill Lynch, noted while the market valuations had slipped below historical levels, further slide could not be ruled out.

"Sentiment around COVID-19 is driving global equities. Several large economies still need to contain the virus. This may require more drastic lockdowns and economic checks. That could drive a market to undershoot," he said.

Mookim said despite the sharp correction, "we have still not reached the 'Kid-in-Toy-Shop' moment". "Quality, steady-growth stocks are still far from being cheap," he noted. Analysts said it remained to be seen if emergency fiscal and monetary packages would be enough to avert a global recession.

"We cannot say for sure that it has reached the bottom for two reasons. One is volatility in the stocks market; second is coronavirus. There is nothing to suggest that things that oil-producing nations have reached an agreement to cut production. As far as the corona outbreak is concerned, most of the developed countries are locked-in, and trade is going to be a big sufferer," said Bhat.

The sharp drop in the indices in morning trade prompted a meeting of Securities and Exchange Board of India officials. "The domestic stock market has been moving in tandem with other global markets owing to concerns relating to the COVID-19 pandemic, the resultant fear of an economic slowdown, and the recent fall in crude prices," the market regulator said in a statement.

YES Bank gets ₹3,100-crore lifeline from private lenders

The plan was approved a day before YES Bank is expected to report its financial results for the third quarter of 2019-20.

There will be a lock-in of three years of a part of the investments made by these banks in YES Bank. As much as 26 per cent of SBI's equity investment and 75 per cent of the equity pumped in by other players will be retained in YES Bank for three years.

Amitabh Chaudhry, managing director and chief executive officer of Axis Bank, said: "The overall banking and financial system in India continues to remain resilient, even as the global economy is facing some challenges. Axis Bank strongly believes in the long-term prospects of the banking industry in India and we are happy to have an opportunity to contribute to the stability of the system."

The restrictions put on YES Bank on lending and withdrawal activity will be lifted "on the third working day at 6 pm" after the notification comes out. The government was yet to make the notification public on Friday, at the time of going to press.

The RBI, which superseded the board of YES Bank by appointing an administrator on March 5, has imposed on it a moratorium under which each depositor is able to withdraw up to ₹50,000. The bank isn't allowed to do fresh lending either.

Former SBI chief financial officer Prashant Kumar was appointed administrator of the bank and will likely become chief executive officer of YES Bank after a new board is appointed "after seven calendar days from the cessation of the moratorium".

The finance minister refused to comment on the treatment of the additional tier-1 (AT-1) bonds in the final notification related to YES Bank, saying the matter was in court.

In the draft scheme, the RBI had decided to write down the AT-1 bonds of YES Bank.

The stock price of YES Bank went up by 2 per cent to ₹25.55 on Friday.

(With inputs from Abhijit Lele)

IPL quarantined till April 15

In a media advisory after the meeting of the BCCI with the top management of the IPL in Mumbai on Thursday, the cricket body said: "The BCCI has decided to suspend IPL 2020 till 15th April 2020 as a precautionary measure."

It also pointed out that the BCCI was concerned about public health and alive to the interests of the stakeholders, and it would take steps to ensure that all related to the IPL "including fans have a safe cricketing experience".

The IPL brass is expected to give more detail to the franchisees on Saturday.

The move of the BCCI has come just after Delhi Deputy Chief Minister Manish Sisodia announced on Thursday that his government would not allow any sporting events, including IPL matches, to be held in stadia. This takes out seven games scheduled to be held in the city.

Maharashtra Health Minister Rajesh Tope had made it clear that it would permit closed-door matches. The Karnataka government has banned all sports events.

If there is cancellation, the entity that would lose the most is the BCCI, which is expected to make more than ₹4,200 crore from broadcasting and digital rights, sponsors like Vivo, and 20 per cent of the franchisee revenues.

However, if the matches are held in spectator-less stadia, the revenue loss for both the franchisees and the BCCI (as revenues will go down) would be limited. They make around ₹10 crore each from ticket sales.

The other big stakeholder is Disney, which has paid ₹3,270 crore for the digital and broadcasting rights. If the matches are cancelled, it would lose over ₹3,000 crore it is expecting to earn from sponsors and advertisers, with many deals tied up. The BCCI will have to renegotiate its five-year contract for the rights and extend it.

However, in case the matches are held closed doors it could be a beneficiary because 1 per cent of the fans who see the matches in stadia will move to TV or Hotstar. It is expected that 600 million people will watch TV and OTT this year.

The eight franchisees together could, however, lose ticket income of ₹80-100 crore. And they could also see some sponsor advertisers walking out in the absence of the opportunity of brand building associated with fans coming to the stadium. Also revenues from licensing and merchandising could be affected. For some franchisees like KKR they could be as much as their 40 per cent share of the central revenues of the BCCI.

Franchisees can make ₹30-100 crore from team sponsors.

But for the players up to ₹700 crore of fees is at stake. As an IPL franchisee points out, an average franchisees spend about 75 per cent of their team auction purse in getting 25 per cent of the star players. But even for the 150 others, who make an average ₹1 crore, it is big money.

No time for a stimulus

TICKER

MIHIR S SHARMA

One of the most mystifying assumptions in today's world — one made not just by "ordinary" people but by economists, politicians, and many of those who should know better — is that governments can fix anything that happens to the economy. This assumption is no less pervasive for being largely unspoken. And it is what lies behind many of the calls for an "economic response" to Covid-19, the disease being caused by the Wuhan-originating coronavirus.

Covid-19 is a serious disease. It is an extraordinary challenge to global public health, even though it is not the superbug of our nightmares — it is estimated, for example, that it is less than a third as contagious as chicken pox; measles is perhaps as much as six times as contagious. MERS and SARS, the two previous animal-to-human coronaviruses this century, were considerably more deadly; MERS, discovered in Saudi Arabia in 2012, killed almost a third of patients. (Both have had more localised outbreaks, and MERS in particular is less contagious than Covid-19.) But the fact is that Covid-19 is more than contagious and deadly enough to be the first truly globalised public health crisis in decades.

Any such crisis will have consequences. The most obvious way to manage Covid-19 at a community level, according to experts, now that it is loose and before a vaccine is developed, is greater "social distancing". At worst, this might ensure that not too many develop the symptoms at the same time, and allow the health care system to better deal with the intake of new patients.

What does social distancing mean? Essentially, people will need to stay away from other people. But the world economy is not run from people's homes. Social distancing — working from home, reducing travel, reducing large group interaction, and so on — will naturally reduce output where it is implemented. If there is an outbreak in an area that is a hub for global supply chains, such as southern China, then that reduction in output will cascade through the global economy. Some sectors — aviation, for example — will be disproportionately affected.

Here is where the hidden assumption about government action comes in. If output has decreased, this assumption suggests, then government must do something to restore it to its "natural" level. Expansive fiscal or monetary policy is essential, according to this line of thinking.

This is just silly. A pandemic like Covid-19 is not creating excess capacity in the economy which can respond to government stimulus. The recommended public health measures in fact actually reduce potential output (for however long they are in effect).

This is not to say, for example, that some central banks need not take action. Most importantly, the Covid-19 shock should not freeze up financial markets. The European Central Bank, for example, has said it will ensure that banks have the liquidity they need to keep lending. The US Federal Reserve has also infused $1.5 trillion of liquidity, but it also made a surprise cut to interest rates by 50 basis points. It is not clear to anyone what the latter is supposed to achieve; the stock market, certainly, did not appear to be notably more enthusiastic after the cut than before.

Nor can increased government spending, in and of itself, help. A generalised fiscal stimulus is intended to get people to up spending. This is not what we want at this time — especially if "spending" is inversely correlated with social distance. What might be useful instead is targeted assistance to those sectors and individuals that are disproportionately affected. South Korea — a country that was affected early on and which has had an exemplary response on most levels — put into place an emergency child care subsidy and support for specific smaller enterprises. The International Monetary Fund has recommended a set of such temporary transfers and tax relief. The purpose here is not to "make up" for or counteract the effects of the coronavirus; it is to ensure that the damage to the economy is not lasting, and that individuals and viable businesses have resources to survive an unknowably long period of lower potential output and sector-specific stress.

It is unfortunate that Finance Minister Nirmala Sitharaman, who largely resisted calls for a generalised stimulus in the Union Budget, said in reference to a stimulus on Friday that the government is "moving on that front". This will raise expectations of a generalised demand stimulus that should not be raised. Hopefully whatever measures are taken, when they are taken, will not be directed towards raising overall economy activity but will merely provide some temporary sustenance to imperilled sectors.

Covid-19 is not like the 2008 global financial crisis. It is a crisis of a very different sort. You can't spend your way out of it. There are other things the government should do — working on real preparedness of India's under-resourced health sector — and it should focus on those.

Of rajas and *praja*s, Aya Rams and Gaya Rams

What Jyotiraditya Scindia's move means for the Congress and the BJP

MEN AND MATTERS

SUNANDA K DATTA-RAY

When Madhavrao Scindia was so tragically killed in 2001, I wrote he was one of the best prime ministers the Congress couldn't provide because even Manmohan Singh's wisdom and experience were "totally obscured by Sonia Gandhi's alien aloofness". It's sadly ironical that nearly 19 years later the same factor should be cited as a major reason for his son's transformation from party loyalist to political soldier of fortune.

I asked Madhavrao about party morale before the 1991 election. "Fighting fit!" he shot back. "We're all set to fight the opposition", adding after a moment's pause, "after the results are out we'll be fighting fit to fight ourselves!" That's what has happened nine months after the 2019 Lok Sabha election when Sonia and her son excluded from any responsible position the man who probably feels there would have been no victory in Madhya Pradesh without him.

Where father and son differ strikingly is that Madhavrao was a gentleman amateur in politics. He didn't crave advancement. Nor did he take the political menagerie too seriously. He went through the motions of playing the game convincingly enough but it was my feeling he always saw politics as a joke. Authority was his by right: party support only legitimised tradition.

Hearing about the Jain Hawala case, I telephoned from Singapore to find him angry, bitter and raging about political chicanery. He left to float the Madhya Pradesh Vikas Congress but though he did return to the fold his relations with the political centre remained as fraught as before. Rahul Gandhi's implicit charge of betrayed friendship because Jyotiraditya Scindia was the only man who could walk into his house at any time reminded me of Madhavrao exploding once that the Gwalior flag had flown for 500 years and would still fly if the Congress flag was withdrawn.

It seemed clear then that Arjun Singh's campaign of calumny which the media lapped up might never have been possible without Rajiv Gandhi's tacit nod. Madhavrao was quick to correct me when I repeated the popular version that Rajiv had inducted him into Congress. "No! It was Indira Gandhi." Morarji Desai had offered him any ambassadorship he wanted excepting Nepal, presumably fearing that a Hindu prince with a Rana mother and Rana wife might be less than objective in Kathmandu's *durbari* politics. Indira proposed Congress membership when he won Guna as an independent in the teeth of the Janata wave. She needed someone to thwart Atal Bihari Vajpayee from Gwalior. Madhavrao did so magnificently.

He reciprocated with boundless loyalty, even accusing his own mother of bad faith because she had promised to eschew politics as the condition of release from jail and broken her word, unlike Gayatri Devi of Jaipur. He refused to question the Bofors deal. "Can you see Indira Gandhi's son betraying his country for money," he stormed.

Many such memories were recalled recently when I read Taya Zinkin's comment in *French Memsahib* that the only display of wealth comparable to the Bombay Races was "when the daughter of the Maharajah of Gwalior was married… Casting prudence to the winds, Their Highnesses turned out in full regalia as if to cock a last fling at the sham Gandhian austerity of their new masters." Taya meant the marriage of Madhavrao's sister Padmavati to the Maharajah of Tripura when the jewellery was reportedly designed by Van Cleef & Arpels and Tiffany's.

I read about it in England but well remember the 1987 wedding of Madhavrao's own daughter (Jyotiraditya's sister), Chitrangada Raje, with Karan Singh's son Vikramaditya and the furore it provoked. Ostensibly, the hullabaloo was to protest against the power of money. In reality, it was resentment of what money could never buy. That's a distinction modern India, dazzled by a Hinduja wedding that took place around then in Mumbai, doesn't understand.

When Indira appointed a noted Calcutta barrister, Sachin Chaudhuri, finance minister in 1965, his younger brother joked that their raja had become a *mantri* (minister). Jyotiraditya's demotion is from raja to ryot, maharaja to *praja* (subjects). As the Bharatiya Janata Party's publicly-despised and secretly-envied "*naamdar*", he may be raised to titular "*kaamdar*" and graced with the title of *mantri*. They will fawn over a prize catch who has brought a rich dowry of Gwalior-Chambal politicians. But in the end, all Bharatiya Janata Party members are *prajas* of Home Minister Amit Shah and Prime Minister Narendra Modi. Aya Rams and Gaya Rams merit scant respect.

LUNCH WITH BS ▸ N V 'TIGER' TYAGARAJAN | CEO, GENPACT

Living life by curiosity

Tyagarajan tells **Nivedita Mookerji** how he came to be known as 'Tiger' and why the coronavirus outbreak is a wake-up call for people across the world

After days of deliberation on the venue for lunch, my guest decides it would be The Qube at The Leela Palace in Chanakyapuri, Delhi. Since I hadn't been to The Qube, a multi-cuisine restaurant overlooking the lush green grounds of the luxury hotel, I am excited about trying a new place, confident that my guest would take charge of the menu and guide me through the maze of exotic sounding dishes crisscrossing countries and continents. At noon, the appointed time for our lunch on a weekday, I realise my guest N V 'Tiger' Tyagarajan is visiting the place for the first time and knows about the specialties here as little as I do. In some ways, that makes us equals and we start off on that comforting note.

Dressed informally, the guest walks into an almost empty restaurant a few minutes after I land there. The buffet starts at 12.30 and the place picks up pace then, but we want to have a relaxed conversation in a corner table and therefore settle for an à la carte meal instead. With the greetings done and menu cards before us, I ask my guest for the best options here. It's then that he reveals he has no clue. The long-time CEO of American professional services firm Genpact gives it away that the venue was decided by his team as Leela happens to be among the hotels closest to the Delhi airport. He has to catch a flight to Mumbai to meet his mother and son, before flying back to the US. Although Tiger, as he's better known as, mostly works out of the New York office, he has maintained that Genpact has no headquarters. "My job and the industry allows me to go back and forth… I interact with India pretty much everyday." Typically, he visits India twice a year, and definitely in the second part of December when the West is on holiday and it also allows him to escape the American chill.

As the still wintry sun filters in through the glass walls, I follow my guest in asking for a watermelon juice. To get the business of ordering out of the way, we select the starters as well as the main course in one go: Vegetable dimsums and Thai green curry with white jasmine rice. He declares he's a foodie and that he loves to eat anything and everything, preferably vegetarian. But through the lunch, I discover he's much more interested in conversation on a variety of subjects than in food. "I ask questions all the time because I want to know more… I live my life by curiosity," he says.

I too am curious, about his name Tiger. "Growing up in Bandra, a suburb of Mumbai, my friends in Grade I could not pronounce my name Tyagarajan easily. Once, when we were studying the poem "Tyger Tyger, burning bright…" by William Blake, and one of my friends said he will call me Tiger since my eyes burn and it sounds like Tyagarajan shortened." The name stayed on through his academic life at IIT Bombay and IIM Ahmedabad and then in his professional journey from Hindustan Lever to Citibank to GE, Genpact. "Now it's what I am called by everyone… except that I don't play Golf," Tiger says, showing his witty side.

The watermelon juice could have been sweeter and spicier but my guest doesn't complain while drinking it till the last drop. The restaurant staff offers to serve the dimsums but we help ourselves at leisure while talking about Tiger's stint at the GE group since 1994 after which he has not made a resume. How has he managed such a long stint in one company? "I love what I do," is his answer. We speak about the India connect. Genpact, where Tiger took charge as the CEO in 2011, has no client in India but 60 per cent of the company's workforce is based in this country. He explains he's chosen to work from New York because it makes sense to function close to the market. In terms of the company's business, the US tops the list, followed by Canada, the UK, Western Europe, Japan, Australia… The outsourcing business, as we had known it earlier, has changed dramatically, he points out, adding that "digital was not in our lexicon 10 years ago and now there's nothing without digital".

Artificial intelligence may not be the most spontaneous issue that comes to mind while enjoying a green Thai curry loaded with exotic vegetables, but in the flow of our conversation I ask if AI is indeed killing jobs. "It's a faulty assumption," he says. "You cannot remove humans from the loop. Whether it's machine learning or AI, past data has to be unbiased. Otherwise, everything goes wrong." According to Tiger, humankind has found ways to leverage technology for its good and that AI can be a huge benefit.

The Thai curry, cooked with herbs that taste and smell great, is keeping both of us busy before we switch from technology to politics. "Indian politics is a reflection of what's happening across the world," he says. He's not surprised that Prime Minister Narendra Modi and US President Donald Trump "see eye to eye". He points at the large gap between aspiration and what is delivered. Who's my citizen and who's not, jobs, technology changing work are questions being asked in India and around the world, he says. "I'm not surprised with what's happening in India… It's the same in the US… Why is it happening is not just about India but the world." Does he identify the present India with the one he's known when he grew up? "I grew up in Bombay, which is a cosmopolitan microcosm of India…" True there have been riots there too, but those were episodic frictions; now it's deeper, he explains while raising his pitch a bit.

ILLUSTRATION: AJAY MOHANTY

As we are almost done with the main course, I ask the guest about dessert. He wants to skip it, and so do I. We look around to find that the buffet was on but the restaurant has still not filled up. We wonder whether that's because of the coronavirus outbreak that has forced people to quarantine themselves by choice. We talk about how businesses have been hit all around the world and the over-dependence on China. His company too has felt the impact and assessments are being done. "Corona is a wake up call for all of us," he says as we decide to order some tea and coffee.

Double-shot espresso is Tiger's choice and I settle for a masala tea. He changes his mind and says he too would have the masala tea. Once the order is taken, we debate whether it would be an indigenously prepared masala tea or a boring dip tea. We ask the restaurant staff for more clarity on how the tea would be made. Yes, it's the dip variety, we are told. The guest plays along and makes a special request — make it really strong. I keep my fingers crossed when the tea arrives. To our surprise, it's really well made and we speak about the Hindi movies he's liked — the list is long — *Dangal, Chak De India, Lagaan* and many more. Sports is the common link, I notice. "I love sports and have often woken up at 3 or 4 am to watch a cricket match." An early riser, he admits he works quite a lot and all the time. What keeps him going is the fact that he likes his work and also that morning run at least five times a week listening to podcast that makes him learn new things.

I remind Tiger that he has a flight to catch and that he should be leaving. By this time, he's clearly enjoying the moment and is in no hurry to leave. Soon, his mobile phone starts ringing: his secretary on the other side tells him to wrap up the lunch. "Good secretary," he says with a smile before leaving.

It's not just the virus...

PEOPLE LIKE THEM

GEETANJALI KRISHNA

As the world is brought to its knees by Covid-19, all one can really do is prepare for the onslaught. So far, the number of cases in India is not large. I suspect that this is because the virus hasn't yet reached India's slums and low income neighbourhoods. Given the lack of infrastructure and the poor sanitary conditions that prevail there, the spread of the virus could be devastatingly swift. There's not much one can do. I've taken it upon myself to instruct as many people as I can about the correct procedure for washing hands, as it seems to be the only practical way to prevent infection. However, it was while doing this that Kamini, a domestic worker, made me aware of how futile and expensive some measures to curb the spread of this virus seem to people like her.

"It's all very well for us to wash or sanitise our hands when we come to work," she said. "But maintaining any level of hygiene in my home will be impossible." She lives in a small room in a crowded building in Khizrabad, a south Delhi village, with her two grown-up children. Every room in her building is occupied by a different family and they all share three bathrooms. Keeping the toilets clean is a challenge, as no one person wants to take responsibility for them. "So each of us cleans the toilet and the floor before use," she said. "Cleaning the handle or the flush lever is not something we've even considered." She asked me if washing utensils with ash (since soap is too expensive) would wash the virus off. I suspected not. Each occupant swept the area in front of their room, but again, cleaning knobs, door handles and railings wasn't something anyone ever did. "Now you tell me." she said, "if even one person in my building gets infected with Covid-19, will any expensive sanitiser be able to protect me and my children from this disease?"

What scared her even more than the infection, Kamini said, was that on the TV channels, many have been advocating shutting down places of work for two weeks to curtail the spread of the virus. "What will happen to so many people who work for daily wages," she asked. "What will happen to small businesses?" Her son works in a shop and his boss has already announced salary cuts as sales are down. There was no way, she said, that he'd pay her son a salary for staying home to prevent the spread of the virus. Kamini's daughter works for a small local beauty parlour, which is barely seeing any footfalls these days. "If things become worse, she'll probably get sacked anyway," she said. "The uncertainty is keeping me up at night."

She wasn't worried about her own job: "My employers are good people; they won't cut my salary if things come to such a pass."

I found it interesting that none of her anxiety regarding Covid-19 was about actually contracting the infection. When I said so to her, she laughed: "This nice smelling sanitiser will hopefully ensure that even if I get infected, I don't pass it on to my employers," she said. "As for people like me, if the virus doesn't get us — the measures being taken against it definitely will."

Sanitised entertainment

PEOPLE LIKE US

KISHORE SINGH

The orderly group of Americans trooped into the meeting area like soldiers, gamely accepting the benediction of sanitiser wash before turning to greet us — their hosts. "Are we touching," the leader of the group asked. Wisely, it was decided we weren't, so *namastes* were exchanged instead of handshakes and hugs. Maintaining a distance of a metre apart from each other was more difficult, but keeping one's fingers crossed had to count for something. At any rate, we saw the team off with a sigh of relief, *atithi devo bhava* being held in abeyance till the nasty virus had spent itself out.

If offices across Delhi NCR were hostage to the pandemic, the fear of illness turned our house into a war zone. Our children spent hours and days tracking every last spray of disinfectant or bottle of sanitiser from every possible site online, and then used a portion of it on the lads delivering it at our doorstep. No germ, virus or bacteria worth its nasty trait was allowed across the threshold. Rations were hoarded. Doorbells, knobs and electric switches routinely sprayed with disinfectants. In a spirit of remarkable eclecticism, the *dhobi*, car cleaner, gardener, driver and sundry other service providers were at the receiving end of the same stinging squirts of alcohol-based disinfectants as those of our friends brave enough to venture over for lunch, or a sundowner.

At first, it was the weekends that proved wearying exercises in cohabitation. No one in the family any more suggested visits to the mall or club; then the cinemas shut down. Bars and restaurants turned off-limits. Parties were a strict no-no. Online shopping served as the only entertainment, and mysterious-sized packages began to arrive with unexpected regularity. Their deliveries were preceded by shouted instructions about protection of door handles; the packages were sprayed, and opened only after donning gloves. With nowhere to wear their purchases to, they were tucked away in cupboards. Television viewing for a socially maladjusted family with short attention spans became a tedium; books too serious to waste a weekend over, and social media with its news of cancellations of events only served to heighten the sense of paranoia.

