

MARKET WATCH

	30-03-2020	% CHANGE
Sensex	28440	-4.61
US Dollar	75.59	-0.93
Brent oil	22.44	-9.55

NIFTY 50

	PRICE	CHANGE
Adani Ports	251.65	0.35
Asian Paints	1594.95	-9.20
Axis Bank	368.15	8.40
Bajaj Auto	1986.70	-66.75
Bajaj Finserv	4661.15	-229.45
Bajaj Finance	2242.10	-300.20
Bharti Airtel	431.05	-17.90
BPCL	274.75	-4.00
Britannia Ind	2473.75	-55.50
Cipla	431.75	24.10
Coal India	133.15	1.45
Dr Reddys Lab	2994.25	77.75
Eicher Motors	13333.10	-986.70
GAIL (India)	70.85	1.35
Grasim Ind	450.50	-10.40
HCL Tech	419.00	-11.65
HDFC	1558.75	-195.25
HDFC Bank	831.65	-72.80
Hero MotoCorp	1553.50	-107.70
Hindalco	88.80	-2.75
Hind Unilever	2184.35	-43.80
ICICI Bank	313.40	-26.45
IndusInd Bank	413.40	2.30
Bharti Infratel	155.10	-1.70
Infosys	626.70	-26.00
Indian Oil Corp	76.80	-0.10
ITC	159.20	-4.00
JSW Steel	142.40	-9.05
Kotak Bank	1293.70	-105.40
L&T	798.65	-38.40
M&M	274.40	-20.10
Maruti Suzuki	4328.45	-317.65
Nestle India Ltd.	15658.65	550.05
NTPC	81.75	-1.25
ONGC	63.35	-1.10
PowerGrid Corp	155.65	-4.35
Reliance Ind	1030.45	-35.15
State Bank	186.90	-9.05
Shree Cement	16935.45	-730.80
Sun Pharma	332.70	-5.55
Tata Motors	68.15	-2.55
Tata Steel	254.05	-23.20
TCS	1778.50	-46.00
Tech Mahindra	526.80	22.70
Titan	943.65	6.60
UltraTech Cement	3085.90	-57.70
UPL	308.45	-13.75
Vedanta	61.55	-2.20
Wipro	184.15	0.65
Zee Entertainment	125.65	-2.40

EXCHANGE RATES

Indicative direct rates in rupees a unit except yen at 4 p.m. on March 30

CURRENCY	TT BUY	TT SELL
US Dollar	75.41	75.73
Euro	83.38	83.76
British Pound	93.74	94.15
Japanese Yen (100)	69.85	70.15
Chinese Yuan	10.63	10.67
Swiss Franc	78.83	79.17
Singapore Dollar	52.86	53.10
Canadian Dollar	53.31	53.54
Malaysian Ringgit	17.40	17.51

Source: Indian Bank



Business not hit by virus, says HCL Technologies

NEW DELHI
IT services firm HCL Technologies on Monday said it did not expect any significant impact of the COVID-19 outbreak on its business in the ongoing quarter, adding that booking during the January-March period had largely been on track as a significant part of the closures happened in January.

Contributions to PM CARES Fund

Company	Amount, ₹ cr.
Reliance Industries	500
NMDC	150
L&T	150
Hero Group	50
TVS Group	25
Patanjali Ayurved	25
IIFL Group	5
SJVN	5

New investors flock to market amid fall

With stocks falling like ninepins, brokerages see surge in new clients looking to strike gold

ASHISH RUKHAIYAR
MUMBAI

The equity markets may well be witnessing their sharpest and quickest falls, but that is not deterring new investors from dabbling in the stocks.

Brokerages have seen a spurt in new client additions as many investors want to buy stocks that are currently available at multi-year lows with the benchmarks having lost more than 30% from the record highs touched in January. "We have seen about 1.5 lakh new client additions this month, which is double the average monthly numbers seen in most months last year," said Nithin Kamath, CEO, Zerodha.

"The trend is unique to this fall and the fact that people are working from home and so have more time to monitor and invest, is fuel-

March 'ing' forward

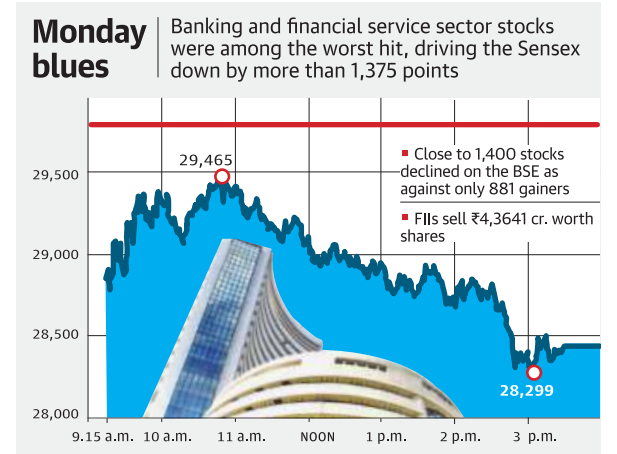
- Most people opening accounts are first-timers
- Discount broker Zerodha added 1.5 lakh new clients
- 5Paisa likely to add about 60,000 clients
- smallcase sees a 1.5-times increase in new investors
- Upstox says March client additions greater than the 1-lakh added in December

ing the trend. Having said that, if the fall continues for a longer tenure, then the opportunity might turn into pessimism," added Mr. Kamath.

