



WORLD P9
HOW THE LONGEST BULL RUN ENDED IN PANDEMIC PANIC

WORLD P9
FOR TAG HEUER, SMARTWATCH IS 'ADDITIONAL BUSINESS'



GATES STEPS DOWN FROM MICROSOFT, BERKSHIRE BOARDS



Microsoft Corp co-founder Bill Gates, who made the company one of the world's most valuable technology firms, stepped down from the board on Friday to focus on philanthropic works related to global health, education and climate change. Gates also stepped down from the board of Warren Buffett's Berkshire Hathaway, where he has served since 2004. **9**

COMPANIES P2
Xerox pauses HP hostile takeover amid outbreak
Xerox Holdings Corp said it will pause its public pursuit of HP amid the outbreak of the coronavirus. "Xerox needs to prioritise the health and safety of its employees, customers, partners and affiliates over and above all other considerations, including its proposal to acquire HP," Xerox CEO John Visentin said.

BACK PAGE P12
Two major Russian arms deals likely next week
On Wednesday, the Ministry of Defence will clear the purchase of one, or possibly two, Russian weapons systems, taking orders in the Moscow pipeline to above \$15 billion and underlining Russia's status as India's premier arms supplier, writes AJAI SHUKLA

WORLD P9
Instagram to roll out video advertising
Instagram plans to sell advertisements in IGTV, its home for longer videos, a bid to compete with YouTube for a larger share of the booming market for online video. Facebook-owned Instagram started reaching out to its top video creators on Friday, asking them to partner on ad tests.

IN DEPTH
Why the microfinance crisis is still not over
Andhra Pradesh's Ordinance to regulate MFIs has been a double-edged sword for the poor, with some digging deeper into debt, writes NAMRATA ACHARYA **7**

Mobile phones get costlier

GST rate hiked from 12% to 18%; Council asks Infosys to fix GSTN glitches by July

DILASHA SETH & INDIVJAL DHASMANA
New Delhi, 14 March

The Goods and Services Tax (GST) Council on Saturday announced a hike in the tax rate on mobile phones and specified parts to 18 per cent from the next month, from the existing 12 per cent, to correct the inverted duty structure.

It, however, deferred the decision on hiking rates on three other items — footwear, textiles, and fertilisers — which was recommended by the fitment committee of officers to correct the system of having higher duties on inputs than on the final products.

"If there is a need to calibrate the rates on these items, we will take up the issue in one of the future meetings," Finance Minister Nirmala Sitharaman, who chaired the meeting, told reporters.

West Bengal Finance Minister Amit Mitra, who had urged the Council to not hike the rates on these items, said, "Timing is the key. When you have the coronavirus issue and growth slowdown, what sense does it make in hiking the GST rates on items like these?"

Mitra, who did not attend the meeting because of health reasons, said his West Bengal colleague raised the issue and got support from all states, barring one or two. "Some BJP states also supported. Tamil Nadu, Maharashtra, all have textile industries. First they deferred (rate hikes on) all items, but after



Finance Minister Nirmala Sitharaman and Finance Secretary A B Pandey at the GST Council meeting on Saturday

"GST INCREASE FOR PHONES FROM 12% TO 18% WILL CRUMBLE THE INDUSTRY... MY REQUEST TO PM @NAREDRAMODIJI AND FM @NSITHARAMANJI — PLEASE RECONSIDER THIS GST HIKE"

Manu Kumar Jain, MD, Xiaomi India



DETAILED REPORT ON PAGE 3

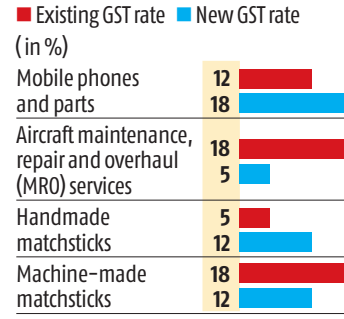
lunch they said they could raise it on mobile phones," Mitra said.

Responding to a query whether prices of mobile phones would rise after this decision, Finance Secretary A B Pandey said the move was aimed at correcting the inverted

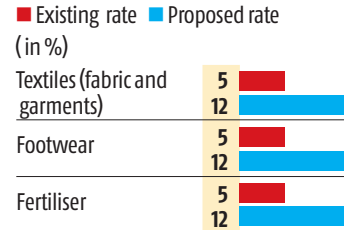
duty structure, which was blocking refunds of companies. "I don't believe that prices would rise by 6 per cent," he said.

The Council, meanwhile, reduced the GST rate on maintenance, repair and overhaul services of aircraft to 5

TAX REJIG



CORRECTION IN INVERTED DUTY STRUCTURE DEFERRED



per cent from 18 per cent. This would help in setting up these facilities in India, Sitharaman said.

It also brought parity in handmade and machine-made matchsticks by imposing a GST rate of 12 per cent on them.

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YES Bank Q3 loss zooms to ₹18,564 crore

Gross NPA up eight times

SUBRATA PANDA & ABHIJIT LELE
Mumbai, 14 March



Private sector lender YES Bank on Saturday reported a net loss of ₹18,564.24 crore for the December quarter (Q3FY20), as against a net profit of ₹1,000.57 crore in the corresponding period of FY19.