With little to do, one's thoughts gravitated to food. "Strictly no ordering meals from outside," my wife warned the family, and for once there were no protests over the scuttling of takeouts. My daughter-in-law's love of all things fowl suffered a setback when the cook served chilli chicken with noodles for dinner. "No Chinese *khana*," she objected, also banishing home favourites lasagna and pizza from the table. My wife was asked to eliminate any use of Thai pastes from her cooking. The cache of dressings and condiments from Singapore was dropped from the diet. Meals became sparse and joyless, adding to the listlessness of weekends.

Then offices, exercising abundant caution, announced indefinite work-from-home schedules, confining our already bored millennials to the home, increasing stress levels. No longer could my wife heave a sigh of relief watching the family's departing backs as they left for work. Cramped in close proximity, pitched battles have begun over the speed of the internet, first rights for the study table — and who used the printer without sterilising its controls? Things, I can predict, will only get worse before they get better.

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WEEKEND RUMINATIONS

T N NINAN

Schools for scandal

In *Mind without Fear*, Rajat Gupta tries to make out that he is victim and not culprit. The ex-McKinsey boss contends that New York prosecutors went after him because they could not catch the big fish in the financial scandals of 2008, and therefore wanted to show success in chasing smaller fry. It is of course true that the "masters of the universe" (in Tom Wolfe's evocative phrase) who ran the big investment banks were involved in chicanery and fraud, and got away, but that is nothing new. More often than not, the big financial fish are Teflon-coated. The rigging of the Libor (London inter-bank offered rate) market, crucial for setting interest rates, went on for more than two decades. Yet only a single UBS trader was penalised. Similarly, after the 2008 financial collapse, a single small-timer was convicted for illegality — as a footnote in the film version of *The Big Short* informs us.

In India's age of financial scandal, with YES Bank and the incredible Rana Kapoor in focus, no questions are being asked of its board of directors and senior management. It's no different with the 2018 collapse of IL&FS; key players have not yet been questioned, let alone prosecuted. Indeed, India's prosecutorial establishment would collapse under system over-load if all the mountebanks in the system had to be brought to justice.

So who do you trust with your money, if a single individual can bring down a longstanding firm — as can happen only in the financial world? Remember the collapse of Barings because of a solitary rogue trader in Singapore. In the opposite scenario, why do regulators stand by while a whole institution gets corrupted? Consider the venerable Deutsche Bank, once a pillar of the German establishment. As David Enrich has detailed in his newly-released *Dark Towers*, Deutsche Bank was involved in everything from money laundering and manipulating markets to violating international sanctions, and from getting into bed with Russian oligarchs to bribing public officials while deceiving governments and regulators.

As Indian savers and investors are learning, the financial world is a dangerous place. Banks can collapse, markets can be rigged, investment instruments can become worthless overnight, auditors can fail to blow the whistle, board directors can be asleep, and regulators can be incompetent. But why worry, when Indians have their safe harbour: The public sector banks? Except that building that safe harbour costs money, lots of it. When the state-owned banks ran into trouble five years ago, the government announced what it called the most comprehensive reform package since the 1969 bank nationalisation. The announced cost was ₹70,000 crore. Five years later, the government has pumped in five times that sum, with more likely to come. Savers have their safe harbour so long as the taxpayer picks up the bill.

In any case, private banks too are safe since India has no appetite for bank failure. A number of private banks have disappeared into the embrace of other banks, sometimes voluntarily but mostly not: Global Trust Bank, Centurion Bank, Times Bank, etc. Fortunately, they were small banks that could be digested. What if the system were really tested? Already, the government finds it has no fiscal room for a war-chest.

It has been said that what the system needs are better managers, so the public-sector banks should hire from the private sector. Perhaps, but Rana Kapoor spent many years in Bank of America; he was succeeded at YES Bank by a hapless official from Deutsche Bank; and IL&FS was run by an ex-Citibanker.

When multiple and varied shenanigans put trust at a discount, there is no silver-bullet solution. Instead, boring things need to get done, like improving market intelligence and responding to early warning signals, improving accountability and the efficacy of prosecution, understanding structures and inter-dependence. Only then will confidence get rebuilt. So the Reserve Bank has much to think about, apart from questions to answer. Still, when "the main thing about money", as the one-liner in "Wall Street" goes, "is that it makes you do things you don't want to do", the financial world is always ripe for the next scandal.

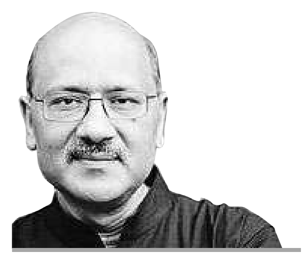
Socialism of the elites

Scindia's 'non-AC' Range Rover shows how a unique brand of hypocritical — and self-destructive — socio-populism is our national ideology. Reason why Hindu Rate of Growth is India's destiny

In one heady moment when he was being given a joyous welcome in Bhopal by the BJP, Jyotiraditya Scindia made an important assertion. In the entire state's politics, he said, he and Shivraj Singh Chouhan were the only two who did not turn on the air conditioner in their cars.

Now there were some unkind taunts about a maharaja driving a Range Rover but not using air conditioning. But that's unimportant. Politically, he was acknowledging a central reality of Indian politics: That even the most powerful and rich, from the royals to tycoons, had to appear frugal even if they couldn't quite claim to come from a humble background, like a tea-seller's.

Let's talk about the most illustrious "chai-wala" we know in our politics. Underlining the same reality was adman-lyricist Prasoon Joshi's famous compliment to him in that televised conversation from London in 2018. "Itni faqiri aap mein kahan se aayi?" Or, from where did you acquire this faqir-like humility/frugality? The simple — and factual answer — would have been, because I was born in faqiri, so poor I had to distribute chai on a railway platform. But that would have defeated the purpose, which was to highlight how a man with such power and popularity could still choose to be a faqir.



NATIONAL INTEREST

SHEKHAR GUPTA

Three relevant facts need to be stated here. First, despite all the elitism we usually associate with our ruling classes, no feudal landowner or maharaja has risen to the top. At the same time, no faqir has quite made it there either. Narendra Modi's only being complimented now to have acquired that monkhood after reaching the pinnacle of power. And third, the one time we actually elected a popular raja (if not maharaja), his slogan was "Raja nahin faqir hai, desh ki taqdeer hai" (he's no king but a faqir, he's the destiny of this nation). We are talking about the late V P Singh, the Raja of Manda.

Can we then say that Indian politics is not for the rich or any social elites? It is true that over these seven decades I struggle to count three true feudals who were so popular they could be elected even within one state. The two names I have are Amarinder Singh in Punjab and Vasundhara Raje, Jyotiraditya's (until this week) estranged aunt in Rajasthan. That's a poor record, but only for the feudal elites.

For the rest, you see a consistent story of one generation rising from the dust and grime and its descendants becoming the new ruling elites. The Nehru-Gandhis weren't exactly from the working classes. But Lal Bahadur Shastri, Jagjivan Ram, Bansi Lal, Sharad Pawar, Mulayam Singh Yadav, Lalu Prasad, Karunanidhi and so many others were. Their successors mostly wear the best watches and shades, drive the best wheels, carry the finest pens. As does Mr Modi. But they all must appear self-denyingly humble. And when they can't be convincing looking like that, they must share with you secrets like they don't even switch on the AC in their cars.

This hypocrisy is a secular compulsion of our politics. So, Rahul Gandhi must be seen eating in a Dalit home, pillion-riding a motorbike, eating at a dhaba, travelling in a commuter train. Never mind the long and prolific foreign vacations. Kamal Nath must keep his box of Harrod's cookies hidden between the seats during his campaigns. And most political princelings must maintain two different lifestyles, let's call these an AM style for politics during the day, and a PM style for socialising late evenings. My first such exposure to this dual life was while following the late Madhav Rao Scindia on his 1984 election campaign in Gwalior, where he humbly delivered the Congress's socialist message, encouraged us to address him merely as "bhaiyya", but as his eyes lit up at a village stop, he proudly said, "This is where I shot my first tigress." You can read that *India Today* story here *https://bit.ly/2w4u080*.

Voters know these realities. But they love the pretence. "My leader humblest" is a killer sentiment in Indian politics. Mercifully, there is zero danger here, therefore, of a Donald Trump getting elected. Too rich to be trusted with the nation's riches, and our collective misery and poverty.

Our politics was always like that. In all our government school textbooks, the chapter on Jawaharlal Nehru, for example, noted that he came from a family so wealthy that their clothes were sent to Switzerland for dry-cleaning. But the story wasn't that. It was, instead, that he gave up such comforts for the Britishers' jails instead.

That set the model: Even if you weren't born a plebeian, and wanted a political career, you could morph into one. The reason even now is that those who detest Nehru, especially on the Hindu Right, flog the same old pictures of him partying with European elites, smoking, living the good life.

Of course, Shastri was then followed as the real rags-to-rags commoner who, famously left behind just one old Indian-made Fiat (later Premier) car and its unpaid government loan for his family.

The subtext of this aggressive anti-elitism was that over the decades, poverty was glamourised as a virtue. This trickled down to toxify our national ideology.

I mocked as povertarianism the UPA era of Sonia Gandhi's National Advisory Council: Poverty is my birth right, and I shall do everything I can to make sure you have it is how I defined it. I might have had some cheap thrills doing so. But the joke is on me. That, whatever 'ism' you want to call it, a unique brand of socio-populism is our national ideology. It is the only thing everybody agrees on, from Mr Modi to Rahul, from the Marxists to Mohan Bhagwat, and from Mamata Banerjee to Dilip Ghosh.

Everybody wants as few of the rich visible as possible, in any case, and build their politics around the fakery of being seen to be hurting them, and thereby giving the poor sadistic joy, and occasional giveaways. The Modi government's latest "super-rich" income tax, capital gains, and dividend tax increases bring very little additional revenue. But when the rich cry and complain, it pleases the poor.

Where does India go when there is such unanimity in its political economy? No wonder then the only binaries we are left with are socially divisive (secular-communal-pseudo-secular) or those of personalities. It is six decades since Nehru successfully purged the Congress party's brilliant classical liberals led by Chakravarti 'Rajaji' Rajagopalachari. They believed in economic freedoms and were the first — and only honest — proponents of "minimum government/maximum governance". Thereafter, the economic binary in Indian politics has been who can look more socialist. Today, Mr Modi tops all competition there, by an innings, in straight sets, or a knockout. You name the game.

That is why India is back to what economist Raj Krishna had mocked as our Hindu Rate of Growth. Because this decade is fake pink, much like the 1970s. It is also India's default political economy. Whatever we saw under Narasimha Rao-Manmohan Singh and Atal Bihari Vajpayee in short spells, was an aberration.

This brings me to a story from Prague, 1990, when I was reporting on the unravelling of the Eastern Bloc. My young taxi driver had an engineering degree from Czechoslovakia's finest tech university, but no job. He talked passionately about why he hated Communism. I reminded him that in India, the Communists were doing fine, and a government backed by them (V P Singh's) was in power.

He said, you know what. When you had the Emergency and your political freedoms were denied, you fought back. But you do not fight back for your economic freedoms. Because you've never enjoyed any. We Czechs fought for our political as well as economic freedoms, which you won't.

By special arrangement with ThePrint

The post-COVID-19 world

VIEWPOINT

DEVANGSHU DATTA

A popular sub-genre of science fiction is the "post-apocalyptic" novel. In these, the author assumes a disaster and imagines how the world will cope in the aftermath. It could be nuclear war; it could be climate change; it could be an alien attack; it could be a killer disease.

COVID-19 doesn't qualify as a killer disease like the flu described in Stephen King's *The Stand* or the alien disease Michael Crichton dreamt up in *The Andromeda Strain*. Covid-19 has a relatively low mortality rate. It is far less lethal than real-life Ebola, Nipah and SARS.

Despite the lower mortality rate, COVID-19 will however, change the world in ways that those diseases did not. Ebola, Nipah, SARS and MERS, et al, were contained outbreaks. COVID-19 is not. It started in China and has since spread to every major country. The economic damage is far greater, and the absolute death-toll magnitudes more.

The post-COVID-19 era will be different in several significant ways from the world in November 2019. Industries will re-engineer their internal work processes and retool supply chains. Some service industries will practically evaporate, though they will surely rise again, in different avatars. Policymakers will have to rethink accepted wisdom on handling public transport and healthcare. Insurers will have to review premium assumptions.

Manufacturers around the world have been hit by the lack of critical components out of China. They have already started creating better models for identifying critical gaps and weaknesses in their supply chains. Multinational corporations will surely find ways to diversify supply chains across regions to ensure that they are better prepared the next time something like this happens. This will add to costs: China is a hub because it is the cheapest and most efficient manufacturer of anything at scale.

Second, manufacturers will look at ways to sanitise workspaces, and factories, and embed a paradigm of social distancing in corporate work culture. Any labour-intensive industry will have to figure this out.

The post-COVID-19 era will be different in several significant ways from the world in November 2019. Industries will re-engineer their internal work processes and retool supply chains. Some service industries will practically evaporate, though they will surely rise again, in different avatars

Whether it's a construction site, a warehouse, a server ant-farm, or a textile sweat-shop, no business can live with the possibility that workers placed cheek by jowl will be infected en masse. Insurers who are now looking at writing pandemic disruption policies will not be happy with current work processes, which means lenders will also be unhappy, which means businesses have strong incentives to change.

The office, as a management centre, will probably decline in importance. Tens of millions will be working from home (WFH) for months at a time, which means the smartest brains in business will be focussed on creating more efficient WFH processes. There will be big investments in tools that empower better WFH.

Every major city survives, and thrives, on the foundations of a robust public transport system, be it a metro, or rapid transit buses, or ride-hailing cabs. Those systems will need to be reviewed and municipalities will have to find ways to sanitise them to brace for the next crisis.

Transport industries such as aviation, shipping and railways will go through hell until this crisis is over. They will have to create disaster management systems to engender confidence in users. The entertainment sector, and its close relative, organised sports, must weather this knock and find ways to substitute online audiences for live spectators.

Hospitality will also go through a dark period of soul-searching until customers come back or they find ways to deliver the same fine dining experiences off-site. Educational institutions, which are mostly currently shut, will have to invent new paradigms of online teaching at scale.

Healthcare will, one way or another, have to find ways to ramp up "just-in-time" capacity. Policymakers and pharma companies will have to work together to speed up trials of new vaccines and legislate to ensure essential drugs and tests are affordable and available. One fear is that authoritarian regimes will now use the need to generate fast, actionable information about the next potential epidemic to force even higher levels of surveillance down every citizens' throat.

There is an old saying "that which doesn't kill you, makes you stronger". The post COVID-19 world will certainly be more resilient in many ways.

Umpired out

EYE CULTURE

SUHIT K SEN

The Ranji Trophy is the most prestigious tournament in India's domestic cricket calendar. It is played in the longer format of the game. This year Saurashtra and Bengal contested the final. Saurashtra won, but not before an element of farce was injected into the match.

On the first day, one of the on-field umpires, Chettithody Shamsuddin was hit in the abdomen. He continued to officiate, but in the night felt some discomfort and had to go to a hospital for a check-up. The doctors advised him a week's rest, as a result of which he could not make it to the ground at the start of the second day.

There was a third umpire — S Ravi. But he was the designated TV umpire and could not relinquish this job because Decision Review System had been introduced for the game. Strangely enough, a fourth umpire had not been on stand-by to fill in, for contingencies exactly like this. Moreover, the rules are clear that officiating umpires have to be neutral.

One positive outcome of controversies has been the appointment of a cricketer, rather than a politician, to head the Board, though it might not necessarily be true that a former cricketer is bound to be better at the job than an experienced and competent administrator

Thus, though a local umpire, Piyush Khakar, was drafted in to help the remaining one, K Ananthapadmanabhan, he couldn't take decisions. He was assisting Ananthapadmanabhan, who was, truth to tell, officiating at both ends. For the second and third sessions of the second day, a solution was found. Ravi officiated on the field, while Shamsuddin took over the role of the TV umpire. A neutral umpire — Yashwant Barde — was requisitioned. He took over the on-field role the third day onwards and Ravi returned to the television.

The Ranji Trophy dates back to 1934. It has undergone many changes in format. Currently, the competition is played initially as a league, divided into three tiers. Five teams qualify from the top tier, two from the second and one from the last. These eight teams then play knock-out rounds to eventually determine the winner. The league matches are played over four days and the knock-out matches over five.

As the pre-eminent tournament in domestic cricket, if one concedes that the Indian Premier League isn't really part of the domestic circuit, the Ranji Trophy deserves to be organised with an element of forethought. Such forethought surely should have resulted in the provision of a fourth umpire to meet contingencies. But the Board of Control for Cricket in India (BCCI) obviously couldn't have been bothered.

The spectacle of one session — yes, even one session — of the final being officiated by one umpire should prompt searching enquiry. The BCCI has been embroiled in a series of contentious issues — not least of which is the question of conflicts of interest in various areas of the administration of the game. One positive outcome of these controversies has been the appointment of a cricketer, rather than a politician, to head the Board, though it might not necessarily be true that a former cricketer is bound to be better at the job than an experienced and competent administrator.

At the very least, this change has loosened the stranglehold of politicians, who, minimally, can hardly be expected to devote the necessary time, energy and thought to administer a game that has the kind of ramifications that cricket has in India. It is time to take politicians out of bodies that administer other sports as well, perhaps by stipulating conditions that will make close familiarity with the game essential.

Alongside, the current president of the BCCI, former Indian opener Sourav Ganguly, should reconsider the zonal lens through which the organisation of the game is still seen. The change in the format of the Ranji Trophy, once played on a zonal basis in the leagues stages, but not anymore, is a move in the right direction. What must now be done is to do away with the practice of choosing the selection committee on a zonal basis — one each from the central, east, north, south and west zones. While the bugbear of zonal favouritism has by and large ceased to bedevil cricket in India, further steps to completely eradicate it wouldn't be out of place. Then there is the question of nomenclature. Most of the cricketing world now have neutral names for cricket boards — thus, Bangladesh Cricket Board, Cricket Australia, Cricket South Africa, Pakistan Cricket Board, Sri Lanka Cricket, etc. India clings to the archaic and faintly minatory "Board for Control…".

Surely, the job of the Board is to encourage the spread of the game, put in place the infrastructure necessary to develop talent, which, to be fair, it does, and facilitate, rather than control. The notion of "controlling" seems of a piece with politicians horning into an arena into which they ought not to tread. So, with the expulsion of politicians and business tycoons from the administration, it is to be hoped that further changes for the better will be heralded by the relinquishment of "control".

Every week, Eye Culture features writers with an entertaining critical take on art, music, dance, film and sport

Banks, depositors, taxpayers

LINE AND LENGTH

T C A SRINIVASA-RAGHAVAN

The YES Bank episode raises some questions that no one any longer asks. But these are important for the 21st century because they concern bank collapses, how to deal them, and who bears the cost.

This is important, at least in my view for what it's worth, because the received wisdom of the last half century is that bank collapses must be avoided by getting the taxpayers to pay for saving them. This in turn has engendered the belief that banks are "safe as houses".

But why does everyone think that banks are risk-free and that you can deposit as much you want — lend, actually, because the bank pays you interest, howsoever tiny — and live happily ever after? Second, who created this myth? Third, when was it created? Fourth, why?

You have to be very naïve to think that risk in any financial transactions is zero. It's always there. This is so even when the loan you have made to the bank is fully guaranteed by the government.

So at least three questions have to be dealt with when a bank, for whatever reason, goes bust. First, does the principle of caveat emptor — buyer beware — apply to depositors? Second, why should a bank have a higher degree of responsibility than any other business? Third, if "financial stability" is to be financed by taxpayers, how is it "good"?

Unfair treatment

Just see. Thanks to the Securities and Exchange Board of India, we are constantly told how mutual funds come with risks attached. This is nothing more than caveat emptor. So how come no such warning is issued about banks?

I think not only should suitably worded advertisements be issued regularly by the Reserve Bank of India, every bank should print that warning on its cheque books. The customer, not just the shareholders, should know the risks.

I am not joking. It's no different from cigarettes and it's going to get worse.

Secondly, it's now received wisdom that banks must behave with a markedly higher sense of responsibility than other businesses. But see how this is an utterly paradoxical statement: A fully responsible bank's loan book will be zero because of uncertainty.

Due diligence and compliance, etc are all very well but they are technical boxes to be ticked. These things can't tell you whether the borrower is a cad or if China is going do a Wuhan on the world. That's what uncertainty is all about.

Also, when the risk is higher — and it's never zero — banks charge a higher rate of interest. But think about it in the context of a higher deposit rate where the bank is signalling to the customer that it is taking higher risks.

Thirdly, if systemic financial stability is threatened because one bank fails, why should taxpayers, who are not party to any contracts, save the shareholders? This, in fact, is the big gorilla in the room because it completely validates the economics concept of "moral hazard".

The concept refers to a situation where any kind of insurance increases the propensity of the insured to take risk because someone else bears the cost of those risks. This also makes a nonsense of the traditional warning of caveat emptor. Yet we go on making the taxpayer bail banks out.

Are banks special?

In 1907 J P Morgan started the idea that banks are special and needed to be treated differently. He put forth the proposition of a "bank of last resort" and was chiefly instrumental in creating the US Fed, whose job it would be to save the shareholders of US banks. Morgan thought depositors could take their chances but not shareholders.

The European central banks, on the other hand, were created only to print currency and to lend to the government. They were often privately owned. The second oldest of them, the Bank of England, was privately owned till 1946 and the RBI was privately owned till 1949. In some countries they are still privately owned.

Till the 1970s there were two types of central banks: Those that saved governments and those that saved banks. Since then they save both. The taxpayer pays.

But remember: Depositors are a subset of taxpayers. A depositor also pays tax. So what he gains as a depositor he may well be losing as a taxpayer.

The dogma that banks must be saved at all costs has become pervasive because of the political pressure. The cost of not doing so, it is said, is an economic collapse of gigantic proportions, the Gabbar Singh threat.

But here's the problem: Why should governments intervene only when things go phut? That's why I think we need to revisit this apocalypse theory and the sooner the better because it's ok when governments have money but what if they are broke and a financial meltdown is looming?

Market turmoil to hurt plans for IPOs

Valuation computations for proposed deals go awry

ASHLEY COUTINHO
Mumbai, 13 March

IN A FIX

Companies will have to re-work their pricing or the issue size, say bankers

Companies with Sebi nod	Estimated IPO size (₹ cr)
Bajaj Energy	5,450
Indian Railway Finance	2,000
Penna Cement Industries	1,550
Home First Finance	1,500
Equitas Small Finance Bank	1,000
Burger King	1,000

Source: PRIME Database

The current turmoil in Indian equities has thrown cold water on the fundraising plans of companies, with valuation computations going awry and investors jittery about locking up money in new names.