Discount broking firms, that are largely technology firms, seem to be benefiting the most as bulk of their clients are retail investors trading through the broking

firm's apps. "We are seeing about 80% higher client addition in March compared with the average monthly additions and are likely to add around 60,000 clients or more this month," said Prakash Gadani, CEO, 5Paisa, another discount broking firm.

Seizing the opportunity
"Most of the people who are opening accounts are the first timers. They are smart enough to seize this opportunity to invest when the prices are low. Young millennials are a smart lot that knows that investment in markets should be done when prices are at the bottom and not when they are at the peak," added Mr. Gadani. Similarly, Ravi Kumar, co-founder, Upstox, said that he was witnessing an unprece-



Bulls catch COVID-19, bears come out of it

Benchmarks plunge over 4% each

SPECIAL CORRESPONDENT
MUMBAI

COVID-19 pandemic concerns continued to grip the equity markets on Monday with the benchmark indices shedding more than 4% as the number of virus cases in India neared the 1,300-mark.

The 30-share Sensex plunged 1,375.27 points, or 4.61%, to close at 28,440.32. The broader Nifty settled at 8,281.10, shedding 379.15 points, or 4.38%.

The selling on Monday was led by banking and automobile majors with stocks such as Bajaj Finance, HDFC, HDFC Bank, ICICI Bank, M&M, Kotak Mahindra Bank, Maruti Suzuki India, Hero Motocorp and State Bank of India (SBI) leading the declines in the Sensex.

The sectoral induces, representing banking and financials sector, were among the worst hit on Monday.

No lockdown extension
On Monday, Cabinet Secretary Rajiv Gauba said that the government does not have any plans to extend the 21-day lockdown announced on March 24.

The investor pessimism was reflected in the weak market breadth as almost 1,400 stocks declined on BSE as against only 881 gainers. Foreign portfolio investors (FPIs) continued to sell Indian equities with Monday's net selling pegged at ₹4,364 crore.

Elsewhere in Asia, the benchmarks of Japan, Hong Kong, South Korea, Indonesia, Taiwan, China, Malaysia Singapore and Philippines all ended in the red in Monday.

SEBI relaxes debt default norms, raters can go easy

Lockdown, RBI moratorium cited

SPECIAL CORRESPONDENT
MUMBAI

The Securities and Exchange Board of India (SEBI) has temporarily relaxed the norms related to debt default on account of the ongoing COVID-19 lockdown and the moratorium permitted by the Reserve Bank of India (RBI).

The capital markets regulator has said that if a default takes place solely due to the lockdown or the moratorium, then credit rating agencies (CRAs) need not recognise it as default.

Operational challenges
"... based on its assessment, if the CRA is of the view that the delay in payment of in-

Lenders approve Suzlon's debt resolution proposal

Wind turbine supplier has an outstanding debt of ₹12,785 cr.

SPECIAL CORRESPONDENT
MUMBAI

Suzlon Energy has received lenders' approval for its debt resolution plan under the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions, 2019.

"State Bank of India, the lead bank of the consortium of lenders, has, vide its email dated 29th March 2020, conveyed that the resolution plan of the company was approved by it and subsequently circulated to the consortium of lenders, was put to vote by the consortium of the lenders and has since been approved by

100% of lenders by value, and 100% of lenders by numbers," said Suzlon in a filing with the exchanges.

As per the resolution plan, the promoters have to raise capital to restructure its debt and sell assets as part of its revival plan.

The promoters also have to infuse a capital of ₹400 crore and convert ₹7,700 crore of its debt into convertible debentures.

The company has an outstanding debt of ₹12,785 crore, according to the disclosure of defaults on payment of interest, repayment of principal amount on loans from banks and finan-

NRIs can now invest in specified govt. bonds

There will be no investment ceiling

SPECIAL CORRESPONDENT
MUMBAI

The Reserve Bank of India (RBI) has introduced a separate channel, namely 'Fully Accessible Route' (FAR), to enable non-residents to invest in specified government bonds with effect from April 1.

The move follows the Union Budget announcement that certain specified categories of government bonds would be opened fully for non-resident investors without any restrictions.