The troubled bank, which announced its Q3 numbers after weeks of delay, reported a pre-tax loss of ₹24,778 crore in Q3FY20 compared with a pre-tax profit of ₹1,442 crore in the year-ago period. It had posted a net loss of ₹629 crore in the quarter ended September 2019.

Gross non-performing assets (NPAs) saw a sharp rise to 18.87 per cent compared with a meagre 2.10 per cent in the same period of FY19. In absolute terms, the gross NPA figure for the December quarter stands at ₹40,709 crore compared with ₹5,158 crore in Q3FY19, a rise of over 600 per cent. At the end of Q2FY20, the gross

NPA of the bank stood at 7.39 per cent. The net NPA of the bank at the end of the December quarter stood at 5.97 per cent. In Q3FY19, the bank reported net NPA of 1.18 per cent.

The lender has made provisions to the tune of ₹15,422 crore in the quarter ended December 31, 2019, as against ₹550 crore in Q3FY19. Sequentially, the bank had set aside ₹1,336.25 crore in September 2019 quarter as provisions and contingencies.

The bank has recognised additional NPAs to the tune of ₹5,150 crore and made additional provisioning of ₹772.5 crore.

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When office banter at the water cooler is history...

BS REPORTERS

Mumbai/New Delhi/Kolkata/Ahmedabad, 14 March

It's the turn of the large conglomerates to bite the bullet. If technology and new economy firms took the lead so far in shielding their employees from coronavirus, now the traditional big groups including the Tatas, and Reliance are taking unusual measures to cope with the growing health hazard. Speaking in one voice, corporate India is asking its people to reduce travel, limit meetings and adopt stringent hygiene standards. Some of them are allowing work from home and advising self-isolation in what looks like a new normal.

Manufacturing plants have not caught up with work from home yet. Unlike the services sector, people in manufacturing do not need to travel extensively outside the premises and this offers a natural immunity, especially if it is also linked to a township.

That apart, other steps are being taken proactively by business majors with deep presence in manufacturing. For instance, every person stepping into the Reliance premises is being thermally screened. "We have asked anyone with symptoms of flu etc to isolate themselves. Fortunately, in the last one month there has not been much of international travel and we did not need to quarantine any of our executives," said a Reliance spokesman.

Reliance has formed a special group to monitor the situation and brief the chairman and the executive directors every day. Meetings that require more than 20 people in one room are avoided. Carmaker Maruti Suzuki has told employees to use teleconferencing and video conferencing instead. At Tata Sons, at least two employees have self-quarantined and are working from home as they have just returned from coronavirus-affected countries.

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FIGHT AGAINST COVID-19

Measures put in place by Indian companies

- Employees told to avoid international travel and reduce domestic travel
- Those with COVID-19 symptoms or travel history to affected nations asked to go into quarantine
- To avoid large group meetings; encourage hand hygiene
- Work from home, especially to expecting mothers, offered
- Biometric attendance disabled
- Thermal screening at premises

Apple closes stores outside Greater China for two weeks

Apple announced on Saturday that it is closing hundreds of retail stores outside of Greater China until March 27. It also said that it's moving to remote work in order to help reduce the spread of coronavirus. **9**

GOOGLE, WALMART JOIN EFFORT TO SPEED UP CORONA TESTING **8**

PREMIUM PURVEYORS SEE A SLOWDOWN COMING **2**

NO NEED FOR AVIATION SECTOR TO WORRY ABOUT VIRUS, SAYS PURI **2**

FERRARI HALTS PRODUCTION FOR TWO WEEKS AMID VIRUS THREAT **2**

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EDIT: COVID-19 & SOCIAL MEDIA

Fuel duty hike to add ₹43K cr to govt revenue

Move to help rein in FY21 fiscal deficit

SHINE JACOB & INDIVJAL DHASMANA
New Delhi, 14 March



The government on Saturday increased taxes on petrol and diesel by ₹3 per litre each, a move that may fetch it an additional revenue of around ₹43,000 crore in a year.

While special excise duty was hiked by ₹2, road cess was increased by ₹1 per litre on the fuels, according to a notification issued by the Central Board of Indirect Taxes and Customs (CBIC).

After the latest hike, the excise duty on petrol has gone up to ₹22.98 a litre from ₹19.98, and that on diesel to ₹18.83 from ₹15.83 a litre. The decision to raise the duties was taken in view of the tight fiscal situation and the recent decline in crude oil prices, sources said.

The move, however, will not help the government much in reining in the fiscal deficit in the current financial year, as the coffers will be richer by just ₹2,120 crore in the remaining

days of this month. The deficit surpassed the revised estimates for FY20 by 28.5 per cent as of January. The extra revenue will, however, be helpful in meeting the FY21 target of bringing down the deficit to 3.5 per cent of the gross domestic product.

Finance Minister Nirmala Sitharaman said there would not be any increase in retail prices of petrol and diesel. "In fact, there is reduction in these prices today compared with yesterday," she said.

Government sources said "this calibrated increase" would help generate resources for development of infrastructure.

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