The initial public offerings (IPOs) of speciality chemicals firm Rossari Biotech and restaurant chain Burger King — which planned to hit the market this month — have been deferred, said two people familiar with the matter.

The companies planned to raise about ₹500 crore and ₹1,000 crore, respectively. Antony Waste Handling Cell is struggling to garner the required subscription for its share sale despite lowering the price and extending the closing by more than a week.

Experts said the 20 per cent drop in the market poses a challenge for companies that have set the ball rolling on their IPO plans as valuations will now have to realign. This could entail more dilution or lowering of the issue size.

The volatility has also cast a shadow on the listing of SBI Cards and Payment Services, the credit card arm of State Bank of India (SBI). This may impact high net-worth individuals (HNIs), who have taken leveraged bets and borrowed at 13-15 per cent to subscribe to the issue as gains may not be commensurate with earlier expectations. The company is trading at a 25 per cent discount in the grey market to its issue price of ₹755, sources said. At one point, grey market operators were buying the stock a 50 per cent premium to the issue price. The SBI Cards IPO was subscribed 26.54 times, with the quota for HNIs getting bids for over 45 times the shares on offer.

IPOs worth ₹24,000 crore have valid regulatory approvals and eight companies are awaiting a nod. The timelines of these companies may go haywire as the primary markets are likely to remain subdued over the next few months until the secondary market stabilises, say experts.

"The wild swings of 10-15 per cent point to a lot of uncertainty and fear among investors. No company will think of an IPO now until some semblance of stability returns to the secondary market," said Pranav Haldea, managing director, PRIME Database.

Valuations have gone awry because the market has seen significant correction and companies, which want to list, will have to take a significant haircut on expected valuations. "Investors typically put money in IPOs owing to the excitement around a new story, the growth potential, and better valuations than listed peers. When there are so many listed stocks available cheap, why would I want to invest in new stock?" said an investment banker.

CORONAVIRUS PANDEMIC

Marquee names such as Reliance Industries, HDFC, HDFC Bank, and TCS have slipped 9-20 per cent since February 27.

"Companies wanting to tap the market may take a cue from the listing of SBI Cards. A dismal listing will dampen sentiments further," said Dara Kalyaniwala, vice-president-investment banking at PL Capital Markets.

Qualified institutional placements — which are typically done to shore up capital for expansion or to retire debt — will get impacted as well.

"Not much fresh capital is being raised right now because of the economic slowdown. Even if there was an appetite for fresh capital, no company would want to do a fund-raise at low valuations," said Haldea.

"Given the uncertainty about the macro environment, companies will be a lot more cautious in allocating capital for the new capex. Also, considering the declining interest rate scenario, why would promoters or corporates want to dilute equity to raise debt?" said the investment banker quoted above.

Buybacks and delistings may make a comeback, said experts, if prices stay depressed. Sun Pharmaceutical Industries on Thursday said that its board would consider buyback of the company's shares next week.

Short-sellers caught on wrong foot

JASH KRIPLANI
Mumbai, 13 March

Short-sellers were caught off-guard on Friday as the indices witnessed wild swings — from a 10 per cent low intraday to over 3 per cent in the green — within two hours of market opening.

According to market participants, traders were expecting the markets to be conducive for a sell-on rise strategy and had started to build fresh short positions when the markets started to show some upmove from the day's lows. "The market fall was largely on account of margin calls, and traders with short calls mind have not expected such a sharp pullback as leveraged positions started to unwound," said Yogesh Radke, head of alternative and quantitative research at Edelweiss Securities.

TAKING A BLOW

Traders with sell-on rise strategy saw hit on their 'put' options

Nifty strike price	OI (no. of contracts)	Premum chng (%)
9,800	2,37,675	-39
9,900	1,22,175	-40
Nifty close	9,955.2	

Source: NSE, OI = open interest or outstanding no. of contracts

Further, market participants adding short covering of the Bank Nifty was one of the reasons for the market pullback. The banking index ended 17.9 per cent higher from the day's lows.

"After an initial panic, long build-up was seen on the Nifty," said Chandan Taparia, head of derivatives and technical research at Motilal Oswal Financial Services.

Meanwhile, traders, who had started to build short positions in the market by buying 'put' option contracts, were in for a shock. Put options for the Nifty with strike price of 9,800 and 9,900 saw their option premiums erode about 40 per cent by the end of Friday's trade.

After the markets opened 5 per cent gap-down, the Nifty hit the lower circuit of 10 per cent within five minutes. This led to the halting of trade for 45 minutes. After the markets resumed at 10.15 am, the markets turned green within one hour of trade.

Experts say traders will need now be cautious on building any fresh positions in the market. "Traders will have to avoid carrying over their positions to the next day of trade," said a dealer with a broking house.

"The markets will remain volatile for a while and sharp market swings can significantly erode trading positions," Radke said.

Further, the markets are expected to remain in consolidation mode until the is clarity on the coronavirus pandemic. "Traders are advised to remain light on positions as volatility is at multi-year highs," Taparia added.

On Friday, the markets logged their largest-ever single-day recovery after falling as much as 10.8 per cent intraday. The Nifty closed 3.8 per cent higher at 9,955.2 points.

Analysts say that it'd still be some time before the Nifty reclaimed the 12,000-levels.

Analysts say the Nifty must continue in above 9,400 zones to bounce back to the 10,333 and 10,650-levels.

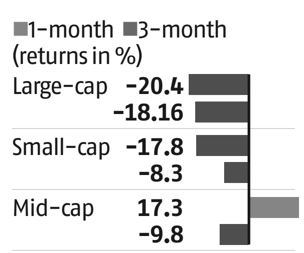
The markets logged their biggest-ever single-day recovery after falling as much as 10.8 per cent intraday on Friday PHOTO: PTI

Some respite for MF investors

JASH KRIPLANI
Mumbai, 13 March

FEELING THE HEAT

Equity scheme returns have worsened in recent months



Source: Value Research, returns as of March 12, 2020

Mutual fund (MF) investors got some respite on Friday after the markets staged a strong recovery. Over the past month, major equity categories had seen sharp declines of 17-20 per cent as the markets reeled from the coronavirus pandemic.

Large-cap schemes have seen one-month negative returns of 20 per cent. Mid- and small-cap schemes have seen over 17 per cent hit on net asset values (NAVs) in the same period. The above return scorecard is likely to improve after the markets logged their largest-ever single-day recovery on Friday, after falling as much as 10.8 per cent intraday. The Nifty closed 3.8 per cent higher.

Investors' sentiment, however, has turned weak amid the recent selloff. "Client queries have been on the surge. Investors want to know whether they should redeem their investments or stay the course," said an MF distributor.

Industry players are concerned that continued volatility in the markets may significantly hurt equity flows. In February, the industry received ₹10,795 crore in equity flows, a 37 per cent jump over the previous month.

Meanwhile, systematic investment plans or SIPs — which have been giving cushion to the industry — saw a marginal dip at ₹8,513 crore in February.

Short-term returns of equity schemes have taken a sharp beating in the last few days, after the market saw a 2,000-point crash on March 9.

Until then, large-cap schemes had given negative returns of around 8 per cent, while mid- and small-cap schemes were down 7 per cent.

"Weak hands would look to exit their MF portfolios if the market volatility continued. However, investors who stay put and handle the market volatility could make robust returns over the long-term," said Srikanth Matrubai, chief executive officer of SriKavi Wealth.

"The selloff seen in March will truly test the long-term orientation of domestic MF investors. We will have to closely watch if there are any sharp rise in the closure of SIP accounts," said a senior executive of a fund house.

In February, the SIP closure ratio was at 50 per cent. For every two SIP accounts open, there was one request for closure. In February, 1,139,000 SIP accounts were opened, whereas 574,000 were discontinued.

Overall, ₹3.1 trillion of investor assets coming into the industry is through the SIP mode. This accounts for 11 per cent of the industry's total assets of ₹27 trillion.

Investor wealth zooms ₹3.55 trillion

Collective investor wealth in BSE-listed companies grew over ₹3.55 trillion on Friday as benchmarks recovered after crashing over 10 per cent during the day.

Recovering over 5,380 points from its intraday low of 29,388.97, the BSE Sensex ended 1,325.34 points or 4.04 per cent higher at 34,103.48.

Trading was halted for 45 minutes in the early session after the index hit its lower circuit limit.

The mayhem on Dalal Street had eroded investor wealth worth nearly ₹13 trillion, taking the total m-cap to around ₹112 trillion on the BSE in early trade.

However, as stocks pared the losses, investor wealth grew by ₹3.55 trillion, taking the total market capitalisation of BSE-listed companies to ₹129 trillion at the end of the session. PTI

Safe haven gold falls ₹3K in a week

RAJESH BHAYANI
Mumbai, 13 Mumbai

Gold, which emerged as a safe haven in the last few months, plunged on Friday even as equities rebounded sharply after a steep fall.

During this week, gold fell more than ₹3,000 per 10 gram while silver shaved off over ₹4,000 per kg. Investors encashed gold to pay for margin shortfalls or losses in other asset classes.

Traders, who made profit in the gold bull run this year, including international institutional investors, have booked profit either to have cash or forcibly sold it to meet margin shortfall or loss in other assets.

Gold price in Mumbai's physical market on Friday fell 31.1 per cent or ₹1,351 to close at ₹41,848 per 10 gram. Friday's fall in per cent terms is worst after November 2015 and, in absolute terms, the worst after August 2013. Silver prices fell ₹2,255 to close 5 per cent lower at ₹43,085 per kg on Friday.

DOING THE MATH

	Standard gold ₹/10 Gm	Silver ₹/Kg
Mar 6,'20	44,237	47,125
Mar 9,'20	43,838	46,005
Mar 11,'20	43,473	46,005
Mar 12,'20	43,200	45,340
Mar 13,'20	41,849	43,085
*% change**	-5.4	-8.6
Change (₹)*	-2,388.0	-4,040.0

*Change over week ago
Compiled by BS Research Bureau
Source :IBJA

Market experts said fall in precious metals continued even on Friday as there was no fresh buying because the yellow metal is still quite high, whereas retail demand is absent.

Shekhar Bhandari, president & business head for global transaction banking and precious metals, Kotak Mahindra Bank, said, "The COVID-19 pandemic and oil collapse have sent treasury yields to record lows, equity markets to bear phase and gold trade at a seven-year high. Gold demand is quite dull, which is in line with the fall in discretionary demand, across the country. High prices and volatility in prices of gold are keeping buyers away."

He was, however, optimistic about the demand when markets settle down. He added that, "Demand may recover next month, if fears subside. Those waiting to buy gold may buy when prices stabilise or at lower levels."

As of now, the fact that demand for gold was almost gone was reflected in the cost of import and market price.

During Friday's closing rate of ₹41,849 per 10 gram, gold was still ₹400 lower than the cost of import. During the day, discount quoted was around ₹900 to ₹1,000 per 10 gram.

Even imports have fallen significantly since the last few days because of volatile prices.

THE COMPASS

Friday's surge may be temporary

Net inflows of ₹5,868 crore from domestic investors

HAMSINI KARTHIK

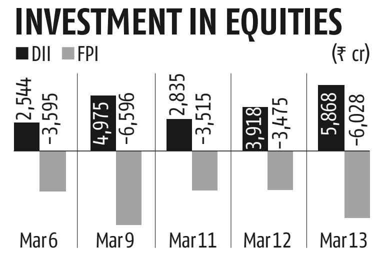
When trade was halted across the global markets a night before and despite federal and state interventions, they closed in the red, none would have expected the Indian markets to react differently. On Friday morning, after the Sensex locking in the lower circuit at 29,339, the dramatic recovery once trade resumed was something never seen before.

Many factors came to play. The US' Dow Futures trading positively lifted the mood for the Asian markets, including India. Another major leg-up came from the rupee, which made some comeback after hitting an all-time intraday low of 74.15 to a dollar. An interesting component was the concerted efforts of domestic institutional investors (DIIs), who drew strength from these positive cues. Comprising mutual funds and insurance companies, DIIs' ₹5,868 crore of buying rescued leading indices to comfortably close with over 4 per cent gains, helping prevent a repeat of last week's Black Friday.

"We have been getting daily positive inflows and gradually deploying them in the market. Today, we deployed it more aggressively and it is to do with our belief that things are looking better," says Chandraprakash Padiyar, senior fund manager, Tata Asset Management.

Without naming stocks, another head of investments at a mutual fund said the one-time window of buying opportunity in some blue-chip stocks was tempting. State Bank of India, Tata Steel, and HDFC were among large-cap stocks with gains of over 10 per cent on Friday, while Sun Pharma, Bharti Airtel, ONCG, and NTPC gained 4–8 per cent.

INVESTMENT IN EQUITIES



Compiled by BS Research Bureau; Source: Exchange's

Opportunities like Friday don't come often and there are reasons to be cautious. "If one were to correlate FY21 estimated earnings growth and valuations, in the scenario of global trade halt, valuations aren't particularly cheap yet," said a fund manager. While FY21 estimated price-earning (PE) has melted to 14x, compared to 2008-09, when there was a similar situation of the global economic meltdown. The markets then were trading at 10 –12x PE. Hence, experts say it is tough to rule out more correction.

BofA analysts led by Sanjay Mookim, in an equity strategy note say, though the markets are down 20 per cent, it's still not the time to buy. "Sentiment around COVID-19 is driving global equities. Several large economies still need to contain the virus. This may require more drastic lockdowns and economic checks. That could drive a market undershoot," they said. This may lead to broader-than-normal earnings cuts for the next few quarters.

"Even Friday's trade data indicates that wherever possible, DIIs may have sold into the recovery and this is a very typical characteristic when we expect the markets to remain volatile," said another fund manager.

That DIIs are not entirely matching up to foreign institutional investors' (FII's) net selling is also an indicator of their tepid conviction. Therefore, unless there is some cooling-off in FII selling and coronavirus spread, the markets may remain volatile.

'Markets are attractive after recent correction'

It has been a one-way street for global equity markets. India, too, has seen an across-the-board selloff since the past few sessions. **NEELESH SURANA**, chief investment officer (CIO), Mirae Asset Investment Managers, tells **Puneet Wadhwa** that the trend of high allocation towards equities, which started five years ago, should continue. Edited excerpts:

The market recovery on Friday, after the Nifty hit the lower circuit, was quite sharp. What's your reading of the developments?

The markets are attractive, post the recent correction triggered by coronavirus (COVID-19). The headline forward P/E multiple, at 14.3x, is below long-term averages. Valuation, based on the P/E multiple, is attractive if we consider that earnings are much lower than potential, given that corporate profitability is already at a multi-year low; and interest rates are also low. Also, the difference between bond yields and earnings yield is at its lowest level since the global financial crisis in 2008. Given the attractive valuations, we recommend that investors should capitalise on the same. However, discipline of asset allocation should be maintained, given that coronavirus is an evolving. While a large part of risk is built in the current valuation, a timely resolution of the crisis is important to prevent second order impact on demand and supply.

Has the selloff shaken investor confidence in equities as an asset class?

The systematic investment plan (SIP) flow, which is relatively 'non-discretionary', continues to remain robust. Also, February inflow at ₹10,700 crore is encouraging. It is the highest in 11 months, despite a sharp decline in the markets. While the pace of inflows could vary, the trend of high allocation towards equities should continue.

What's your advice to first-time investors in the current market scenario?

Invest in a disciplined way in equities within the earmarked asset allocation, with long-term time frame. It's important to note that returns improve when we invest more in tough times, at favourable valuations. SIPs are the most efficient way of capturing the volatility/downside.

How soon do you see economic indicators in India improving?

Economic activity should improve gradually, driven by interest rate transmission, reforms and directed measures by the government to iron out sector-specific challenges. The Indian economy will likely see benefit from lower crude oil prices with lower current account deficit, lower inflation, lower fiscal deficit and gradual improvement in GDP growth. Interest rate reduction remains the most important lever for the market as fall in rates improves demand as well as profitability and rerates the price-to-earnings (P/E) multiple. An important point is that markets generally are myopic in nature wherein 'price' reacts disproportionately, driven by short-term events (i.e. coronavirus). The 'value' is driven by long-term assumptions which do not change significantly. Risks related to coronavirus are there when earnings are already low compared to the long-term average. The profit after tax/gross domestic product (PAT/GDP), at 2.8 per cent, is already at a 15-year low.

Q&A

NEELESH SURANA
CIO, Mirae Asset Investment Managers

What has been your investment strategy amid the recent developments?

We continue to follow a two-pronged approach – a sort of barbell strategy with significant portion into high quality names which have now corrected. At the same time, we are participating in "deep in value" businesses. Weightage in select public sector companies have increased. Our cash levels are low. We advise an allocation of about 70 per cent in large or multi-cap funds, and the remaining in the mid-caps.

PNB set to revamp business of 5 RRBs

ABHIJIT LELE
Mumbai, 13 March

Ahead of the merger of Oriental Bank of Commerce (OBC) and United Bank of India (UBI) with itself, Punjab National Bank (PNB) has rolled out an exercise to revamp the business and strategy of its five regional rural banks (RRBs) having a combined business of ₹1.03 trillion. PNB is roping in an advisor to create a roadmap for its RRBs. This is expected to address potential opportunities such as digitisation and analytics.

The consultancy or advisory firm will conduct assessment of core business opportunities and work towards a holistic operating model review. The objective is to work with the RRBs' internal team to significantly enhance their performance trajectory, banking sources said.

The five RRBs sponsored by PNB are operating in five states – Bihar, Haryana, Himachal Pradesh, Punjab and Uttar Pradesh – covering 93 districts with a network of 3,350 branches.

OBC and UBI are set to merge with PNB from April 1 this year. This is an opportunity to work for synergy and create capacity for future businesses for PNB. That includes associate entities like RRBs, a bank official said. These RRBs will continue to maintain an independent set up and focus on needs of the region under their jurisdiction.

At present, Five RRBs are sponsored by PNB which are operating in five States — Bihar, Haryana, Himachal Pradesh, Punjab and UP

The entire exercise of assessment and implementation of the plan will be spread over 21 months in two phases. Scope of the exercise would cover cost optimisation, risk management, asset management, maxmising returns from technology and procurement and contract management.

There is room for cost optimisation and advisors will analyse the trends of various components of direct and indirect costs. They will identify areas where cost optimisation is feasible.

Under risk management, they will study the current risk assessment policies and indicators for credit risk, operational risk and market risk of RRBs. The risk management will be benchmarked with industry best practices.

Delhi Assembly passes resolution asking Centre to withdraw NPR, NRC

PRESS TRUST OF INDIA
New Delhi, 13 March

The Delhi Assembly passed a resolution against the National Population Register (NPR) and the National Register of Citizens (NRC) on Friday.

The resolution "earnestly" appealed to the Centre to withdraw and not carry out the whole exercise of NRC and NPR "in the interest of the nation, particularly when the economy is witnessing the worst-ever downslide and unemployment is witnessing a terrifying growth, and with the threat of the corona pandemic looming large".

It also said "should the Government of India insist on going ahead" with the exercise, it should be restricted to carrying out the NPR only with its 2010 format and no new fields added to it.

Delhi joins the list of the assemblies of Puducherry, Punjab, Madhya Pradesh, Kerala and West Bengal in passing resolutions either against the Citizenship (Amendment) Act (CAA) or the NRC or the NPR.

At a special daylong session of the Delhi Assembly, which was held to discuss the NPR and the NRC, Chief Minister Arvind Kejriwal requested the Centre to withdraw the documents since those were inter-linked.

"Me, my wife, my entire cabinet do not have birth certificates to prove citizenship. Will we be sent to detention centres?," he asked.

The Aam Aadmi Party (AAP) supremo challenged Union ministers to show their birth certificates issued by the government.

"Sixty-one members of the House do not have birth certificates... will they be sent to detention centres?"
ARVIND KEJRIWAL
Chief Minister of Delhi

He asked the MLAs to raise their hands if they had birth certificates, following which only nine legislators in the 70-member House raised their hands.

"Sixty-one members of the House do not have birth certificates," Kejriwal said, adding, "Will they be sent to detention centres?" He claimed that with the NPR being implemented from next month, not only Muslims, but also Hindus who do not have birth certificates issued by a government agency will be affected.

"If you are a Muslim and do not have documents, you will be sent to a detention centre. If you are a Hindu from Pakistan, you will be given citizenship. But if you are an Indian Hindu and do not have documents, you will still be sent to a detention centre," the chief minister said.

Claiming that Aadhaar cards and voter identity cards will not be accepted during the NPR exercise, he stressed that only birth certificates issued by a government agency will be accepted.

Kejriwal hit out at the BJP-led Centre for creating an issue over the NPR and the NRC at a time when the country's economy was not in a good condition.

"At a time when the economy is not in a good situation and there is unemployment, instead of looking for solutions to these problems, imaginary issues like CAA, NRC and NPR have been created... I do not know who will benefit from this," he said.

Fast-track rights issue: Sebi comes out with guidelines for REITs, InvITs

PRESS TRUST OF INDIA
New Delhi, 13 March

Markets regulator Sebi on Friday put in place a framework for emerging investment instruments REITs and InvITs for issuance of units under the fast-track rights issue mode.

This comes after the regulator earlier this month allowed fast-track rights issue by (REITs) and infrastructure investment trusts (InvITs) without filing draft offer document with Sebi.

In a circular, the regulator said listed REITs and InvITs desirous of issuing units under fast-track rights issue will have to comply with certain guidelines.

The units of these instruments should be listed on any stock exchange for a period of at least three years immediately preceding the record date and all the units of the InvIT and REIT are held in demat form on the record date.

Among other conditions, the average market capitalisation of public unitholding of InvIT and REIT each should be at least Rs 250 crore and these investment instruments need to redress at least 95 per cent of the complaints received from the investors till the end of the quarter immediately preceding the month of the record date.

Sebi said there should not be any regulatory action imposed on the InvIT and REIT in the three years preceding the year in which rights issue has been proposed. The imposition of monetary fines by stock exchanges on the InvIT will not be a ground for ineligibility for undertaking issuances under this clause.

Further, there should not be any show-cause notices issued or prosecution proceedings initiated or pending against these instruments or their promoters or directors; they also should not have settled any alleged violation under the settlement mechanism; and units of InvIT and REIT should not be suspended from trading as a disciplinary measure during last three years immediately preceding the record date.

"The sponsor(s) shall mandatorily subscribe to their rights entitlement and shall not renounce their rights, except for the purpose of complying with minimum public shareholding norms prescribed under the InvIT/REIT Regulations," the Securities and Exchange Board of India (Sebi) said.

With regard to preferential issue and institutional placement of units by listed InvITs and REITs, Sebi said units allotted to sponsor and its associate will be locked-in for three years from the date of trading approval granted for the units.

This is provided that not more than 25 per cent of the total unit capital of the InvIT and REIT will be locked-in for three years and units allotted in excess of 25 per cent need to be locked in for one year.