"Eligible investors can invest in specified government securities without being subject to any investment ceilings. This scheme shall operate along with the two existing routes, viz., the Medium Term Fra-

'MFI collection to be hit most by lockdown'

Rating agency Crisil said the nationwide lockdown due to COVID-19 will have near-term impact on collections and fresh loan disbursements of non-banking financial companies (NBFCs) and micro finance institutions (MFIs), in particular.

The agency said MFIs will be the most impacted because collection of repayments involves visit to households and such borrowers typically have weak credit profiles; their income generation activities would have been disrupted. Home loans will be less affected as a majority of the borrowers are salaried and collections are via auto-debit instructions.

Jobs scene absolutely unclear, says Teamlease's Sabharwal

No one can foresee anything right now: temp staffing firm

MINI TEJASWI
BENGALURU

The job scene has become absolutely unclear, because everything that's being done to 'murder the COVID-19' murders the economy," but that's the right sequence, said Manish Sabharwal, chairman, Teamlease, a temporary staffing organisation.

The current situation thrown at the country, its businesses and its people by COVID-19, is 'unmodellable' and the net effect and emotional contagion will have a longer tail than the virus itself, he told *The Hindu*.

"Employers think about hiring and jobs in linear terms, but unfortunately the virus works in non-linear terms. With regard to exist-

MCA to waive firms' late filing charges

INDO-ASIAN NEWS SERVICE
NEW DELHI

To provide respite to companies and Limited Liability Partnerships (LLPs) in the wake of COVID-19, the Ministry of Corporate Affairs has introduced the 'Companies Fresh Start Scheme, 2020' and revised the 'LLP Settlement Scheme, 2020'.

They both allow for a one-time waiver of additional filing fees for delayed filings by companies or LLPs with the Registrar of Companies between April 1 and September 30, 2020. The schemes significantly reduce the related financial burden on these entities, especially for those with long-standing defaults, thereby allowing them a 'fresh start'.

The cost of the lockdown is pegged at about \$120 billion

Complete stop would put over 45 mn migrant daily wage earners out of work; government needs to do more to rescue industry and services if they're to protect jobs



R. GANAPATHI

The complete 21-day COVID-19 shutdown of most economic activity has created new roadblocks, causing severe disruptive impact on both demand and supply side elements across sectors. The cost of the lockdown is pegged at around \$120 billion (approximately ₹9 lakh crore) or 4% of the GDP.

Further, 90% of India's workforce is employed in the unorganised sector and this lockdown will effectively put over 45 million migrants living off daily earnings out of work. Sectors like construction projects, mobility services, housekeeping and other informal sector

employment will come to a sudden halt. The manufacturing sector faces a triple challenge. First, there are going to be serious supply chain disruptions not just when dealing with foreign parties, but also the domestic industry. Second, sectors like automobiles, pharmaceuticals, electronics, chemical products etc., are facing an imminent raw material and component shortage.

Third, the shutdown and resulting loss of revenue is certain to cause a number of bankruptcies and closures, especially in the MSME sector with corresponding disruption to supply chains.

On the demand side, several industries would get impacted starting with the consumer durable goods and will cascade to other intermediate goods and basic goods. The government was the major spender on investment in the infrastructure sector, which will slowdown

now with resources and attention being diverted. Hence, industries like steel and cement, which did well, last year, will stumble.

The services sector will see a fall in demand. These include aviation, hotels, restaurants, tourism, retail malls etc. The real estate sector, which was already in deep trouble, could well slide even more in the medium term at least.

Even 10-20% job losses among its 7.3 million employees in restaurants across the country would mean up to 15 lakh unemployed. Any delay in addressing the economic consequences will lead to massive job losses.

SICCI suggests the following: the Reserve Bank of India has to address two problems: Transmission on rate cuts has been inadequate.

Second, rate cuts by themselves are unlikely to stimulate demand as the primary cause for demand contrac-

tion will be on account of consumer confidence being low. Though the RBI has provided some relief to industries, it is inadequate considering the gravity of the situation. SICCI feels that only the stronger firms in any sector can have the capacity to keep salary payments going, in the absence of any revenue earnings.

COVID-19

Firms cannot be expected to drain their already stretched cash-flows. To tide over the present crisis, banks should give three months' salary as overdraft facility to the employees of companies which can be escrowed to the companies with a nominal rate of interest not exceeding 3%.

The same could be recovered from companies over a period of three months, six months after commencement of production, post the

present crisis. On electronic component and semi-conductor industry, the impact will be felt in the areas of logistics, packaging and testing. A special package should be designed for this highly skilled industry.

In the case of contract workers, many casual and informal workers are directly or indirectly dependent on the survival of small and medium enterprises for jobs.

The government could lend support through tax holidays and zero-interest loans for three months. In the case of services sector, the government should consider contributing the employer's share of PF for all employees earning less than ₹20,000 per month and ESI contribution for all employees earning below the statutory threshold level of ₹21,000 per month, for a period of 12 months. For firms that have difficulties in managing their cash flows, the government