

### LIC extends deadline for premium

SPECIAL CORRESPONDENT

The Life Insurance Corporation of India (LIC) on Saturday said the grace period to remit premium is being extended by one month in respect of all policies whose premium due date is either March or this

This is to mitigate the hardships being faced by policyholders in payment of the premium in the wake of the COVID-19 pandemic, the insurance maior said.

LIC is also extending the grace period till April 15 for customers who were unable to pay premium that was due in February even within the March 22 grace

Death claims arising due to COVID-19 shall be treated on a par with other causes of death and payments shall be made on an urgent basis. COVID-19 has already claimed many lives and efforts are being made by LIC officials to locate the virus victims on the basis of lists provided by government authorities to help the families. Already, under death claims due to CO-VID-19 16 policies have been settled without losing any time, a release from LIC said. LIC offices were operating with skeletal staff. All other employees are working from home to ensure customer services are provided normally to the extent possible under current circumstances, the

# TRAI wants set top boxes to be made interoperable

Asks I&B Ministry to make changes in licensing norms

SPECIAL CORRESPONDENT

The Telecom Regulatory Authority of India has recommended that all set top boxes (STBs) in the country must be interoperable, meaning that consumers should be able to use the same STB across different DTH or cable TV providers.

The regulator also suggested that the Ministry of Information and Broadcasting make the required amendments in licensing and registration conditions to make interoperability mandatory.

"The lack of interoperability of set top boxes between different service providers not only deprives the customer of the freedom to change her/his service provider, but also creates a hindrance to technological innovation, improvement in service quality, and the overall sector growth," the TRAI said. It noted that while the STBs deployed in the cable TV networks are non-interoperable, those by direct-



The lack of interoperability affects improvement in service quality, TRAI observed. • P.V. SIVAKUMAR

to-home (DTH) players complied with licence conditions to support common interface module based interoperability. However, in practice, even in the DTH segment the STBs are not readily interoperable.

Noting that there are technical and commercial constraints to the universal STB, it added that the interoperability should be platformspecific, i.e., STBs are interoperable within the cable TV segment and similarly within the DTH segment.

TRAI also recommended

tee be set up by the I&B Ministry to steer implementation of revised STB standards for both the DTH and the cable TV segments.

"Further, the committee may maintain continuous oversight for setting up of the digital TV standards by BIS to provide for Digital Video Broadcasting Common Interface Plus (DVB CI+) 2.0 port based on ETSI (European Telecommunications Standards Institute) TS 103 605 standards and to have provision for reception of both DTH and cable TV sig-

## Over 30 crore poor get ₹28,256 cr. under PM Garib Kalyan Yojana

₹13,855 cr. gone towards PM-KISAN first instalment payment

PRESS TRUST OF INDIA

More than 30 crore poor people have received financial assistance of ₹28,256 crore under the Pradhan Mantri Garib Kalyan Yojana announced by Finance Minister Nirmala Sitharaman last month to protect them from the impact of the lockdown.

As part of the ₹1.70 lakh crore relief package, the government announced free women and poor senior citizens and farmers.

"More than 30 cr. beneficiaries have been directly given support through Direct Benefit Transfer amounting to ₹28,256 cr. under #PradhanMantriGribKalyanPackage," a tweet from the Finance Ministry said. Of the total disbursement, ₹13,855 crore has gone towards payment of the first instalment of PM-KISAN. Under the

scheme, nearly 6.93 crore

out of the 8 crore identified beneficiaries got ₹2,000 directly in their account. As many as 19.86 crore women Jan Dhan account holders received ₹500 each in their account. The total disbursement under the head was ₹9,930 crore, it said.

The National Social Assistance Programme (NSAP) disbursed about crore to about 2.82 crore old age persons, widows and INTERVIEW | MALLIKA SRINIVASAN

## 'We are at crucial point in agriculture, demand for inputs may see pick-up'

Critical support will be in terms of government procurement, says TAFE CMD

Due to the COVID-19 lockdown, companies will take a hit in the first half. However, industries could look forward to some growth in the second half, Mallika Srinivasan, chairman and managing director, Tractors and Farm Equipment Ltd., said in an interview to The Hindu. Edited excerpts

What will be the impact on retail and agri sectors, MSMEs in particular and the

economy in general? ■ No doubt, there will be an economic impact with a close to 0% growth. Let me begin with the manufacturing sector. In our sector, for example, it would take us at least two weeks to ramp up with some loss in productivity, given the health precautions, including social distancing, that would have to be undertaken.

We predict the demand for capital goods, automobiles and trucks all being initially soft after the lifting of the lockdown. The retail sector, FMCGs in particular, can be expected to pick up more quickly given the somewhat suppressed demand over the last few weeks.