Pawar, Scindia in fray for RS polls

PRESS TRUST OF INDIA
New Delhi, 13 March

Rajya Sabha Deputy Chairman Harivansh, NCP supremo Sharad Pawar, BJP's newest recruit Jyotiraditya Scindia and Congress veteran Digvijay Singh are among those in the fray for elections to 55 Rajya Sabha seats to be held on March 26 with a number of the contestants set to get elected unopposed.

Friday was the last date of filing of nominations for the biennial polls. Fifty-one of these 55 seats from 17 states are falling vacant on different dates in April due to retirement of sitting members, while four other seats are already vacant due to resignation of members.

Bypoll will also be held to a

Rajya Sabha seat from Haryana vacated by former Union minister Birender Singh.

Counting will be held on the evening of March 26, an hour after the conclusion of polls.

A keen battle is on the cards in Madhya Pradesh, where the Kamal Nath government faces a grim future following rebellion by at least 22 MLAs, as both the BJP and the Congress have announced two candidates each for the state's three seats.

Scindia and Digvijay Singh are expected to comfortably win in the polls. The BJP's Sumer Singh Solanki and Phool Singh Baraiya of the Congress are likely to slug it out for the third seat.

The two parties are comfortably placed to ensure the win of one of their candidates, and while the Congress appeared to have an edge for the third seat but the decision of its 22 MLAs to resign from the state assembly has upended the numbers game.

Most of these MLAs are supporters of Scindia, who joined the BJP on Wednesday after quitting the Congress a day before.

AROUND THE WORLD

France to allow some Huawei gear in its 5G network

REUTERS
Paris, 13 March

France will authorise the use of some of Huawei's equipment in the rollout of its 5G network, two sources close to the matter told Reuters, despite US calls to exclude the Chinese telecoms giant from the West's next-generation communications.

The French cybersecurity agency, ANSSI, is due to tell telecoms operators which equipment they are allowed to use for the deployment of their 5G network in France, but has not made public any decision.

The two sources, who spoke on condition of anonymity, said ANSSI had decided to approve the use of Huawei gear, but only for what they described as non-core parts of the network, as these pose less significant security risks."They don't want to ban Huawei, but the principle is: 'Get them out of the core mobile network'," one of the two sources said.

A spokeswoman for ANSSI declined to comment.

Core mobile networks carry higher surveillance risks because they incorporate more sophisticated software programs that process sensitive information such as customers' personal data.

French authorities' decision over Huawei's equipment is crucial for two of the country's four telecoms operators, Bouygues Telecom and Altice Europe's SFR, as about half of their current mobile network is made by the Chinese group.

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State-controlled Orange, has already chosen Huawei's European rivals, Nokia and Ericsson, which U.S. operates have favored over Huawei.

Up to now, sources close to the French telecoms industry have said they fear Huawei will be barred in practice even if no formal ban is announced.

By granting a partial authorisation to Huawei, France would follow Britain's footsteps, as British Prime Minister Boris Johnson granted Huawei a limited role in the country's 5G network.

Neighboring Germany is also struggling to reach consensus on the way forward. Chancellor Angela Merkel's ruling conservatives back tougher rules on foreign vendors but have stopped short of an outright ban on Huawei.

France is likely to follow instructions given by European Union's industry chief Thierry Breton, who said in interviews that telecoms operators should not select "risky vendors" for strategic sites such as capital cities, military bases and nuclear plants, a separate telecoms industry source said.

SoftBank unveils $4.8 bn buyback after stock tumble

REUTERS
Tokyo, 13 March

SoftBank Group Corp is buying back up to $4.8 billion of its shares after their recent slump, a move that partially met the demand of activist fund Elliott Management but failed to soothe investors panicking from the coronavirus pandemic.

The Paul Singer-led hedge fund backed SoftBank's buyback of up to 7% of its shares for as much as 500 billion yen ($4.8 billion).

It comes after Elliott pressed SoftBank earlier this year for $20 billion in stock buybacks by selling down its stake in Chinese e-commerce giant Alibaba, and follows a nearly 25% decline in the Japanese investment group's shares in March.

"SoftBank's announcement of its intention to commence an initial buyback program of 500 billion yen is clearly an important first step in addressing the company's significant undervaluation, and one that Elliott supports," Elliott said in a short statement on Friday.

J&J: Demand for consumer products surge due to COVID-19

Johnson & Johnson is seeing a spike in demand for its consumer products in some markets, the company said on Thursday, as the rapid spread of coronavirus around the world prompts people to stock up on essentials.

The company, which makes Tylenol over-the-counter pain killer and Listerine mouth wash, did not identify the products that were in demand but said it was meeting the surge in a "controlled manner".

J&J also said it was taking all possible measures to maximize the availability of these products. The coronavirus, which originated in Wuhan, China last year, has spread to more than 100 countries and killed nearly 5,000 people worldwide, sparking a rush for everyday items ranging from toilet paper to packaged foods.

Pharmacy chain Walgreens Boots Alliance Inc and supermarket chain Kroger Co on Thursday placed purchase limits to stabilize inventory.

Kroger placed a limit on the number of cold, flu and sanitary products per order, while Walgreens said it was limiting disinfectant wipes and cleaners, face masks, hand sanitizers, thermometers and gloves to four each per customer.

The company also said majority of its global medical device manufacturing was running at or near normal capacity, and that it does not expect the outbreak to cause any disruptions to its supply of medicines. REUTERS

Airport operators look to levy fee to cover coronavirus losses

Say infrastructure they set up is a fixed asset and not flexible to respond to sudden dip in business

ARINDAM MAJUMDER
New Delhi, 13 March

Private airport operators across India have sought government permission to levy an extra charge on flyers to compensate for losses incurred because of reduced passenger footfall and air traffic as a result of the coronavirus outbreak (COVID-19). This has angered airlines who termed the demands "self-serving" at a time of crisis.

"Revenue streams of airports have been impacted adversely against the gloomy background of sharp declines in traffic and passenger throughput. To address the growing severity of this issue and ensure sustainability of airport operators, we propose to levy a nominal facilitation charge as part of airline fares to cover the increased operating cost," Association of Private Operators said in a communication to the Pardeep Singh Kharola, secretary of Ministry of Civil Aviation.

CORONAVIRUS PANDEMIC

Private airport operators levy charges on flyers in the form of user development fees, passenger service fees and development fees.

On Wednesday the Centre virtually sealed borders cancelling all existing visas till April 15 to check COVID-19 spread. The World Health Organization has classified it a pandemic, a move that has forced people to cancel travel plans and airlines to cut flights drastically.

Since February, foreign carriers operating to India have cancelled about 492 flights. Indian carriers have cancelled 96 international flights. This is set to increase further after Wednesday's order.

PHOTO: DALIP KUMAR

CANCELLED FLIGHTS TO & FROM INDIA

17	56	36	67	16
Air China	China Eastern Airlines	Singapore Airlines	Silk Air	Air Asia

Source: Parliament

At Bengaluru airport, international traffic dropped 20 per cent in February and almost by 50 per cent so far in March. Where the airport would normally have 14,000-15,000 international passengers a day, it is seeing approximately 6,000-7,000 passengers, an airport spokesperson said.

Executives of private airports say their revenue stream is under severe pressure because of the revenue sharing arrangement they have with the government. According to the agreements signed in 2006, India's two largest airports GMR-group-owned Delhi Airport and GVK-group-owned Mumbai Airport pay 46 per cent and 38.7 per cent of their annual revenue to the Airport Authority of India (AAI).

An executive of a private airport operator explained that the revenue has to be paid one quarter in advance, according to the projected business plan submitted to the government.

"So we have already paid the government for Q1FY21 (first quarter of financial year 2020-21) according to the projected business plan we had at the beginning of the year. Suddenly things took a downturn and we are seeing a decline every day. Aircraft movement is reducing so is passenger footfall, which will make the submitted plan redundant," he said.

According to a second executive, many trade partners — including food and beverage stores, retail outlets and shopping outlets — are seeing a drop in footfall. "They will certainly default for at least the next two quarters, which in turn will materially impact the overall revenue of airports. So, to say it plainly, both aero and non-aero charges are getting impacted and unlike airlines, airports' infrastructure is fixed and not flexible to respond to such fluctuations," the executive said.

Airlines, however, condemned the move. "What is needed now is relief measures to help the aviation industry. It is imperative that we focus on reducing overall cost of travel and work collectively instead of an interest to protect profit," said Amitabh Khosla, India director for lobby group International Air Transport Association.

DGCA asks foreign airlines to waive cancellation fees

ANEESH PHADNIS
Mumbai, 13 March

The Directorate General of Civil Aviation has asked international airlines to consider waiving cancellation fees to provide relief to passengers whose travel plans have been disrupted by the coronavirus outbreak (COVID-19).

The aviation regulator issued the advisory on Friday as customers have been forced to cancel travel plans because of government orders but have been unable to claim full refund from airlines because of fare rules. Globally, airlines are offering customers free change in date or destination but refund is being paid based on fare rules. Airlines deduct a cancellation fee based on the fare type and this has led to complaints against carriers on social media.

"Flights are being curtailed, cancelled and disrupted almost on a daily basis. Resultantly, passengers are also facing the brunt. In the current scenario, it would be appropriate if airlines support their passengers in this tough time by waiving cancellation/reschedule charges or by providing any other incentive," Deputy Director General Sunil Kumar said in a circular to foreign airlines operating to India. Indian airlines have been advised separately to give relief, an official said.

Lufthansa and Swiss, which have suspended their flights to India from March 14 to 16, have extended their waiver policy. The airlines said customers can now also keep their ticket valid without a new flight reservation and use it at a later time. The revised travel may be completed as late as December 31.

Country reports 2nd death

PRESS TRUST OF INDIA
New Delhi, 13 March

A 68-year-old woman in Delhi became the country's second victim of coronavirus on Friday as several states went into battle mode to contain the spread of COVID-19.

The number of positive cases in the country includes the woman and a 76-year-old man from Karnataka who became the country's first coronavirus fatality, Health Ministry officials said.

Health ministry and Delhi government officials said the woman came in contact with her son, the fifth case of coronavirus in the national capital, with a history travel history to Switzerland and Italy between February 5 and 22. Her death was caused due to co-morbidity (diabetes and hypertension), they said, adding she had tested positive for COVID-19.

She was admitted in Ram Manohar Lohia Hospital, officials said. Cases of the infection have been reported from at least 11 states and Union Territories, including Delhi, Karnataka, Maharashtra and Kerala, where three patients were discharged last month after they recovered.

The Centre has decided to allow international traffic only through 19 border checkposts out of 37 and continue the suspension of Indo-Bangladesh cross border passenger trains and buses till April 15, or earlier, if so decided.

Officials disclosed that 42,000 people across the country are under community surveillance.

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INDIA

STATES SHUT DOWN AS CASES REACH 82

Several states across India went into battle mode to contain the spread of COVID-19, shutting down schools, theatres, and colleges, and many public events were postponed as the health ministry on Friday put the number of cases at 82 (17 of them foreigners).

The count is likely to be higher with Army sources saying a man who had returned from Italy this week tested positive at the force's quarantine facilities in Manesar in Haryana.

Karnataka, Odisha, Jammu & Kashmir, and Bihar went into virtual shutdown mode.

Amid speculation over the Budget Session being shortened, Union Parliamentary Affairs Minister Pralhad Joshi told *PTI*, "There is no question of curtailing the session." PTI

IN OTHER NEWS

- Supreme Court to restrict hearings to urgent cases
- Delhi HC not to insist on personal appearance
- Three nurses asked to vacate home by landlord for taking care of patients
- IIT-Kanpur, IIM-Lucknow cancel or defer events
- Schools, colleges to be shut in UP, MP, Bihar, Chandigarh, K'taka, Haryana
- Masks, sanitisers declared essential commodities till June-end
- NPPA warns against sale of sanitisers, masks above MRP
- RBI: Monitoring situation, will take measures for market stability
- Army postpones all recruitment rallies

Finance Minister Nirmala Sitharaman addresses a conference after the Cabinet meeting in New Delhi on Friday PHOTO: PTI

Centre, RBI to take all steps necessary: FM

ARUP ROYCHOUDHURY
New Delhi, 13 March

The government and the Reserve Bank of India (RBI) are closely monitoring the impact of the coronavirus outbreak (COVID-19) on the Indian economy and stock markets and will take all steps necessary, Finance Minister Nirmala Sitharaman said on Friday.

Additionally, Chief Economic Advisor Krishnamurthy Subramanian said that following actions by various central banks, and given the inflation situation, there was a case for an interest rate cut. This comes ahead of the RBI's next Monetary Policy Committee meeting, scheduled to be held on April 1.

"Global markets have undergone severe volatility, and we are monitoring the situation. It is no consolation to say that stock markets in India and elsewhere have suffered. Globally, there are serious repercussions being felt. We are conscious of the developments. Together with the RBI, we are monitoring and making sure where necessary, we take steps," Sitharaman said at a press conference after the Cabinet meeting.

"The interactions and engagement with the various sectors, through the departments concerned, is happening almost on a daily basis. We are trying to attend to the requirements of the affected industries, and to see where all the departments will have to make an intervention related to their sectors," she said.

When asked if there was a case for an interest rate cut by the MPC, the Finance Minister said: "The RBI Governor has said that he very clearly recognised that this is there development globally, and that he is open to need of the hour. I am sure he will take a call from his end."

Speaking to reporters earlier on the day, Subramanian was also asked on the possibility of a rate cut. "This is something that is being thought through. Other central banks have certainly responded and inflation data clearly suggests moderation," he said.

"Also we expect core inflation to go down further because of decline in oil prices. So I think there is scope for the central bank to consider these different aspects." He said the services sector would be impacted because of the lockdown on account of COVID-19. "Government is watching and tracking the data very carefully. Government and RBI will take all steps necessary," Subramanian said.

Official data released on Thursday showed that Consumer Price Index-based inflation (CPI) for February eased to 6.58 per cent, from a 68-month high of 7.59 per cent in January, primarily on the back of lower prices of fruits and vegetables. The latest numbers have increased the clamour for a rate cut, which the Narendra Modi government hopes will inject some confidence to boost growth.

Subramanian said the fall in Indian stock indices is lower than the decline witnessed globally and the situation in India will stabilise over the next few weeks as the focus shifts to economic fundamentals like declining inflation, growing industrial production and adequate forex reserves.

Modi calls for SAARC meet through video conference

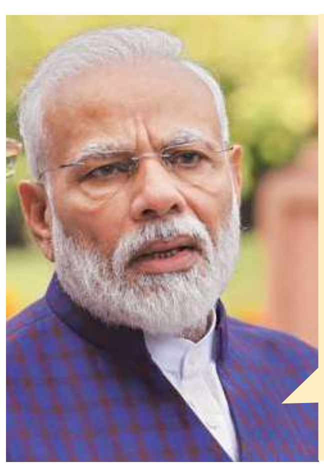
Prime Minister Narendra Modi on Friday proposed formulation of a joint strategy by SAARC nations to fight coronavirus.

Calling on SAARC member states to set an example for the world, Modi proposed a video conference of leaders of the countries to chalk out a strong strategy to fight coronavirus.

"I would like to propose that the leadership of SAARC nations chalk out a strong strategy to fight coronavirus. We could discuss, via video conferencing, ways to keep our citizens healthy," Modi said. His appeal got a prompt response from Sri Lankan President Gotabaya Rajapaksa, Maldivian President Ibrahim Mohamed Solih, Nepal Prime Minister K P Sharma Oli and Bhutanese premier Lotay Tshering.

"Thank you for the great initiative Narendra Modi — Lanka is ready to join the discussion and share our learnings," Rajapaksa tweeted. Maldivian PM Solih said his country would fully support such a regional effort. "Thank you PM Narendra Modi for taking the initiative on this important endeavour." The Bhutanese PM said, "This is what we call leadership. Smaller economies are hit harder, so we must coordinate."

Modi's two-day visit to Gujarat from March 21 has been put off due to the coronavirus scare. PTI



"I WOULD LIKE TO PROPOSE THAT THE LEADERSHIP OF SAARC NATIONS CHALK OUT A STRATEGY TO FIGHT CORONAVIRUS. WE COULD DISCUSS VIA VIDEO CONFERENCE"
NARENDRA MODI
Prime Minister

GLOBAL

Global toll topped 5,000 and total cases rose to 135,118

- Coronavirus drags China's FDI down 8.6% in Jan-Feb
- World Health Organization declares Europe "epicentre" of COVID-19 pandemic
- Korea reports more recoveries than cases
- Italian firms rush to provide funds for virus emergency
- Japan passes law allowing state of emergency
- Romanian PM quarantined
- Canada PM Justin Trudeau's wife, Sophie, tests positive
- Ethiopia and Kenya confirm first cases
- Ukraine and Sudan reports first death from virus
- Disney halts production on all live-action movies
- Trump's "postpone Olympic" idea shot down by Japanese Olympic minister

US TO DECLARE NATIONAL EMERGENCY

DONALD TRUMP, US President

"The changes have been made and testing will soon happen on a very large scale basis. All Red Tape has been cut, ready to go!"

New test 10 times faster is FDA approved

Testing in the US will accelerate within the next week because of coordination with the private sector, the government's top infectious disease scientist said. Roche advanced after saying it won emergency approval in the US for a test that could speed up the ability to diagnose patients by a factor of 10. **Meanwhile, US President** Donald Trump plans to declare a national emergency on Friday over the coronavirus outbreak. AGENCIES

COVID-19 shadow looms over April steel price hike

ISHITA AYAN DUTT
Kolkata, 13 March

Steel prices, which had increased this month, are holding steady despite the coronavirus outbreak (COVID-19) that has put the global economy on the edge. However, firms are not sure whether an increase in April will be possible.

In March, companies had increased prices across-the-board by ₹500-800 per tonne, the fourth hike in a row, taking the price of hot-rolled coil (HRC) to ₹37,000 a tonne.

M C Agrawal, executive director, Steel Authority of India (SAIL), said the price increase in March was holding.

"There is no change in demand, which is already recovering. Auto has also started picking up," he said. "Whether an increase will happen in April is difficult to say." However, Agrawal was confident of a recovery in demand.

"There is a fear factor right now because of COVID-19, but things will settle. At best, the pickup could be delayed by a month or two," he said. He was speaking on the sidelines of a seminar organised by the Calcutta Chamber of Commerce.

For the time being, there could be some ups and downs because of COVID-19, said Hervinder Singh, president — mining and international projects, Jindal Steel and Power (JSPL). "Prices are holding for this month," he added.

"The India story is very positive, and at JSPL, we have crossed all records in production," Singh said. "The previous quarter was the best and this quarter ending March, will be even better," he added.

JSPL is ramping up capacity and expects to end financial year 2020-21 (FY21) with 8.5 million tonnes.

The steel sector has been gradually recovering from lows seen in November, when prices of HRC touched ₹32,250. Since then, prices have been clawing back month-on-month.

However, primary and secondary producers are unsure how the outbreak would play out in the next few weeks. Secondary producers said sentiments had been impacted hugely by COVID-19.

"There is no visibility on where things are headed right now," said a secondary producer. ICRA said prices were expected to come under pressure in the near term.

Price rise in India was in line with global trends. Chinese export HRC prices had increased from $428 a tonne at the end of October 2019 to $496 a tonne in January, ICRA noted. However, since mid-January, because of a slowdown in China's steel consumption because of COVID-19, prices had witnessed a 6 per cent fall.

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When two young women want to let their hair down

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SPORTS
A new, all-access documentary on the Aussie cricket team

14 MARCH 2020
Business Standard
WEEKEND

Saving an island

Scientists have been trying to stop Vaan Island in the Gulf of Mannar from disappearing. Their success means hope for other such threatened islands. **Nikita Puri** reports

For close to 15 days every month, mornings at the Suganthi Devadason Marine Research Institute (SDMRI) in Thoothukudi, Tamil Nadu, begin by 5 am. Researchers, scientists and divers, including doctorate students Arathy Mol A and Mahalaxmi Boopathi, set off from the harbour to the Gulf of Mannar, a shallow bay between India's Coromandel Coast and Sri Lanka.

At times Arathy and Boopathi go diving for healthy seagrass; other times to identify corals. Sometimes these trips continue for the better part of the day, regardless of the mighty tropical sun. The two take immense pride in their work, and their institute. With good reason. Scientists from SDMRI have, after all, been instrumental in saving a drowning island — the first experiment of its kind in India.

Vaan Island was sinking — till recently. It is one of the 21 reef islands in the Gulf of Mannar that was declared a marine national park in 1986. Besides corals and a variety of fish, the waters here were marked out for being home to sea turtles and dolphins. A lucky few people have even seen the vulnerable dugong, commonly known as the sea cow.

Of India's four major reef areas, the Gulf of Mannar is the most easily accessible. All of its low-lying islands, which extend from the pilgrim town of Rameswaram to Thoothukudi, are within 8 km of the shoreline. Vaan is just 6-odd km off the Thoothukudi coast.

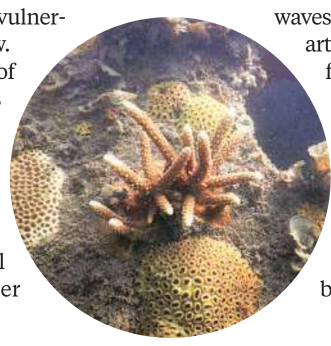
Though the past few years have seen a dip in destructive human activities such as coral mining, unsustainable fishing and improper sewage treatment, the biggest challenge Vaan now faces is climate change.

Scientists sensed definite trouble when toposheet records, which show shorelines, were compared time to time. Surveys from 1969 indicated Vaan's area as 20.08 hectare. By 1986, when the marine park was notified, it had shrunk to 16 hectare. "The island had been slowly eroding. Then in 2013, it split into two and the northern half was lost to the sea over the next few months," says SDMRI Director J K Patterson Edward. By 2014, only 2.5 hectare remained.

The possibility of its sinking completely became very real. Two islands of this group of 21, Vilanguchalli and Poovarasanpatti, submerged some three decades ago.

Though islands in the Gulf of Mannar are uninhabited, they serve a host of functions, including protecting the mainland from waves coming in from the open sea. Along with the coral reefs, the islands are believed to have helped reduce the impact of the 2004 tsunami that killed over 200,000 people across 14 countries. These islands also shelter local fishermen during rough seas and are feeding grounds for birds. Unesco has listed the area as one of the world's richest marine biodiversity spots.

The possibility of Vaan submerging brought together different stakeholders: Tamil Nadu's environment department; the Central government that came on board with its "National Adaptation Fund for Climate Change" (NAFCC) initiative; scientists from SDMRI, a non-governmental institute established in 1998 for research and higher education in marine sciences; and the Indian Institute of Technology Madras. NAFCC gave Tamil Nadu ₹24.74 crore for the management and rehabilitation of coastal habitats in the Gulf of Mannar (for 2016 to 2020). Of this, ₹10.5 crore was earmarked for Vaan Island.



FROM 2.5 HECTARE IN 2014, VAAN HAS GROWN TO 3.05 HECTARE AS OF JANUARY 2020

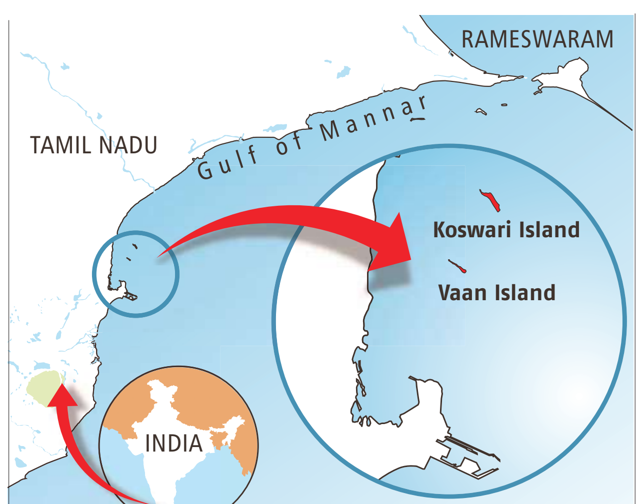
The plan was to deploy artificial reefs near Vaan in such a manner that they would reduce the impact of high-energy waves hitting the island. There was also hope that the artificial reefs — trapezoidal perforated structures fashioned out of ferro-cement and steel — would become home to new coral colonies and fish production.

The role of corals in keeping ecosystems healthy has been highly neglected in mainstream discourse. Like the other islands in the Gulf of Mannar, Vaan too was born from the remnants of broken corals. These corals were broken down further by waves to form land mass, explains Gladwin Asir, assistant professor and geologist at SDMRI. "That's how coral islands have been formed. The sand here has a white hue indicating it is rich in calcium deposited on the island from corals that have broken off."

The Gulf of Mannar saw massive mining of corals from the 1950s to 1980s, largely for the construction of roads and buildings. "Walk along the coastline and you will still find old houses built with corals," says Edward. "Coral mining completely stopped 2005 onwards, but the damage already done made the seafloor unstable, and there was nothing to check the waves hitting Vaan's shoreline."

Coral in Tamil is *pavala parai*, which translates to "dead rock". Perhaps this is one reason why till two decades ago locals were unaware that corals were living marine creatures. "Thankfully, that's not the case anymore and people have realised how corals contribute to their livelihood," says Edward.

The plan to save Vaan, once an island surrounded by corals, kicked off in 2015 as artificial reef modules were loaded onto barges and pulled into the sea by a trawler. The deployment went on till 2019. The modules had to be placed with great specificity in a zigzag manner without disturbing the natural corals on the ocean floor. Bathymetry and wave dynamic studies had already been conducted to ascertain the depth of the ocean floor and wave directions. Currently there are 10,600 artificial reefs in the Gulf of Mannar. "All of these are for Vaan Island alone," says Edward.



GRAPHIC: AJAY MOHANTY

The primary goal of these artificial reef modules was to halt erosion, but they've done more than that. They've actually helped the island grow. From 2.5 hectare in 2014, Vaan has grown to 3.05 hectare as of January 2020. And surveys of the depth around the area where the island had split indicate that it is becoming shallower — from 2.5m in 2015 to 0.5m in 2019. So, there's a good chance of the land re-emerging in the future.

These shoreline measurements are done by GPS tracking, says Asir. Immediately after a full moon or new moon day, Asir and SDMRI's team find themselves on Vaan's shores. Their job is to track, during low and high tide, "the point where the land and water meet". The poetry of this image barely compares to what scientists have been able to accomplish with Vaan. Now Arathy and Boopathi, both in their 20s and among the youngest in the lot who learnt scuba diving after joining the institute, gush about their regular sightings of starfish, jellyfish, sea urchins, soft and hard corals and dolphins. A plethora of life forms has emerged where there were next to no fish, says Gilbert Mathews, a marine biologist at SDMRI.

"Looking at the speed at which Vaan was eroding we had predicted that it would go under in 10 years if nothing was done," says K Diraviya Raj, assistant professor and coral expert at SDMRI. "I had never imagined any of this could happen. I had known about Vaan eroding, but had never realised the seriousness of the situation till the island split."

Raj is among the many who couldn't swim before coming to the institute in 2004. Today, he doubles as a scuba diving instructor for the team of researchers whose jobs demand they closely monitor the artificial reef modules, which have become a hotspot for coral and other reef-associated marine diversity.

"Corals are the main barriers to shore erosion. Corals reproduce both sexually and asexually and their larvae can swim up to 10 days. These get attached to the artificial reef modules and grow naturally," says Raj. The design for these artificial reef modules was a modification of the artificial structures that the SDMRI already had. These were made primarily to boost fish production for local livelihoods as well as to increase biodiversity in the area, with support from IIT Madras, says Edward. Even the corals SDMRI transplanted back in 2002 to increase biodiversity and fish production have adapted to the artificial structures so well that you cannot even see the concrete placed in shallow waters, says Raj.

Using artificial material to help increase biodiversity isn't new. New York has been using refuse steel, decommissioned ships and trucks to build expansive artificial reef systems for a while. A fleet of 1,200 of its subway cars was stripped and decontaminated in late 2000 before being sunk off the coast of Delaware to create more reef structures. The folks at Tuticorin have been doing it since 2002.

While researchers primarily credit these artificial modules for helping save the island, two other diving-intensive techniques have contributed significantly. The first of these is coral transplantation, which sees marine biologist Mathews and his team collecting a small percentage of corals from different colonies and bringing them here. "We then manually plant these corals by tying them onto concrete platforms. Till they are ready to be transplanted, we keep these in troughs on our boats," he explains. "It can take an hour or so for us to reach areas marked to transplant these. We have to regularly change the water in the trough to keep the corals from being stressed."

Like corals, seagrass, which is often mistaken for seaweed, is essential for maintaining a healthy marine ecosystem. When researchers such as Arathy and Boopathi aren't seeking out mature seagrass shoots, which will then be tied up with jute ropes and transplanted, they are monitoring the health of transplanted corals as well as of the corals naturally growing on the artificial reef.

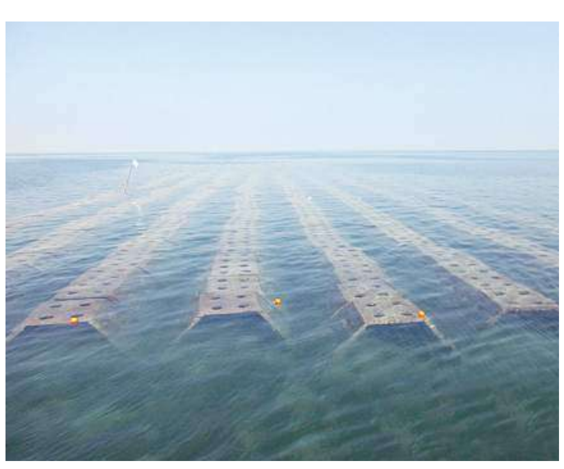
Vaan Island's is a story of hope in dismal times. Take the case of the Maldives, a group of 1,192 coral islands in the Indian Ocean. If the country doesn't get financing to fight climate change for building "sea walls" — concrete walls to keep the sea out — it will lose entire islands. The environmental panel of the United Nations believes that at the current rate of rising sea level, most of the Maldives will be submerged by 2100.

Even in places where sea walls have been built, off the coast of the Indonesian capital of Jakarta, for instance, these structures have only been able to buy time. As the sea claims the land bit by bit, the country has set in motion plans to relocate the capital. A futuristic capital city is envisioned in the East Kalimantan province on Borneo, Asia's largest and the world's third-largest island that is governed in parts by Indonesia, Malaysia and Brunei. But critics have said the will would be an environmental disaster considering the effect it would have on Borneo's rainforests and endangered orangutans. Meanwhile, in Fiji, people of at least four communities have already been forced to relocate because of the threat of their homes sinking.

For India's reef islands, at least, the Vaan experiment can be replicated in the face of similar threats. Here's hoping that other islands and islanders also get a second chance.

PHOTOS: COURTESY SDMRI

(*Below*) **Artificial reef modules being deployed; a view of deployed artificial reef modules; a researcher fixing PVC frames tied with seagrass shoots on the sea floor; researchers involved in the transplantation of seagrass shoots with jute rope**



TALKING POINT

SHUMA RAHA

The illiberal liberals

Liberalism is all very well, but what if I don't want a boyfriend, or I don't want to live in? What if I want an arranged marriage? My friends mock me if I say this. There's a lot of peer pressure against these choices."

This is what a bright, young college girl said during the question and answer session that followed a panel discussion at a literature festival in Bengaluru recently. The discussion had focussed on the ways in which urban Indian society had become much more permissive about individual relationship choices. The girl in the audience, though, drew our attention to a parallel trend — that liberalism can be counterweighted by its own orthodoxy and that progressive attitudes can be as bullying and intolerant as regressive behaviour.

And she was right. An unfortunate outcome of the spread of liberal values today is that its practitioners are often so dogmatic in their beliefs and so insistent that others either fall in line or be damned as heretics to the cause, that they are eroding the very liberalism that they claim to espouse.

Last week publishing house Hachette cancelled its plan to publish Oscar-winning film director Woody Allen's memoirs in April 2020 after its New York editorial staff walked out in protest. In 1992, Dylan Farrow, adopted daughter of Allen and his then partner, actress Mia Farrow, had accused him of sexually molesting her. Dylan was 7 years old at the time. The matter was investigated twice, but Allen was not charged.

When Hachette announced the decision to publish Allen's memoirs, both Dylan and her brother Ronan Farrow — *The New Yorker* reporter famous for his investigative stories on the #MeToo allegations against Harvey Weinstein — took to social media to express their "disappointment". Hachette was widely excoriated for giving Allen a platform, which led it to buckle and kill the book deal.

This is problematic on several counts. First, if one feels that Allen escaped being charged because powerful men enjoyed an enabling environment in the 1990s, isn't it better to reopen the investigation against him rather than to slap him with a presumptive punishment? Second, doesn't muzzling a person and stifling their voice go against the very tenets of the #MeToo movement? The last time I checked, #MeToo was about giving people a voice — not suppressing it. And third, do we get to keep our liberal spurs if we refuse to hear those who hold views other than our own, and turn on them with the same lynch mob mentality displayed by rabid wingnuts?

Feminism is an offshoot of liberal values. Sadly, in the new climate of hyper wokeness, it is beginning to seem as rigid and intolerant as the illiberal social instincts it rose up against

A few days ago, Shashi Tharoor's tweet asking if women should be granted menstruation leave to make workplaces more gender sensitive, threw up a similar spectacle. There were those who passionately supported his suggestion, but many women also pointed out that the move would be counter-productive and make employers leery of hiring them. As journalist Barkha Dutt tweeted pithily, "menstrual leave ghettoises women, becomes one more excuse to close certain professional doors on women and treats the monthly period as a grand event instead of routine biology."

But what we saw on Twitter that day was not merely an exchange of views on the subject. The pro-period leave brigade lashed out at those who opposed the idea, essentially labelling them anti-feminists. If men joined the debate and said that it would lead to a hiring bias against women, they were treated to chants of "no uterus, no opinion". Should there be no maternity leave either, went the outraged cry.

The answer to that is, of course, there must be — and India's 26-week maternity leave provision is both excellent and right. But in a scenario where the cost of this leave is borne entirely by the employer (and not shared between the employer, the government, social security and insurers, as it is in some countries), adding to the cost by institutionalising monthly period leave scarcely makes sense. We need to decide if we want equal opportunity or not. And feminism needs to debate these points instead of shouting down those who raise them.

Feminism happens to be an offshoot of liberal values. Sadly, in the new climate of hyper wokeness, it is beginning to seem as rigid and intolerant as the illiberal social instincts it rose up to fight against.

Shuma Raha is a journalist and author based in Delhi

Royal shock

The Scindias have always enjoyed privilege, first royal and then political. **Sandeep Kumar** tells the story of an intriguing family that just caused another shakeup

PTI

FAMILY AFFILIATIONS

(*Top to bottom*) Vijaya Raje Scindia started her political career with the Congress but later parted ways with the party and eventually cofounded the BJP; her son Madhavrao (Jyotiraditya's father) later abandoned her for the Congress; her daughters, Vasundhara Raje and Yashodhara Raje, are BJP loyalists

In June 2018, the people of Guna saw with interest a new face at Congress meetings: Mahanaryaman Scindia, son of Jyotiraditya Scindia who was then the Congress Campaign Committee in charge. Whether it was Guna, Gwalior or Shivpuri districts, Mahanaryaman assisted his father by travelling to places the latter was not able to visit. On Tuesday, March 10, when Scindia Sr parted ways with the Congress, his son tweeted: "I am proud of my father for taking a stand for himself. It takes courage to resign from a legacy."

HISTORY REPEATS ITSELF

It was in 1967 that Jyotiraditya's grandmother, Vijaya Raje Scindia, parted ways with the Congress and toppled the then D P Mishra-led Congress government. Rajmata, as Vijaya Raje was known, had lured away 36 MLAs from the Congress after tensions with Mishra came to a head. Now, after 53 years, Jyotiraditya has done the same. But will the Bharatiya Janata Party (BJP) greet his entry with the same kind of warmth it extended to Vijaya Raje five decades ago? Highly unlikely.

The lines from a famous Hindi poem on Lakshmi Bai, the queen of Jhansi, suggesting the Scindias were a "friend" of the British — *Angrezon ke mitra Scindia ne chhodi rajdhani thi* (Friends of the British, the Scindias had abandoned the capital) — is part of a legacy that still haunts the family. The poem was written by Subhadra Kumari Chauhan (1904-48), herself a freedom fighter, and was a rallying cry for youths to join the freedom movement. In August 2017, in a direct attack on Jyotiraditya, BJP's Shivraj Singh Chouhan, who was then the chief minister of Madhya Pradesh, read out the poem publicly. Presumably Yashodhara and Vasundhara, the two daughters of the Rajmata, escape castigation because they are married into other households/royal families!

In 2010, the BJP-ruled Gwalior municipal corporation wrote on its official website that the Scindia family had conspired against Lakshmi Bai and provided her a weak horse. It was the time when Yashodhara Raje was the member of Parliament from Gwalior.

But, Shivpuri-based historian Pramod Bhargav rejects the claim and says that the Scindias never had any ties with Lakshmi Bai or with other leading lights of the revolt of 1857. However, the Scindias' proximity to the British has haunted the family for decades.

In August 2006, Jyotiraditya's aunt and then Rajasthan chief minister, Vasundhara Raje, had faced angry protests in Indore when she was invited to unveil the bust of Lakshmi Bai. Vasundhara, however, dismissed the charge and claimed that "as a woman" she had the highest regard for Lakshmi Bai and considered her a role model.

The Scindias' proximity to the British had earned them many rewards. In the Imperial Durbar in Delhi in 1877, Jayajirao Scindia, the maharaja of Gwalior from 1843 to 1886, had received the rank of a general and a 21-gun salute. Journalist Rakesh Dixit says, "Mocking Jyotiraditya Scindia for what his ancestors did is not correct. Most of the royal families of that period chose to be with the British. Their aim was to protect their interests first. We have to see the whole picture."

'MOCKING SCINDIA FOR WHAT HIS ANCESTORS DID IS NOT CORRECT. MOST OF THE ROYAL FAMILIES OF THAT PERIOD CHOSE TO BE WITH THE BRITISH'

GANDHI'S ASSASSINATION AND GWALIOR

Although Vijaya Raje started her political career with the Congress, her husband Jivajirao Scindia was a patron of the Hindu Mahasabha in Gwalior. Communist Party of India (Marxist) leader Badal Saroj, who comes from Gwalior, says, "The gun used in Gandhi's assassination was brought from Gwalior. It is shocking that how Nathuram Godse acquired the gun and where it came from was never thoroughly investigated. Although no direct link between Jivajirao and Godse was found, it is true that people close to the *mahal* (palace) provided the gun. All the accused, including gun-seller Jagdish Goyal and the man who purchased it, Dr D S Purchure, were close to the royal family."

On Wednesday (March 11), Congress leader Digvijaya Singh tweeted: "Also the revolver by which Godse killed Mahatma Gandhi was given to him by one Parchure from Gwalior. Need to do some more research about who was Parchure."

At one time, Congress had a very weak presence in the region. Jawaharlal Nehru, then the prime minister, convinced Vijaya Raje to join the party and contest from Guna. She did and in the 1957 Lok Sabha elections, defeated the Hindu Mahasabha candidate from the constituency.

Senior journalist Vijay Dutt Shridhar writes in his book *Sheh Aur Maat — Madhya Pradesh ki Rajneeti ki Kahani* (Check and Mate — The Story of the Politics of Madhya Pradesh): "In 1967, when Rajmata went to discuss elections and ticket distribution, then CM DP Mishra forced her to wait for 15-20 minutes. This didn't go down well with Scindia. She took it as an insult and left the Congress with 36 legislators. Madhya Pradesh got its first government without the Congress when Govind Narayan Singh became chief minister. This government lasted for 20 months."

The presence of *mahal* (royalty) was so strong that even during the Indira Gandhi wave in 1971, Vijaya Raje managed to win three Lok Sabha seats in Gwalior region for the Jana Sangh which she had by then joined. Her son, Jyotiraditya's father Madhavrao, once recalled: "I was just 26. Amma maharaj told me to contest from Guna and I followed her instructions."

FAMILY FEUD AND ROLE OF ANGRE

Saroj, who contested against Madhavrao in the 1989 elections, says: "Till the 1971 elections, Madhavrao was with Vijaya Raje. Later, disputes of property and Vijaya Raje's closeness to Sardar Sambhajirao Angre made him drift away. He used to say: 'These (Rashtriya Swayamsevak Sangh) people conspired with Angre and that is the main reason for differences with Amma maharaj'."

Who was Angre? Vijaya Raje's private secretary and confidant of four decades. The Angre family served the Scindias for eight generations as commanders-in-chief. In her autobiography, *The last Maharani of Gwalior*, Vijaya Raje wrote, "Sambhajirao came to my husband to offer his services in the spirit of the historical ties between our families. He became my husband"s most trusted confidant. I too soon began to call him by his nickname 'Bal' while the children by instinct began calling him uncle." She further admits: "Madhavrao believed that it was Angre's influence over me which gave my political beliefs their rigidity." But she had only praise for Angre, saying since her husband's death, he had become indispensable. She also admitted to a close affinity between their political beliefs and their common concerns for the Hindu faith.

A source close to the Scindia family says, "There was such bad blood that when Jyotiraditya got married, his grandmother was not even invited." The family bitterness later transformed into legal battles, which ran into crores of rupees and continued even after the deaths of both Vijaya Raje and Madhavrao Scindia.

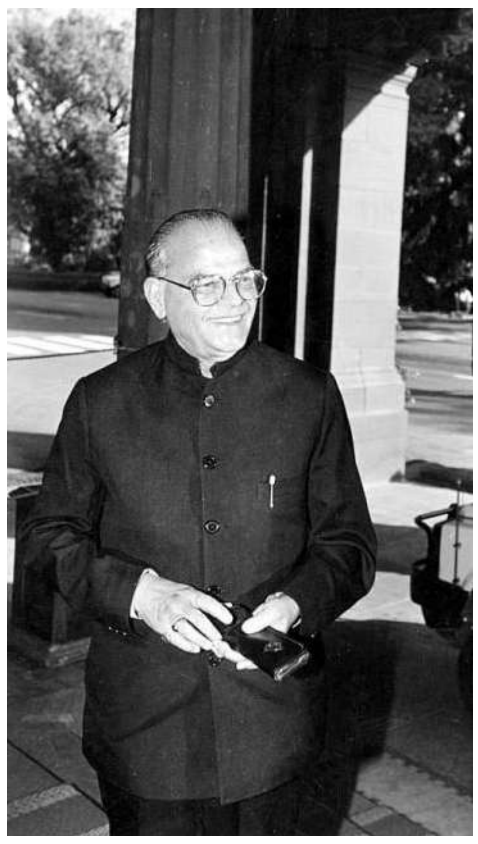
Vijaya Raje had five children. The eldest daughter, Padmavati Raje, married Kirit Deb Burman of the Tripura royal family. The second daughter, Usha Raje, married Shamsher Jang Bahadur Rana from the royal family of Nepal. And Vasundhara Raje and Yashodhara Raje are both BJP leaders.

Shridhar writes in *Sheh Aur Maat*: "Once an angry Vijaya Raje recalled how Queen Ahilyabai Holkar had ordered the killing of her only son by getting him trampled under the feet of an elephant for his activities. To this, Madhavrao had replied, 'She is my mother and has every right to say so.'"

People close to the erstwhile royal family underline that Harvard- and Stanford-educated Jyotiraditya Scindia is neither as accessible nor as unpretentious as his father. After his switch to the other side, will Gwalior still echo with the rallying cry that sustains monarchies all over the world, "Long live the King"?

PHOTO: TELECOM MAN / WESTLAND PUBLICATIONS

WRITING TELECOM HISTORY: ***(Left)*** **The author soon after taking over as CMD of VSNL;** ***(below)*** **Sukh Ram, whose corruption cast a shadow on Syngal's career**



Politics meets business

B K Syngal offers a riveting and candid memoir of an earlier tumultuous era in India's telecom industry, writes **Nivedita Mookerji**

Some things don't change, and controversy in the telecom sector is one of them. This telecom story, set in another era, connects with the reader at a time when the sector is at a crossroads once again. If the noise is concentrated around AGR (adjusted gross revenue) right now, the GDR (global depository receipt) issue of Videsh Sanchar Nigam Ltd (VSNL) was the centrepiece of politics and media attention in the nineties.

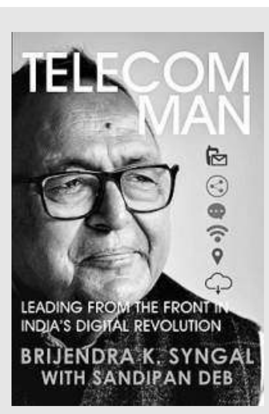
Brijendra K Syngal, who is approaching the ninth decade of his life, reminds you that telecom policy was just as tumultuous years ago as it is now. *Telecom Man* captures the essence of the industry in all its shades. Syngal, who has been acknowledged as the father of the Indian Internet, tracks his journey from Ambala to London and then to Mumbai and New Delhi in a riveting autobiographical account of how politics meets business.

WELL-CONNECTED: VSNL headquarters in Mumbai. Syngal's office was on the 14th floor

THE STRENGTH OF *TELECOM MAN* LIES IN THE HONEST PORTRAYAL OF EVENTS, ENRICHING ANECDOTES AND CRITICAL EVALUATION OF THE PROTAGONISTS

There are many reasons this book holds your attention. For one, it takes you back to the days of oh-so-primitive access to the Internet through VSNL, which Syngal came to head, leaving a successful stint at Inmarsat in London after getting a call from Sam Pitroda. It's another matter that when the former IITian took charge at VSNL in 1991 at a salary of ₹9,000 a month, Rajiv Gandhi had been assassinated and Pitroda sidelined.

Telecom Man is a page-turner also because it covers three governments and five telecom ministers during Syngal's seven years at VSNL. "I had to walk a tightrope," he writes as he describes his close brush with political antagonism. The closure came in June 1998, when he was fired via fax "for not bowing down to pressure from my political masters". He describes his exit from VSNL in great detail in the 14th chapter; from there on the narrative picks up pace, raising your expectations from the book and mostly meeting it.



TELECOM MAN: LEADING FROM THE FRONT IN INDIA'S DIGITAL REVOLUTION

Author: Brijendra K Syngal with Sandipan Deb
Publisher: Westland Publications
Pages: 267
Price: ₹699

The last few chapters take you effortlessly from the hardcore government setting to the big league corporate world, giving a blow-by-blow account of how business honchos plan, plot and manipulate in corner rooms and elsewhere — scarcely different from political intrigues and betrayals. Setting the theme for transition from a government-run organisation to India Inc after Syngal's sacking at VSNL, the book says, "In 15 minutes, Anil Ambani was on the phone. He invited me for coffee the next morning." For the next two and a half years, Syngal got busy drawing up the telecom blueprint for Reliance when the two brothers were still together.

The weak link of the book is the chapter on the alleged 2G spectrum scam. There is little new information on the subject. Also, while Syngal may have had a significant role, as part of an advocacy group, in assessing the loss to the national exchequer due to the 2G scam, there are many question marks over the calculation of that number of ₹1.76 trillion. Seven years after the scam came into the public domain, the special CBI court in December 2017 acquitted all 18 accused in the case on grounds that the prosecution had failed to prove the charges. The book may have been even better if 2G had been given only a passing reference.

The strength of *Telecom Man* lies in the honest portrayal of events, enriching anecdotes and critical evaluation of the protagonists, including himself. For instance, the Internet was launched with fanfare in India on August 15, 1995, when even China didn't have it. A Chinese minister visited VSNL in 1996 to learn the "tricks of the trade". The book admits that the euphoria died down soon "as our estimation of the network had been absolutely wrong...and there were fundamental tech flaws that we had overlooked".

Modems were not robust enough, there were beeps every three minutes, connections dropped and the software crowd in Bengaluru was angry that the city was left out in Internet connectivity. While Syngal as CMD of VSNL was getting slammed for all this, there was a bigger problem to which he had no answer — ministers and bureaucrats complained that Internet was allowing easy access to *ashleelta* (obscenity)!

VSNL's ambitious GDR idea, how it bombed the first time and then the big success occupy a good part of the book, and rightly so. The action around the GDR issue brings alive people who mattered while Syngal was getting in and out of multiple crisis situations — from Rajesh Pilot to Sukh Ram, N Vittal to RK Takkar, N K Singh to Beni Verma and Sushma Swaraj.

Telecom Man will be remembered for its humorous moments too. For example, the book recalls a 1992 trip by then PM Narasimha Rao to Rio de Janeiro for a climate change summit. Rao's calls to his household kept disconnecting and all hell broke loose. Ramu Damodaran, who was private secretary to Rao, called then communications minister Rajesh Pilot to complain. Pilot's reply: "Ramu-ji, in India people don't even get phones. What's the big deal about one call getting disconnected?" It's another matter that Syngal and his team had to concoct a story that Brazil functions at 110 volts while India functions at 220 volts. And that the wire converting the voltage had snapped and there was a power failure resulting in the call being disconnected.

But it's the brazen corruption involving politicians that makes you sit up years after the event. After Pilot was moved to the home ministry, Sukh Ram came in as communications minister. By this time the race for the global coordinator for VSNL's GDR had started. The world's top investment bankers including Goldman Sachs, Morgan Stanley, Merrill Lynch, Barclays were here. While the selection process was on, Syngal got a call from Sukh Ram. Snubbing him for running a beauty parade, the minister ordered Syngal to award the contract to one particular American investment bank. Syngal did not, citing rules. Though the relationship between the two improved over time, Syngal claims he was caught in the political quagmire when cash worth more than ₹3 crore was found under a mattress in Sukh Ram's home. According to Syngal, officials of the Department of Telecommunications were trying to sabotage his extension as VSNL CMD by convincing the authorities that he had made money on the side along with Sukh Ram.

VSNL was not the only place from which Syngal was sacked. It was the same at Reliance where he failed to get along with Manoj Modi, Mukesh Ambani's powerful right hand man, as well as at BPL Communications. And he admits to all this in as many words.

But the manner of Syngal's exit from VSNL lingers after you've finished reading the book. "In February 1998, the Vajpayee-led government was sworn in....It did not seem to me at that time that things were so bad that they would remove me," Syngal writes. He often wonders why the NDA government disliked him so much — probably because "they considered me to be a Congress lackey"....They also thought he was a control freak and did not want any competition for VSNL. "And they thought I was corrupt.. ....They kept suspecting that I was on the take and wanted me out."

Although the book refers to Reliance as a hotel where one can check in but not check out, Syngal's introspection while checking out of VSNL is the most poignant moment in *Telecom Man*.

MYTHIC MANTRA

ARUNDHUTI DASGUPTA

Trailing an epidemic

Confusion, fear and panic have gripped countries and corporations in the past few months as the novel coronavirus continues its unstoppable march through the world. And though science offers us a far more sophisticated set of tools to deal with a pandemic of this nature today than it did millions of years ago, there seems to be little change in the way people have reacted to such calamitous circumstances.

Irrationality was the leitmotif in the past as it is now, evidenced in the many cures being presented by official and unofficial sources and in the panic-mongering across the messaging boards and social media. From cow urine to dung, a certain number of glasses of water and a few white pills, everything has been suggested as a potential remedy for the virus.

Now turn back the clock to millennia before, in an island near New Guinea called Rook. Its people, whenever misfortune struck, which could be a loss of wealth or wife or a debilitating illness, had one solution. They gathered together and ran — all the time screaming, cursing and howling while beating the air with sticks to drive the devil away.

In the Indonesian island of Sulawesi (Celebes), the outbreak of misfortune or an epidemic was blamed on unseen devils. To get rid of them, people would evacuate their homes, set up temporary structures outside the village and spend a few days offering sacrifices to the gods and preparing for the final ceremony, which according to anthropologist-author Sir James Frazer (*The Golden Bough*), involved marching silently to the village, armed with swords and machetes, and then at a signal from the priest, rushing into the streets, all weapons blazing. This way, they believed they could drive evil away.

Irrationality was the leitmotif in the past as it is now, evidenced in the many cures being presented by official and unofficial sources on messaging boards and social media

When in doubt, these practices tell us, find a devil to blame. But in some cases, the devil is also a devi. In India, several goddesses are both carriers of disease and hold its cure. They play a dual role. For instance, Sitala Devi can cure small pox but also cause it.

The story goes that she was born out of the ashes of a *yagna* fire, from its embers as they cooled, and was hence known as the goddess who can keep things cool. She was unhappy though because she did not have too many worshippers and asked Brahma for respect and followers. He granted her the wish but with it a condition: her power would emanate from the cure for a disease that she would cause. In all her temples, especially in the North and the East, Sitala Devi is shown riding a mule, a pot and broom in hand. The pot contains the germs and the broom helps sweep them away.

The Greek myths personify the spirits of disease as Nosoi whose efforts are foiled by Hygeia, daughter of Asclepius, the god of medicine. Her sisters were Panakeia (Panacea or Cure-All) and Iaso (Remedy). Hygeia was always represented as a woman holding a large serpent in her arms.

In many cultures, an illness is sought to be fought or averted by transferring it onto an animal or other people. The Moors (from Morocco) believe that a headache can be cured by passing it on to a lamb or a goat, as can other illnesses. Wealthy Moors were known to rear goats and lambs for the purpose and some even believed that these animals could help keep other animals healthy, especially the valuable horses in their stables. In Arabia, people would lead a camel through the streets during a plague because it was believed that the animal could absorb the pestilence. The camel was then taken to a remote spot and strangled to death, in the belief that it had taken the disease with itself.

Frazer says that such beliefs rest on the principle of vicarious suffering and mark an early stage of intellectual and physical development in humankind. It is not just animals that bore the brunt of such belief systems, women (mostly) and slaves did too. In Uganda, when men returned from battle with another tribe, the oracles warned the kings that evil had attached itself to the hunters and soldiers. To counter the devil that may have ridden back home with these men, the oracles recommended picking up a woman that had been brought back captive, along with a cow, a goat, a fowl and a dog and sending them back to the borders of the region that the soldiers had conquered. There their limbs were broken and they were left to die. The evil they carried, it was believed, would be buried with their bones. Perhaps it did, but the absurd behaviour that promoted such thinking still lives on.

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THE WINE CLUB

ALOK CHANDRA

Virus impact on wine

The topic of the day is coronavirus. It is impacting every aspect of our existence, so let's look at how it impacts something I write about every fortnight: wine.

As we speak, the WHO has declared coronavirus a pandemic infection, and the government of India has suspended all visas from overseas and instituted an unprecedented level of checking at airports. Global stock markets have tanked, and crude oil prices are seeking a 20-year low at $30-35 per barrel — down from almost double that not so long ago.

All economies will be adversely affected: production, sales, supply chains, earnings, investments, consumption, travel, entertainment, services, revenues, taxes — the list is endless. If a vaccine is not found soon and the virus continues to spread for more than another three months, the world may go into recession.

Travel restrictions and the fear of infection in public spaces have already hit the travel and hospitality industry hard: hotel bookings are down 80 to 90 per cent against last February-March, and the F&B business in restaurants is 50 per cent below previous levels. This in turn will drive prices downwards as the travel and accommodation industries have offerings (seats and rooms) that are "fungible": once the day is done, that particular item is never again available.

Naturally, offtake of both foodstuffs and beverages will take a hit as hotels and restaurants reduce inventories and rationalise staff and services. Already, the virus has led to the cancellation or postponement of all fairs and exhibitions scheduled in Europe this spring/summer: the list runs into several hundred events.

Although a relatively new winery (only 30 years old), Roda has garnered a solid reputation for quality and innovation: it practises sustainable viticulture in its 120 hectares of vineyards and invests a significant amount annually in R&D

Diageo, the largest alcoholic beverage company in the world, estimates that the loss in its fiscal year ending June 2020 would be between $300 million and $420 million — but noted that the situation may change.

Wine companies and wine exporting countries with significant past business in China will be particularly hard-hit: Torres (Spain) is said to have experienced an 80 per cent decline in sales in February, while some Australian wineries have experienced a 90 per cent drop! In India, the impact on wine will mirror the declining business of hotels and restaurants, although with more people working from and staying at home, retail sales may actually pick up some of the slack.

In any case, with supply chains from overseas producers getting affected, it may be useful for people to stock up on their favourite tipple — who knows when supplies of particular wines will not get replenished?

Wines I've been drinking: In all this hullabaloo, The Wine Connoisseurs Bangalore went ahead on Wednesday evening at Fava in UB City for a wine dinner, coronavirus be damned.

Among other wines we sampled the Rioja Roda Reserva 2015 from Bodegas Roda, an iconic producer from the Rioja wine region in northern Spain. Although a relatively new winery (only 30 years old), Roda has garnered a solid reputation for quality and innovation: it practises sustainable viticulture in its 120 hectares of vineyards and invests a significant amount annually in R&D.

Roda (91 points from Robert Parker — ₹6,259 in Bengaluru) is made exclusively from 30-year-old vines. It's a blend of 86 per cent Tempranillo (the balance being Garnacha and Graciano), and went through both alcoholic and malolactic fermentation in oak vats and barrels before spending 14 months aging in French oak casks.

The wine had a deep fruity aroma (hints of cherries and spice), a medium+ body with fine tannins, and a lingering aftertaste. A good representation of a little-known grape.

As the Spanish say, Salud!

Alok Chandra is a Bengaluru-based wine consultant

Fine and candy

Can mithai and baklava replace chocolates as trendy gifts? **Ranjita Ganesan** visits two new shops in Mumbai that are hoping for this change

Hopping across some *mishtan bhandars* of Jaipur two years ago, the young and curious team of Hunger Inc Hospitality did something that can make a shop owner's demeanour go quickly from welcoming to vexed. The group, who like all potential customers had been encouraged to taste the sweets, was carefully trying one of everything but buying nothing. "After a couple of times, I began asking them to charge us for 100 grams of mithai and let us sample the lot," chuckles co-founder Yash Bhanage. This pocket-friendly window shopping was part of research for the food company's Bombay Sweet Shop, which the company recently opened in South Mumbai.

The Byculla-based establishment hopes to reinvent sugary Indian treats and make them a fashionable gifting idea again. The quest to understand traditional sweet-making also led the new store's head chef Girish Nayak to intern with *halwais* in Kolkata, Lucknow, Mangaluru and Coimbatore. On his return, he began testing to marry that traditional wisdom with unexpected ingredients and chef-school tricks. So the humble besan laddoo, for instance, was coated with hazelnut chips resembling the outside of a Ferrero Rocher. And the ghee-laden patissa was reimagined as the sticky layer of a Five Star-esque chocolate bar.

To keep the mithai project a secret for two years, the folks at Hunger Inc — led by entrepreneurs Bhanage and Sameer Seth, and chef Floyd Cardoz — made up a story that chef Nayak, who was seen around their restaurants a lot, was a sourdough baker from a hipster joint in Bandra. The company runs Bombay Canteen in Lower Parel, which has been popularising seasonal Indian ingredients, and O Pedro in Bandra-Kurla Complex, which serves Goan-Portuguese cuisine.

Willy Wonka's factory meets Bombay Art Deco in the shop space located in Rani Baug in a property that housed a printing press

Willy Wonka's factory meets Bombay Art Deco in the new shop space located in the Rani Baug area in a property that previously housed a printing press. Murals and unserious slogans — "Don't stop believing in barfi", "You can't say bye without mithai" — cover the walls, and the design of the counters was inspired by the city's heritage cinema halls. One of the counters is laid out such that visitors can make their own chikki with a range of nuts and seeds. A schedule board tells visitors what sweet is being made fresh at a given hour — milk cake at 4.15 pm, nankhatais at 5.15 pm.

The menu items are sweetened with restraint keeping in mind the health-conscious, says Seth. The shop attempts to do a few other things. It makes sweets bite-sized so that they are less sinful to eat, and more expensive to look at. Each piece claims between ₹50 and ₹80.

When consumer research revealed that people often question the cleanliness of Indian sweet shops, Seth and team decided to put to rest any such doubts by letting customers peer into the open kitchen. Just like traditional mithai shops, there are savoury offerings and beverages to break the monotony of sugar. One house favourite seems to be the malai toast — a crisp slice of bread topped surprisingly with a pao-flavoured ice-cream rather than just clotted cream.

Over the next months, the shop plans to be seen online, at weddings and corporate events, and eventually perhaps at airports. Travel, which drives their research, had also fuelled the foray into sweets. During a layover at Istanbul airport some years ago, Bhanage noticed how baklava sellers proudly showed off their heritage. "We want to do the same for Indian mithai."

Turkish delight

RANJITA GANESAN

After his shift at Hurrem's in Fort, Sefa Sülüker usually goes straight to the gym. As head chef of the new baklava store, his job involves making and quality-testing dozens of trays of the abundantly syrup-soaked treats. Since the store opened in December, he has put about 20 variants of the pastry on the menu, which further explains his post-work routine.

Sülüker, and the bread chef Mehmet Cam, hail from Turkey's Gaziantep, which is among the eight global cities that Unesco lauds for "creative gastronomy". Ahmed Farid, co-founder and promoter of Prime Foods and Confectionary, also flies in nuts, coffee and hand-painted boxes from the country so that Mumbai clients can "visit the lanes of Turkey from the comfort of their city".

The shop itself gets its name from a powerful woman of the Ottoman Empire, one of the wives of Sultan Suleiman I, who was responsible for taking the dessert from the royal court to the general public. Spurred by travels to the region, Farid now hopes to make baklava a household name in India. The Consul General of Turkey in Mumbai, he shares, has been holding some of his coffee meetings at the restaurant.

These are sweet without meats, it turns out. The establishment has elected to go "100 per cent vegetarian" and designed recipes without so much as an egg glaze. That task took eight months of testing to perfect. Even if the store aims to draw more people away from chocolate and towards these Mediterranean treats as a gifting option, it is the chocolate baklava fistikli that remains most sought-after.

Farid suggests trying another popular menu item, the havuc dilmi. It is constructed with 80 handmade pastry sheets so thin "you can read the newspaper from through it", and goes best with ice-cream or clotted cream. This one is for people with unconditional love for sugar. An iced tea spiked generously with the Turkish staple of pomegranate helps cut through the saccharine overload. As does the sharp green olive salad. Besides the main attraction, chewy Turkish delight, spiced and candied nuts, and stuffed Medjool dates are on offer too.

The chefs speak limited English so the Indian staff communicate with them using Google Translate. If this arrangement works smoothly, there is a Turkish concept that tells you why. Sülüker says food is considered a "social technology" back home. "It brings people together and keeps them happy."

"CLIENTS IN MUMBAI CAN VISIT THE LANES OF TURKEY FROM THE COMFORT OF THEIR CITY"

AHMED FARID, co-founder and promoter, Prime Foods

(Clockwise from top left) **Havuc dilmi with vanilla ice-cream at Hurrem's; Sefa Sülüker, baklava chef at Hurrem's; and the interiors of the sweet shop**

Go Goa, girls

When two young Indian women want to let their hair down, there's no better place, writes an elated **Amrita Singh**

When my best friend and I finally decided to take an all-girls vacation on a whim, the only destination that came to mind was Goa. We had toyed with the idea of Gokarna, proceeding on the assumption that what we needed was isolation — a complete break from the all-consuming and disturbing recent scenario of riots, murky politics and protests in Delhi. But, surprisingly perspicaciously, we decided against it out of fear of getting bored (and judged) in that small temple town. Also, to be *really* honest, Goa's familiar beaches and parties were hardly a deterrent for two young women looking to let their hair down.

Next, it was time to plan the logistics. While looking for an Airbnb, we encountered a vast range of options. To our delight, we found an all-woman-run lodging called Curioso Goa — Studio & Suites in Siolim, North Goa. It ticked all the boxes and put to rest safety concerns too, as we had every intention of partying into the wee hours. Our hosts, Inchara, Neeta and Devika, had quit the big city lifestyle to balance work, life, health, travel and their creative pursuits; they have also set up an art studio where fellow travellers can pursue their own art and craft interests.

TO OUR DELIGHT, WE FOUND AN ALL-WOMAN-RUN LODGING CALLED CURIOSO GOA — STUDIO & SUITES IN SIOLIM, NORTH GOA. IT PUT TO REST SAFETY CONCERNS AS WE HAD EVERY INTENTION OF PARTYING INTO THE WEE HOURS

Our hosts connected us to a woman-friendly cab agency. Paresh was our trusty driver who we nicknamed "Papa" for reasons that will shortly become obvious. He gave us standing instructions on our very first night: "In the morning, do whatever you want. But at night, call me at any time and I'll pick you up from wherever you are and drop you back to the hotel. Times have changed, you know." The paternal, affable cabbie checked in on us every night after midnight and ferried us party girls while we took on Goa without a care in the world.

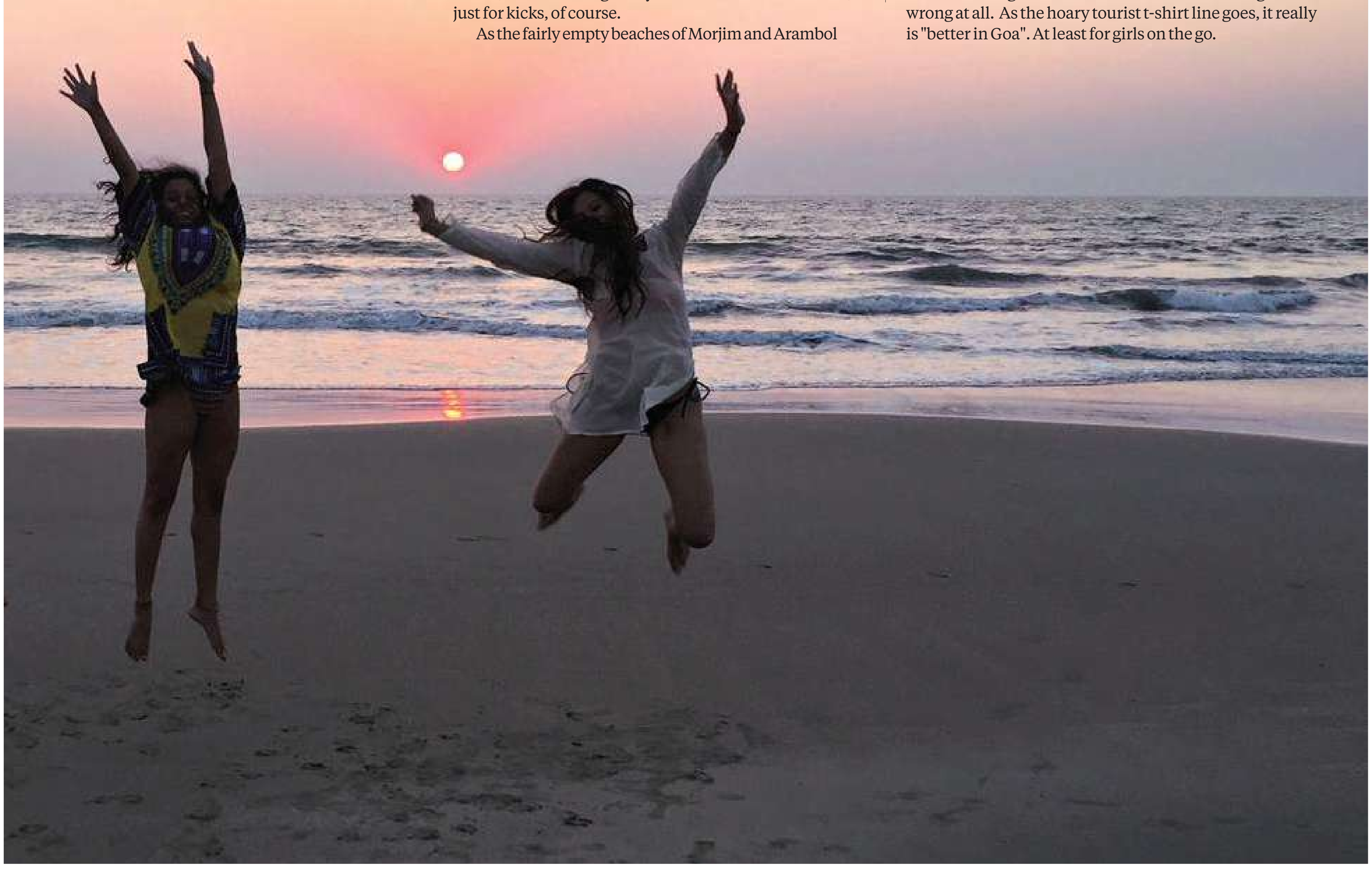
We restricted ourselves to North Goa — not the tourist-infested Baga, Candolim or Calangute, but quieter Morjim, Vagator, Anjuna, Ashvem, Arambol and Assagao. This voluntary quarantine felt surreal, like not being in the country of our birth and citizenship. Surrounded by Russians, Israelis and dare I say, Italians, my friend and I managed to blend into the mostly white crowd, also deceiving many credulous fellow travellers, just for kicks, of course.

As the fairly empty beaches of Morjim and Arambol took up our days, the nights were reserved for parties. Both of us love techno music but we were wary of attending scenes that might land us in trouble. Thus, Party Hunt, an app that helps you search out parties that suit in Goa. This invaluable piece of information was revealed to us by a waiter at Olive Bar and Kitchen in Vagator. Name the genre of music you want to groove to, be it rock, trance, techno or psychedelic, and you will be flooded with information about gigs and parties on the app.

While we had a great time dancing to techno with the beach in sight, this was also the time when men began to prowl. As soon as we encountered thinly disguised pickup lines or felt eyes ogling our halter-necked backs, we armed ourselves with indifference and disregard for their subtle advances. Some men tried their luck anyway. To nip the conversation in the bud, I came up with a "sorry, but I'm engaged" and waved a ring-finger that sported a fake ring no one cared to investigate under the moonlight. (That might sound anti-feminist, but it was effective.) We even went to the extent of conjuring up fake identities — she was Nyra and I, Zeenat — so that we could vanish untraceably into the night.

If you think we were overreacting, you are probably a cisgender man. It is *not* fun to be approached every five minutes simply because two seemingly single women without a man hovering looked like they wanted to enjoy themselves — alone. For many, the fact that the two of us were travelling without men and not for a bachelorette party was unbelievable and intriguing. One man at Larive Beach Resort on Ozran beach in Vagator first asked me if I wanted to dance with him and then, unfazed, asked my friend the same question the second I turned him down.

A 2017 news report says that some 245 foreigners have died in Goa over the past 12 years; that number has probably grown since. But us Delhi girls didn't feel remotely unsafe in Goa. We haven't managed to put our finger on just what it was about the place that allowed us to be ourselves, away from the prying and judgemental eyes of uncles and aunties elsewhere in the country. Wearing revealing clothes with pride, disregarding curfew, hopping into a cab with someone we met five days ago — all things we wouldn't dream of doing back home in Delhi — but nothing felt wrong at all. As the hoary tourist t-shirt line goes, it really is "better in Goa". At least for girls on the go.



Lost in translation

Angrezi Medium chronicles the misadventures of two bumbling men, writes **Veer Arjun Singh**. It's good for a few laughs

The on-screen bickering between Irrfan Khan and Deepak Dobriyal as brothers Champak and Gopi Bansal is a fount of contagious laughter that justifies Homi Adajania's comedy, *Angrezi Medium*. The two sweet shop owners fight in court over their joint inheritance — the shop title of "Ghaseetaram" — by day and drink themselves silly over a game of worst confessions at night. The goings-on in Udaipur keep them content, until Champak's daughter Tarika, played by Radhika Madan, becomes obsessed with the idea of studying in London. This teams them up for good and sets them on a path to get her admission in a UK university where they stumble on the language barrier far too many times to recover in good health.

The story lacks the atmospherics of Udaipur and is anticlimactic in its storyline but is funny in orchestrated sequences

Angrezi Medium is a light-hearted take on familial ties centered around the quest of a doting father fighting to realise his daughter's dream. So much so that he is willing to commit his entire inheritance to the mission, pack his bags and move to London for as long as it takes to secure a UK residency. But with his execrable (and unfixable) English, which occasionally manages to charm tourists who come looking for his sweet shop recommended by *Lonely Planet*, Champak is completely marooned in unfamiliar territory.

English, or the lack of it, though, is not central to Adajania's plot. The story is built around the father-daughter relationship with the camera firmly focused on Khan and Dobriyal. Sequences when the two are allowed to flourish elicit the maximum laughs, but that still seems like an oversight given the story quickly goes through its extremely talented side cast. Kareena Kapoor Khan as police officer Naina Kohli, whom the two men encounter in London when they arrive with their fake Pakistani passports, is utterly underused given her star power. Pankaj Tripathi as Tony, the human trafficker in Dubai who gets them fake passports, has only a couple of scenes to make an impact.

The least well-used is Dimple Kapadia as Sampada Kohli, who is thrown right in the centre of action in London to no good effect. The scenes that establish her camaraderie with the two leading men are devoid of any real conversations. One of them has them laughing and getting along while all we hear is background music. The only member of the supporting cast who is allowed to blend into the plot is Kiku Sharda as Gajju, a childhood friend of the two brothers who is called upon to resolve many life-threatening situations.

Khan with his piercings and printed shirts plays Champak as a man who is more progressive than he is allowed to be. He closely mimics the accent and mannerisms of a Rajasthani man catering to tourists. But the script that has brought him to the big screen more than a year after his last appearance does not let him leave a strong impression. He owns every frame he is in, only to be occasionally bettered by Dobriyal whose unbridled antics are unmatched in the industry. The two men carry the comedy, effectively and hilariously.

In two hours and thirty minutes, Adajania and his very many writers deliver a light-hearted film about uneducated but progressive adults outgrowing their small-town beliefs and a young woman embracing family and traditions. The story lacks the atmospherics of Udaipur and is anticlimactic in its storyline but is funny in orchestrated sequences. In these dire times, the film does enough to deserve the modest audience that had come to watch the first day morning show. *Angrezi Medium* will spread some much needed joy — if enough cinema halls are open in the country.

CINEPHILE FILES

RANJITA GANESAN

To the nineties

In the midst of having too much frivolous fun, it helps to think of Arthur Schopenhauer. He is the face of piercing disapproval and informed dejection. I pictured the pessimist philosopher often over the last two weekends while streaming television of the dangerously nostalgic and strictly average variety. I was able to stop when his sage words — "to gain anything we have longed for is only to discover how vain and empty it is" — began to hit home but not before I had fallen considerably down a nineties' rabbit hole.

A few things had led me in that general direction. Among them *Taj Mahal 1989*, the flawed but engrossing series written and directed by debutant Pushpendra Nath Misra, which resurrected with decent success some paraphernalia of the period. Contrasty clothes, biscuit jingles and bad furniture. Soon the OTT algorithm coughed up another series suggestion, this time from another world and from the actual nineties. I clicked, eager to access a past that wasn't even mine.

Kopitiam, Malaysia's first English sitcom from 1998, became available on Netflix not long ago. Its protagonist is Maya, a British-Malaysian woman, who inherits an old coffee shop, along with its goofy regular customers, after her father's passing. The choice of making a show in English back then looks to have been intentional rather than incidental. The release was contemporaneous with the rise of the Petronas Towers, then the tallest skyscrapers in the world, in Kuala Lumpur, once a tin-mining town. As such, the premise, of modernising a traditional *kopitiam* (street side coffee shop), seems in keeping with the capital's advance into the 21st century.

A still from *Kopitiam* (1998)

Mirroring the city's storied cultural pluralism, the cast of characters was of Malay, Chinese, Indian and Singaporean origin. Like many sitcoms of that era, actors walk words-first into rooms. Except in *Kopitiam*, they also finish their sentences with a jovial or condescending *"lah"*. And like many sitcoms of that era, the makers wrote in some amount of homophobia and mainly roped in women who were supermodels or part-white. To its credit, the script didn't suffer from any misogyny at least. Sadly, the jokes, so admirably constructed in the first two seasons, devolved into an insufferable mess later on.

That is when I moved on, somewhat misguidedly, to the first Indian television series in English. My memory had been kinder than required to *A Mouthful of Sky* (1995). Growing up with Doordarshan in that decade, English-language entertainment was limited to a few American shows and reruns of the much older *Tandoori Nights*, a top-notch British-Indian sitcom about a rivalry between two curry restaurants in London. Farrukh Dhondy wrote the latter show, the first Asian comedy series in the UK for Channel 4 in 1985. He spoke to me about it once, over a meal of naan, "anglicised" (mellow) dal and palak paneer in Brick Lane's Lahore Kebab House, which was also where the idea had been conceived. Dhondy, Mala Sen, and fellow activists would gather for meals in the restaurant, amid a movement to win housing in that locality for Bangladeshi immigrants. Beyond cury, his comedy became about echoing the conflicts and dreams of different generations within immigrant families.

Naturally, India's first tryst with making English television had felt epochal too. But when it came to colonising the coloniser's language, the Indian drama didn't do nearly as well as the Malaysian sitcom. Where *Kopitiam* threw in dozens of colourful colloquialisms (*"kiasu"*, *"lepak"*, *"gila"*), in retrospect there is little that is truly local about *A Mouthful of Sky*. Its rich, urban and unhappy protagonists appear plainly influenced by *The Bold and the Beautiful* instead. Their sculpted faces, beeping pagers and chunky laptops do convey something about what would have been regarded as aspirational in that liberalised, IT boom period. Still, there is no excuse for cringeworthy lines and hilariously bad acting. All 220-something episodes are up on MX Player. I made it through five, and then called Schopenhauer to mind.

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The Australian team after retaining the Ashes last year

PHOTOS: REUTERS

New, improved look

A documentary that offers off-field insights into Australia's cricket team makes for interesting viewing and, incidentally, does a good damage control job too, writes **Dhruv Munjal**

Welcome then. Say hello to the nice guys, the easily lovable and eminently honourable type. Only movies can make Buddhist monks out of Aussie cricketers, and *The Test: A New Era for Australia's Team* (now streaming on Amazon Prime Video), does a fine job of it. If there were ever a PR exercise to fix the seemingly irreparable image of Australian cricket in the aftermath of the most notorious on-field scandal in recent memory, then this is it. A warm, slightly mawkish documentary film with no villains, and heroes galore — a bit like watching an Aussie side made up of 11 Sachin Tendulkars.

Which isn't to say that *The Test* is no fun. Given how artificially enhanced cricket broadcasting has become in recent years, any peek into what happens beyond the field is always welcome, particularly when it involves a once-world-class team desperate to redeem itself not only in front of the world, but also in the eyes of its own people. Amazon had apparently planned the documentary much before the ball-tampering saga came to light, but in a way the infamy of Cape Town lends the film a direction that it may have otherwise lacked. Not to mention, with the suspension of Steve Smith and David Warner — two of Australia's best players — the kind of vulnerability the incident spawned, something that the makers unfailingly highlight, successfully conjuring up an "against-the-odds" narrative that normally sits well with the audience when it comes to documentaries of this sort.

It may well have been the trigger for Amazon to eventually go ahead with the film, but the Cape Town blemish itself only makes a brief appearance here. A somewhat diluted recap of the entire episode is followed by Smith and Warner crying their eyes out in front of the world's media, before the cameras cut straight to Justin Langer's unveiling as head coach — the heralding of the "new era" that the film's title promises to showcase. Wise words are said, sermons are delivered and a new unofficial code of conduct with a strict emphasis on player behaviour is put into place. Just that the moral lectures don't quite translate into cricketing success in the immediate term — Australia are marmalised 5-0 by England in their ODI duel, with the mighty hosts even coming close to piling up 500 in one game.

The Test is hardly novel in terms of its concept. Amazon has done something similar with the likes of Manchester City and the New Zealand rugby team in the past. Nor is it startlingly revealing in a cricketing sense; tactics and match planning are in short supply here, with an extensive focus on team building and unity instead. Even then, an all-access pass to the Aussie dressing room and the players' quest to embrace a new cultural ethos makes for an interesting watch.

From an Indian perspective, the meaty stuff arrives early in the series. Two episodes are entirely centred on India's tour of Australia from late 2018. A room filled with the Aussie squad is shown trying to figure out Virat Kohli while closely studying a PowerPoint presentation. Wary of Kohli's ability to wind up the opposition, Aussie skipper Tim Paine is seen instructing his players to not engage with the Indian captain at any cost. Langer, in an earlier sequence, stresses how the team must be able to differentiate between "banter" and "abuse". This, perhaps, is the most telling takeaway from *The Test*: an Australian side willing to err on the side of caution in the verbal stakes when history suggests otherwise. It's also probably a confirmation of the kind of damage Sandpaper Gate caused, massively denting the reputation of an otherwise supremely successful and proud sporting nation.

Langer is the mainstay of the film. Often underrated and undemonstrative as a player, the former opener always had the look of a guy who would make a fabulous coach. In *The Test*, he shows why, cogently breaking things down for his players and perfectly essaying the role of the archetypal nice-guy coach who is also fully capable of giving it off to his players if and when the situation demands. His decision to get the dressing room plastered with "integrity" and "honesty" placards may not appeal to everyone, but over the course of the series, he comes across as a genuinely likeable character. Langer's authenticity is best manifested in his love for the Lady Gaga-Bradley Cooper film *A Star is Born*, which finds mention more than once.

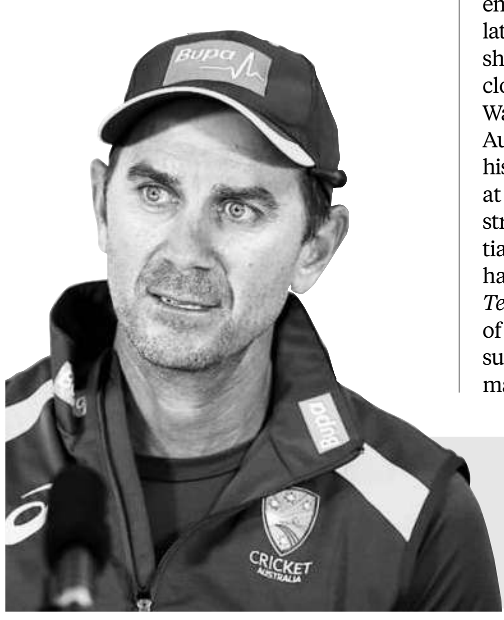
After a slight dip in the middle, the film picks up again with the return of Smith and Warner, the World Cup and later the Ashes. By now, of course, Australia is shown to have regained some of the supremacy of old, stitching together a more than impressive run to the World Cup semi-final, with Langer's methods slowly bearing fruit. The climax, however, is reserved for the Ashes. In some ways, the producers were lucky that they got to film an Ashes series for the ages, easily the most intense and fiercely fought since the epic summer of 2005.

Smith facing up to Jofra Archer at Lord's could have actually been made into a film of its own. In terms of pure cinematic quality, the footage is devastatingly good: Archer galloping in, pummelling the world's best Test batsman around the ear, before felling him with a brute of a delivery. The tension in the Aussie dressing room following Smith's collapse makes for genuinely compelling theatre. Warner is seen informing Langer that he's been hit in the same spot that proved fatal for Phil Hughes; thankfully, Smith manages to get himself up, walk off and come out to bat again to uproarious applause.

Equally dramatic is Ben Stokes and his heroics at Headingley, and Langer's subsequent frustration at Australia's feebleness in denying the England all-rounder the strike. Langer makes it a point to show the highlights of the last hour of that crushing defeat to the entire team, an insufferable introspective exercise that almost reduces Nathan Lyon — who missed a run-out chance to win the game for Australia — to tears.

The cricket aside, *The Test* is worth watching for its personal stories. The most impressive of which is Marnus Labuschagne's, who only rose to prominence after he came on as a concussion substitute for Smith at Lord's. Now almost indispensable to the Aussie team, Labuschagne's astronomical rise and camaraderie with hero Smith is the kind of gladdening content that ensures that the 45-minute long episodes — there are eight — never feel like a drag.

And while Langer's Australia might be nowhere close to the imperious side he was once part of, *The Test* is a wonderfully detailed chronicle of the development his stewardship has been able to deliver. Who knows, the new "nice guys" may finish first, after all.



LANGER IS THE MAINSTAY OF THE FILM, PERFECTLY ESSAYING THE ROLE OF THE ARCHETYPAL NICE-GUY COACH WHO IS ALSO CAPABLE OF GIVING IT OFF TO HIS PLAYERS IF AND WHEN THE SITUATION DEMANDS

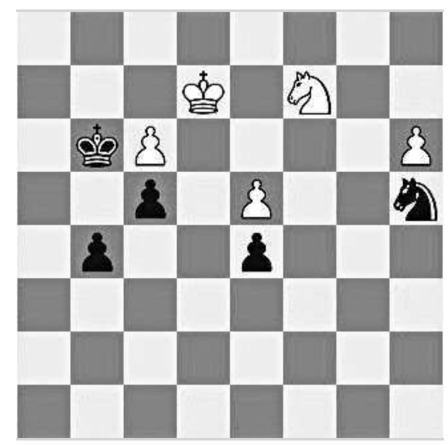
CHESS #1392

By DEVANGSHU DATTA

As with other sports, the virus has impacted chess. Many big traditional opens like Dubai Open, the Sharjah Open, the Bangkok Open, the Vietnam Open and the Reykjavik Open have been cancelled. The World Cadet and Youth Blitz and Rapids have also been cancelled. These events have participants running into four figures, with accompanying seconds, parents and fans.

As of now, the Grenke Open, scheduled for mid-April in Germany is on. But Germany has issued advisories against large public gatherings and Grenke is massive. So there's a high chance that it will also be cancelled.

It's easier to manage round-robin with few players. So, the Grenke Classic, which is an invitational round-robin, may stay on the calendar though many participants would have a hard time to travel. The Lausanne Women's Grand Prix is being played out, though the 12 participants will run into screening and quarantine issues when they return to their respective homes. With one round left, Nana Dzagnidze and Aleksandra Goryachkina share the lead with 6.5 points from ten rounds.



The really scary situation is at the World Seniors, which was underway in Prague before the virus hit Europe. Participants are by definition, seniors, who are at the most risk. This is now scheduled for an early end, with only seven rounds played.

The Candidates has been impacted with the withdrawal of Teimour Radjabov who was replaced by Maxime Vachier-Lagrave. Ding Liren had to get to Russia early to endure quarantine. The other Chinese qualifier, Wang Hao, happened to be in Tokyo. He had to cancel a scheduled training camp. MVL will play but he would also be under-prepared given just ten days to get his act together.

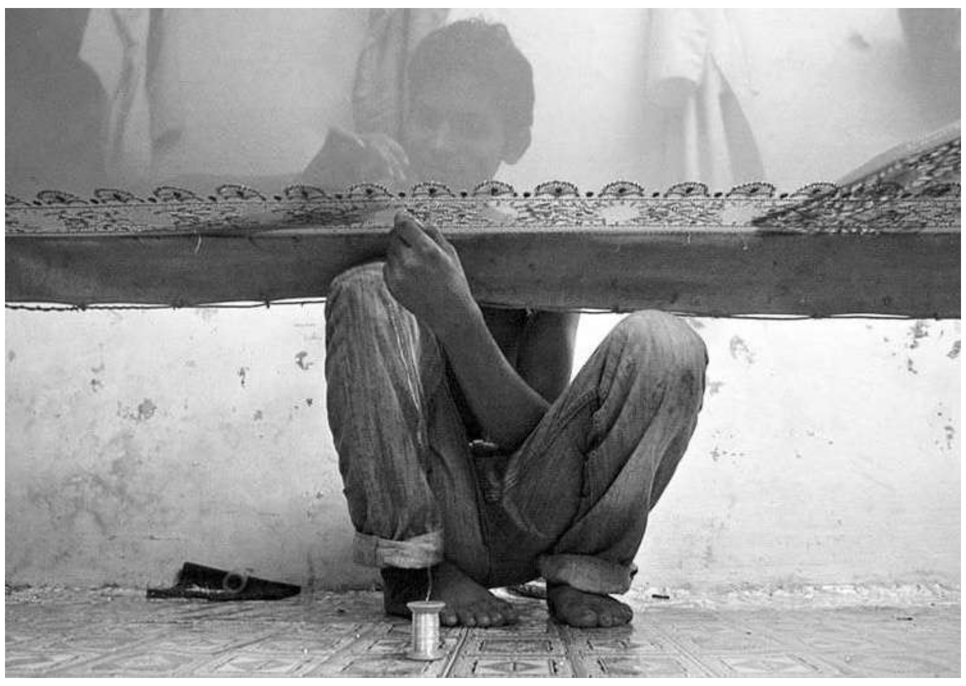
The Candidates starts this weekend in Yekaterinburg. It is a young field. Fabiano Caruana would be favourite, with Ding Liren and Alexander Grischuk considered the next best favourites. The Russian authorities have worked with Fide to provide screening for all visitors, and set up a permanent medical station in the hall and masks, hand sanitisers, etc, being provided. It probably helps that the Fide President, is a former Prime Minister of Russia. Fide has waived the requirement for handshakes! Spectators will not be allowed in the playing hall but they can sit in the commentary studio, play blitz games or attend lectures at the venue.

The Diagram, Black to Play (White: Ju Wenjun Vs Black: Dzagnidze , Lausanne GP 2020) is a nice example of exact endgame calculation. Black played 61. — Nc3+! 62. Kd3 Kxf3! 63. Kxc3 Ke2 64. Nb4 f3 65. Nd3 g4 66. Nf4+ Ke1 67. Nd3+ Kf1 68. Ne5 g3 69. Nxf3 g2 70. Kb4 Kf2 71. Ng5 Kg3 72. Kc5 g1=Q and 0-1, 82 moves.

Devangshu Datta is an internationally rated chess and correspondence chess player

LUXURY'S HIDDEN SUPPLY CHAIN

For years Dior, Saint Laurent and other fashion brands have been quietly using Indian embroiderers, while offering little in the way of employment protection, write **Kai Schultz, Elizabeth Paton** and **Phyllida Jay**



(*Left*) An embroiderer in a Mumbai slum; Western designers have brought some of their most important embroidery work to India in recent years. This includes Jennifer Lopez, whose 2019 jungle print Versace dress (*in picture*) was embroidered in Mumbai PHOTOS: REUTERS

At the top of a staircase covered in dirt and sequins, several dozen Indian artisans hunched over yards of fabric, using needles to embroider garments for the world's most powerful fashion brands. They sewed without health benefits in a multiroom factory with caged windows and no emergency exit, completing subcontracted orders for international designers. When night fell, some slept on the floor.

They were not working for a factory employed by fast fashion brands: companies whose business model is premised on producing trendy clothing as cheaply as possible.

Unknown to most consumers, the expensive, glittering brands of runways in Paris and Milan also indirectly employ thousands of workers in the developing world. In Mumbai, scores of ateliers and export houses act as middlemen between the brands and highly skilled artisans, while also providing services like design, sampling and garment production.

As with fast fashion retailers, many luxury brands do not own all of their own production facilities, and instead contract with independent factories to make their garments or embroider them. And like fast fashion, they too have woken up to potential dangers with that system.

In 2016, a group of luxury houses introduced the Utthan pact, an ambitious and secretive compliance project aimed at ensuring factory safety in Mumbai and elevating Indian embroiderers. Among the signatories were Kering (owner of labels including Gucci and Saint Laurent); LVMH Louis Vuitton Moët Hennessy (owner of Fendi and Christian Dior); and two British fashion houses, Burberry and Mulberry.

Yet during visits to several Mumbai factories, and in more than three dozen interviews with artisans, factory managers and designers, *The New York Times* found that embroiderers still completed orders at unregulated facilities that did not meet Indian factory safety laws. Many workers still do not have any employment benefits or protections, while seasonal demands for thousands of hours of overtime would coincide with the latest fashion weeks in Europe.

"Given the product prices, there is a sense that the luxury brands must be doing it right, and that makes them immune to public scrutiny," said Michael Posner, a professor of ethics and finance at the Stern School of Business at New York University. "But despite the price tags for luxury brand goods, the conditions in factories across their supply chains can be just as bad as those found in factories producing for fast fashion retailers."

When contacted for comment, luxury brands that were Utthan signatories largely highlighted the broader improvements made by the implementation of the pact, rather than focusing on continuing issues and accusations. "We recognise that the situation of some workers at the subcontracting level is still very far from satisfying today, and we are genuinely determined to strengthen the program with our fellow stakeholders, to speed up progress and to further improve the situation," a Kering spokesman said. A spokesman for LVMH Moët Hennessy Louis Vuitton said in an emailed statement: "We take the allegations raised through your questions very seriously but are unable to comment without further details and a thorough investigation."

Since the 1980s, luxury brands have quietly outsourced much of their embroidery work to India. The country is one of the world's largest garment exporters, with a textiles market worth $150 to $250 billion, according to the India Brand Equity Foundation.

India's embroiderers, or karigars, are among the best in the world. Formalised during Mughal rule, the karigars have passed their art form across generations. Today they are largely Muslim men who migrated from rural India to Mumbai, where they are paid meagre sums to work up to 17 hours a day.

Western designers have brought some of their most important embroidery work to India in recent years, including Alessandro Michele's exuberant collections for Gucci, emblazoned with tigers and butterflies; Dior's embellished saddle bags; and red carpet looks for Lady Gaga, Lupita Nyong'o and Jennifer Lopez, whose 2019 jungle print Versace dress was embroidered in Mumbai.

By 2019, India's embroidery exports exceeded $230 million, a nearly 500 per cent increase from two decades ago, according to the government's commerce ministry.

But as scrutiny of supply chains grew, luxury brands became nervous about their ties to India, and Utthan, which roughly translates to "upliftment", was established. At least seven Indian export houses — middlemen between local embroidery factories and international brands — also joined.

The project proposed sweeping changes to Mumbai's factories by standardising wages and improving workplace safety. However, unlike with many luxury initiatives, including sustainability and ethical business practices, the brands did not publicise their involvement in Utthan. They did not mention it in their annual reports or corporate and social responsibility platforms, and some discouraged auditors from speaking about it. At least two signatories said they were asked to sign nondisclosure agreements.

Managed by Impactt, a consultancy in London, the agreement delineated targets for Indian export houses, which typically have their own factories. But when deadlines are tight and the work orders exceed what their factories can produce, the export houses subcontract. They take embroidery work to small businesses like those visited by *The Times*, where wages are frequently paid in cash and facilities fail to meet safety codes.

THREE YEARS AFTER UTTHAN WAS INTRODUCED, FEW ARTISANS RECEIVED HEALTH BENEFITS OR A PENSION, AND WORKING HOURS REGULARLY EXCEEDED INDIA'S LEGAL LIMITS

According to a 2016 publication from Impactt that laid out Utthan's requirements, within three years, every Indian subcontractor employed by signatories would be required to show progress in providing health and pension benefits to artisans. All factories would need fire extinguishers, a separate room for workers to sleep in and for bigger facilities at least two signposted exits. The Utthan pact also called for a maximum six-day week for artisans, a workday of no more than 11 hours — in line with the legal limit — and reduced overtime.

The state of Maharashtra has not stipulated a minimum wage for hand embroiderers. Instead, exporters typically use the government's category for "highly skilled" workers (about $175 per month, excluding benefits). Utthan sets a salary of about $225, including benefits. In the same publication that detailed these initiatives, Impactt said it would assess factories at least once a year.

"The endemic challenges in the sector clearly required substantial, long-term engagement," Rosey Hurst, the founder of Impactt, said in an email, adding that Utthan was intended as a collaboration between brands and exporters.

But not every brand signed — Valentino and Versace place orders with the same export houses but do not work with Utthan — and not every export house thought it was a good deal, seeing it as a public relations exercise intended to shield luxury brands from liability.

Brands' demands spike ahead of seasonal fashion weeks. While many workers actively seek extra work to earn more money, artisans said overtime beyond the Indian government's limits is common, as is the use of subcontractors.

The Times recently visited six subcontractors that collectively employ as many as a few hundred karigars,. Three years after Utthan was introduced, the managers said few of their artisans received health benefits or a pension, and working hours regularly exceeded India's legal limits. Every factory *The Times* visited lacked at least a few safety features mandated by Utthan and India's Factories Act.

One manager said he was encouraged to lie to Utthan auditors. He said an exporter instructed him to temporarily move his artisans to a compliant factory when Impactt representatives visited. The compliant factory was well ventilated and prohibitively expensive for the manager to rent, costing nearly $2,000 a month. The factory he managed was an attic-like space on the top floor of a residential building in a neighbourhood packed with crumbling apartments. "I was told not to tell anybody," the manager said, as he showed <The Times> recent invoices for Gucci and Christian Dior, including one embroidery order for 15 black tulle dresses, which he said took 6,000 hours of labour to complete.

"We are being exploited everywhere," said Abdullah Khan, an artisan with more than 20 years of experience. Last summer, Khan and about a dozen other artisans pushed for raises at the export house where they worked, an Utthan signatory that completes orders for Saint Laurent. Though Khan did not know it at the time, the factory's artisans were being paid about 13 per cent less than what Utthan required, according to a salary slip reviewed by *The Times*.

Managers tried to fire the group of artisans after they approached Sachin Gole, a union leader in Mumbai with the Maharashtra Navnirman Sena, a political party. Khan said their salaries were docked for every minute spent communicating with the union and that they were moved into another room at the factory. "The situation is very bad," Gole said. "If artisans fight for their rights, they are terminated."

Eventually, the local government's labour commission helped negotiate a severance package for karigars who wanted to leave, including Khan. The factory's wages were ultimately increased, though they remained about five per cent below Utthan's benchmark.

Hurst of Impactt said that about half of the 2,810 artisans working for Utthan signatories were covered by employment benefits, and that Impactt was working on increasing that number. "While we have seen some considerable improvements in health and safety and are making progress in pay and hours, we fully acknowledge there is still more work to do," she said.

Burberry said that it worked with only two Indian exporters, with guarantees that they used in-house artisans as opposed to subcontractors for the orders it placed, and that they would continue supporting the pact. Mulberry said it had left the pact in March 2018 because of reprioritisation of its business activities to leather goods.

The truth is, said Posner of New York University, "voluntary pacts between brands alone do not guarantee very much". Pankaj Attarde, a veteran embroidery consultant in Mumbai, said it was time the world knew the plight of India's artisans and their extraordinary contribution to fashion. "We need to bring transparency and fairness into the system if this industry is going to survive," he said. "If compliance is about improving the lives of workers, why is Utthan secretive?"

Kritika Sony contributed reporting and research from Mumbai

Medicos for the masses

A team of doctors and scientists has inspired many to join its mission to promote compassion in health care, writes **Geetanjali Krishna**

PHOTOS: COURTESY PROGRESSIVE MEDICOS AND SCIENTISTS FORUM

Members of PMSF reaching out to victims of riots in Northeast Delhi last month

When violence was raging in Northeast Delhi last month, a small group of doctors risked their lives to operate on gunshot wounds and multiple fractures, treat severe burns and perform first aid. By doing so, the team from Progressive Medicos and Scientists Forum (PMSF), has inspired medics across the country to join its mission to promote compassion in health care and advocate for the medical rights of the Indian people. A movement led by medical students, resident doctors and research scientists, PMSF has a simple agenda. "As doctors, our primary concern is supposed to be towards the patient," says Harjit Singh Bhatti, national president, PMSF. "We want to appeal to the conscience of doctors and not let them forget this."

THE BRIGHT SIDE

When the doctors at Al Hind Hospital called us for help, we paid for critical medical supplies from our own pockets, says Bhatti

"Our forum started in 2019 when a group of us doctors went to Muzaffarpur to investigate the child deaths caused by encephalitis," recounts Bhatti. "We realised that many doctors' associations and hospitals were scared to take a stand." Back then, PMSF was simply an informal forum for doctors and interns at the All India Institute of Medical Sciences (AIIMS). Today, besides Delhi, it has members from Bihar, Uttar Pradesh, Karnataka, Tamil Nadu, Kerala, West Bengal and other states. The scientist members of PMSF, all researchers and PhD students from AIIMS, Jawaharlal Nehru University (JNU) and other premier institutes in the country, are engaged in debunking misinformation and fake news being circulated in the public health space today. "For example, we have been tweeting against the latest myth propagated by many politicians that the novel coronavirus can be prevented by the use of cow dung and urine, or by homeopathy," he says. "The idea is also to call out responsible post holders who have been making unscientific and irresponsible statements that could influence public health!"

Between the coronavirus threat and the Delhi riots, PMSF has been particularly busy the past few months. Its members set up a health camp at Shaheen Bagh, were on the spot to treat the injured when incidents at Jamia and JNU occurred, and were the first medics to reach Al Hind Hospital in Northeast Delhi. "In fact, when the doctors at Al Hind Hospital called us for help, we paid for critical medical supplies from our own pockets," says Bhatti.

"To our dismay, our ambulance was stopped en route to Al Hind Hospital in Mustafabad where 10 gunshot victims were awaiting surgery." Sadly, two victims died for want of medical attention, but Bhatti and his team were able to save the rest.

"During this time, when we were all overworked, short on sleep and exhausted, only one thing kept us going," says Bhatti. "It was the relief on the faces of those who had lost faith in their own community as well as in the system at large."

As the news of their work during the riots has spread, PMSF has received an outpouring of support from doctors across the country. "We get messages every day from doctors asking how they can contribute," Bhatti says. Presently, what PMSF wants is for the government to set up a medical camp close to where the riot survivors are. Many patients still need medical attention, others need follow ups. "Our job was to provide the initial emergency services, now the government has to take charge of these patients," he says. In order to do this, PMSF is advocating for a proper medical protocol to be put in place to deal with public health emergencies, be it riots, floods or epidemics. In the meantime, these idealistic medics remind doctors across the country every day of the Hippocratic Oath they took before starting medical practice. As Bhatti says: "This is our contribution to the building of a more compassionate, people-centric system of medicine."

To learn more, follow @DrHarjitBhatti on Twitter *or follow Progressive Medicos and Scientists Forum on* Facebook

THE ULTIMATE VINTAGE UNICORN

It's a Bizzarrini, not a Ferrari. You'd be lucky to see one of these obscure Italian-American hybrids in the wild, let alone get your hand on one. But here's why you should, writes **Hannah Elliott**

There's a theory that all the best cars have names that are fun to say. FerrrRRRRari. (Use your hands.) MUS-tang. (Say it with a growl.) Cor-VETTE. (It forces your mouth into a smile, even as you say it.)

The same applies to Bizzarrini, the obscure Italian marque that produced fewer than 200 cars for four years in the 1960s. Conceived by the same man who engineered the now multimillion-dollar 1950s racing Ferraris that form the pinnacle of the blue-chip collectable car world, Giotto Bizzarrini's eponymous brand stands among the greats. Experts call it the evolution of Ferrari—a unicorn obtained only by those who work for years to afford, locate, and then charm one into their stable. The world's wealthiest collectors hoard Bizzarrini cars the way Gollum guarded the Precious.

The evolution of Ferrari

Bizzarrinis occupy a strange space in the collecting world. They are rare, and often mistaken for Ferraris. Unless you're deep into that world, you probably haven't heard of them. They were beloved for their low, curvy bodies and sporty, loud, adrenaline-junkie performance, influencing the design of other famous, late-1960s-era cars as the Pantera and Mangusta, both made by Alejandro de Tomaso. But they were also derided in their day for being anti-Ferrari because they were made by Giotto Bizzarrini, who had departed that company under sour terms. (Bizzarrini had led an infamous "palace coup" at Ferrari in 1960, when he and four other key Ferrari staffers staged a walkout to protest internal politics.)

These days, enthusiasts such as Chuck Wray, an accomplished mechanic who specialises in Italian race cars, call Bizzarrini "the thinking man's Ferrari" because they share obvious design cues and styling elements but are even rarer and more difficult to authenticate.

The history of the brand

It took no time after his walkout for Bizzarrini to find work. Almost immediately, he started consulting for other Italian car brands, including Lamborghini and Iso. At Iso, he styled a chassis for the made-in-America Chevrolet V8 engine that became famous for powering the Corvette. The IsoGrifo cars were legends, having raced through the 1964 season at the 12 Hours of Sebring and winning a First in Class at the 24 Hours of Le Mans. These days, they sell for $400,000 to $800,000 at auction. More important, given our purposes here, one of the aluminum-bodied Iso A3/C race cars became the blueprint for the first in Bizzarrini's line of self-branded cars. He called it the Bizzarrini GT 5300 Strada.

The GT 5300 Strada was special: It had had the ultra-low, wide styling of the A3/C with a front-mid-mounted, 365-horsepower Corvette V8 engine and a four-speed manual gearbox. Its front fenders swooped like bananas over the wheels; its side vents breathed like gills on an eel. The car is incredibly low, the interior incredibly small — you'll be lucky to get in if you have back or knee issues or a gut. It possesses no such modern comforts as power steering or crisp, biting brakes. But on the racetrack, the Strada was known for blazing, deafening speed and sophisticated handling that could match all comers among its Italian compatriots.

Most were built with aluminum-alloy body work; others at that time used fiberglass panels over a pressed steel platform chassis. The original GT 5300 that was sold in the U.S. cost $10,500, roughly $78,500 at today's rates, according to Hemmings's Mark McCourt. The 1900 GT Europa and P538S would follow before Bizzarrini was declared bankrupt in 1969. (At age 94, Bizzarrini currently lives in Italy, teaches, and continues to build cars as personal projects and commissions.)

Rare in the wild

Bizzarini is such a rare brand that classic car insurer Hagerty barely compiles its model history data. The most recent sale on record at Hagerty was in 2018; other notable sales took place in 2014, 2013 and 2009.

> BIZZARINI IS SUCH A RARE BRAND THAT CAR INSURER HAGERTY BARELY COMPILES ITS MODEL HISTORY DATA

Most career car guys have never seen one in the wild. The cars exist by hearsay and ghost stories, literally. One Bizzarrini Chassis 0254 was hidden in Pennsylvania for 30 years in a garage watched over by a benevolent spirit — at least, according to its owner. That car is in line to be restored by Paul Russell and Co in Essex, Massachusetts, and set to be sold for what will undoubtedly be a king's ransom.

Meanwhile, half the people who think they've seen a Bizzarrini saw a fake. In 2018, RM Sotheby's pulled a white Bizzarrini 5300 Strada, chassis 0323, from its Paris auction after the guy who owned the real car — also chassis 0323 — showed up. A representative from RM Sotheby's did not respond to a request for comment.

The discrepancy is rampant: At the 2018 RM Sotheby's auction in Paris, the1900 Europa on sale was catalogued as being from 1968. But it is listed in Hagerty's records as a 1967. "It is plausible that replicas were built," says Wiley.

Indeed, RM Sotheby's sold that car for €212,750 ($244,000) at the 2018 sale. But records of just how many were made, and when, are scarce. Hagerty's historian, Glenn Arlt, uses a book published in 1970, *The Complete Encyclopedia of Automobiles: 1885 to the Present*, to corroborate his data. According to Arlt, Bizzarrini built 15 Europas during the 1960s. After the company went bust, automotive scavengers co-opted the handful of extraneous body shells and over the next 40 years built them out into complete cars — to varying degrees of fidelity, although none is legitimate. In one official register by Jack Koobs de Hartog, three Bizzarrini 1900 Europas share the same chassis number.

"It's a minefield," says Steve Serio, an automotive broker who has sold nine in his three-decade career. If a Bizzarrini's ownership history gets murky for the years pre-1980s, you can be sure it's fake, he says.

That does nothing to deter those who want them. If anything, it adds pleasure to the pain of discovery. After all, the Bizzarrini 1900 Europa, a swooping study in la dolce vita, is like a sip of frosty limoncello on a sunny afternoon. The moment of seeing one for the first time will seep onto your memory like a tattoo. Serio recently uncovered a selection of period Bizzarrini photos for sale at a swap meet in Los Angeles. The seller wanted more than $13,700 for them—just the photos.

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PHOTOS: ISTOCK

GEAR

SAMSUNG GALAXY S20 PLUS ₹73,999

Quality upgrade

By bringing several major upgrades, Samsung has made the Galaxy 20 Plus a smartphone worth its price, says **Khalid Anzar**

The Galaxy S20-series marks the beginning of a new decade for Samsung smartphones, with a renewed focus on imaging, connectivity and software. The line-up has two upgrades, the S20 and the S20 Plus, and a completely new premium device, the S20 Ultra. We reviewed the Galaxy S20 Plus to see if the phone is worth its hefty price tag.

Design 4/5

The new Galaxy S20 Plus looks similar to previous flagships from Samsung. It has a glass-metal build with Gorilla Glass protection on the front and back. Though minimalistic, the design is premium and does not compromise on the phone's ergonomics. It's one of the few big screen smartphones that can be operated comfortably with one hand.

The placement of buttons has also been rejigged to improve accessibility. The dedicated Bixby (voice assistant) button on the left has been removed and the power key on the right doubles up as the Bixby key. The volume rocker has been moved to the right, too. Having all essential buttons on one side makes it easier to use the phone with one hand.

Display 5/5

The Samsung Galaxy S20 Plus sports a 6.7-inch punch-hole (Infinity-O) screen of QHD+ (3,200x1,440 pixels) resolution. The screen covers the entire front, leaving negligible bezels around it. Even the most prominent bottom bezel is slimmer. The curved screen — a common feature in Samsung's premium smartphones — looks almost flat from the front and is better designed this time around to reduce accidental touches.

Last year's AMOLED display has been upgraded to Dynamic AMOLED 2X with a 120Hz refresh rate and HDR10+ support. While an enhanced refresh rate makes the user interface smooth and more responsive, it is limited to operate only at full HD+ resolution. Not all apps and games support the enhanced refresh rate at the moment and the screen dynamically switches to conventional 60Hz.

Camera 4/5

The rear camera module on the S20 Plus gets a major bump in terms of features, optics and capabilities. The phone sports a quad-camera module featuring a 12-megapixel primary sensor, a 12MP ultra-wide sensor, a 64MP telephoto lens and a depth sensor. On the front, the phone has a 10MP sensor.

The primary rear sensor takes detailed shots with excellent dynamic range and good highlights and shadow details. The telephoto lens allows up to 3x optical zoom and up to 30x digital zoom, a first in Samsung smartphones. However, anything captured beyond 3x zoom sees deterioration in quality.

To utilise all the available optics and their value-added features at once, Samsung has added a new mode called "Single Take". In this mode, the camera captures frames in multiple formats and shows them at one place. It's very useful.

The S20 Plus supports 8K video recording and the phone's ability to pull out a 33MP image from the 8K recorded footage is a welcome addition. The selfie camera is above average and supports night mode for low light photos that can turn out pretty well.

Scorecard

Display ★★★★★

Value for money ★★★★☆

Performance 5/5

Powered by Exynos 990 system-on-chip (SoC) paired with 8GB RAM, the phone is a consistent performer that handles most tasks with ease — processor or graphic-intensive. Samsung's updated OneUI 2.0 user interface based on Android 10 is one of the best custom skins available on any smartphone.

While the performance and user experience is top-notch, the phone's 128GB internal storage is underwhelming — considering its 8K video recording capability eats up storage space quite quickly. However, the phone does have a dedicated microSD slot for storage expansion.

The phone's 25W fast charger takes the battery from zero to 100 per cent in little less than two hours. It also supports both fast and reverse wireless charging. On moderate to heavy use expect the phone to last a full day with full HD+ resolution and nine to 11 hours with QHD+ resolution.

Verdict 4.5/5

At ₹73,999, the Galaxy S20 Plus costs as much as the launch price of its predecessor, the Galaxy S10 Plus. By bringing several major upgrades and keeping the price unchanged, Samsung has made the Galaxy 20 Plus a premium smartphone worth its price. There isn't a thing missing in this package.

Ubon PB-X12 ₹2,149

Pocket pal

The new Ubon powerbank meets basic expectations and also has a few things that are special, writes **Veer Arjun Singh**

Phones with big screens and sharp displays tend to conk off before day's end. Although it's prudent to place them up using "fast" or "rapid" chargers, you'll probably need a backpack to carry all the plugs and cables if you actually do lug around a bunch. And then there's the hassle of finding a charging point when you need it.

This is where travel-friendly powerbanks come into play. Like phones, these devices, too, are getting smarter with every update. The one I am using these days is a 10,000 mAh battery pack from Ubon. It meets the basic expectations but also has a few things that are special.

First, it's thin, light, rectangular and fits neatly in a pocket. Second, a backup of 10,000 mAh is good enough to give a phone like the iPhone XR two full charges with a bit of power left in the bank. And third, it can charge multiple devices, such as an Android phone, an iPad and a pair of truly wireless earphones — all at the same time.

Now for the unique features. It has three cables that are permanently attached to it: a USB Type-C (for new Android devices), a micro-USB or a V8 cable (for old ones) and a lightning cable (for iOS devices). The length of the cables is just about enough to attach to a device and not dangle. And when not in use, the cables neatly fit into the powerbank without protruding out of the piece, which makes it easy to carry the device in a pocket.

While all of this holds true in practice, the only concerning bit is about the device supporting different kinds of fast charging technologies. The iPhone XR takes about the same three hours to fully charge with this powerbank as it does with the 5W charger that comes with the phone. Realme X50 Pro comes bundled with a 65W SuperDart charger, which charges its 4,200 mAh battery in 35 minutes. It's probably the fastest charging technology in smartphones. The Ubon powerbank takes a little more than an hour to do the job, which is not bad at all. However, the Samsung Note 10 Lite's 4,500 mAh battery takes about thrice the time to charge as it does with its charger.

Scorecard

Performance ★★★★☆

Design ★★☆☆☆

Convenience ★★★★★

Verdict 3.5/5

The pouch that comes with the powerbank is tacky and the design of the device is not the best either. But if that doesn't bother you, the Ubon PB-X12 with a 10,000 mAh battery power is very convenient and its 2A output is also faster than conventional 1A powerbanks. It's a reliable value buy for a price of ₹2,149.