In terms of agriculture, we are at a very crucial point in terms of the agricultural cycle. The harvesting of the Rabi crop is on and the timely preparation of the land for the Khariff crop would be critical to agricultural GDP.

The government has been very conscious of this and support is being extended at all levels to try and facilitate smooth agricultural operations through availability of inputs and equipment. I do believe that demand for agri inputs will pick up and if with close monitoring and fa-

Postponement of GST payments by a month and prompt settlement of tax refunds due to all corporates would provide much relief

cilitation by government we can ensure timely completion of agricultural operations, the impact on this sector can be minimised.

The critical policy support we look forward to is in terms of government procurement.

Another crucial area of government intervention would be a larger role in augmenting the storage capacity for agri produce on an emergency basis and making this available to the farmer. This would go a long way in enabling the farmer to get a better price for his crop.

The one real issue that we face with agricultural operations is with respect to migrant labour, especially in some of the northern states. Migrant labour is critical for timely agricultural operations and we need to see how we can slowly increase the confidence of migrant labourers to return to their farm lands after the lifting of the lockdown, as that is the key to keep things going smoothly. With appropriate policy measures and close oversight, the issues in agriculture arising from the lockdown can be effectively ad-

dressed. MSMEs face the challenges of working capital and cash. A moratorium has been given and if this can be extended, including interest, it will provide relief to this sector. Cash flow is a problem irrespective of the size of the industry. Postponement of GST payments by a month and prompt settlement of tax refunds due to all corporates will provide good

How long do you think it will take for the Indian economy to bounce back?

■ We have lost April. It will take us a few weeks of May to really ramp back and then to overcome the sentiment and get all the wheels of the economy churning again.

From the third quarter, we can look forward to growth. We will take a knock in the first half, with each industry sector ramping up at a different pace. But, I think we can look forward to some growth in the second half. We welcome the measures announced aimed to alleviate the suffering of the most vulnerable sections of our society. We now look forward to a strong economic package aimed at boosting demand and providing relief to

What is the exports scenario? ■ In exports, we have both supply side and demand side uncertainty and is challenging. Different countries are in different stages of lockdown and customers face varying degrees of market uncertainty.

The announcement that export incentives will be con-

tinued for six months is indeed welcome and our request would be to extend it for a year or more at least to maintain our competitive position in this crisis.

What would be the impact of COVID-19 on the tractor industry?

■ During 2019-20, we saw an industry drop of 10%. The last two weeks of March were the beginning of a new season and we were expecting a good season.

Good monsoons, and water storage had augured well for the Rabi crop and a buoyancy in demand was expected when the shutdown had to happen.

April to June is a peak season for the industry and if our customers, the farmers, are affected, the industry is being affected too and we anticipate a 10-12% drop during 2020-21. Efforts are on by the government and industry to enable farmers overhaul their equipment and keep them up and running during the critical agricultural season. However, at the ground level, permissions are somewhat slow to come by.

#### Has there been any cancellation of orders?

■ While we have not seen any cancellation of orders, there is an element of uncertainty, going forward, with respect to some countries. We have not felt any impact.

Should it be partial lifting of lockdown or total removal?

■ I think a more practical and safe way of doing the lifting would be to do a planned step by step lifting. Governments, Centre and States have a good grip over problem areas and priority sectors and over what is critical.

## Holdings in gold-backed exchange traded funds at all-time high in March

A record-breaking quarter as holdings, assets added \$23 bn in net inflows: WGC

SPECIAL CORRESPONDENT MUMBAI

At a time when stocks globally witnessed huge sell-offs and volatility, holdings in gold-backed exchange traded funds (ETFs) reached an all-time high in March.

According to the World Gold Council, March capped a record-breaking quarter as gold ETF holdings and assets added \$23 billion in net inflows – the largest quarterly gain in history.

"Global gold-backed ETFs and similar products added 298 tonnes, or net inflows of \$23 billion, across all regions in the first quarter of 2020 highest quarterly amount ever in absolute dollar terms and the largest tonnage additions since 2016," the World Gold Council said in a report.

Further, trading volumes



Trading volumes reached record highs as gold volatility went up to levels last seen during the financial crisis. ■REUTERS

and assets under management (AUM) reached record highs as gold volatility increased to levels last seen during the financial crisis, even as gold price performance was mostly flat in dollars for the month.

The global body has highlighted the fact that uncertainty around the short-and long-term economic impacts of COVID-19 continues to drive sharp volatility across many assets, leaving global equities in the bear market territory, while encouraging inflows into safe havens like treasuries and gold.

**Strong inflows** 

"Against this backdrop, gold ETFs listed in all regions experienced strong inflows

during the month. European funds led regional inflows, growing by 84 tonnes (\$4.4 billion, 5.8% AUM), while North American funds added 57 tonnes (\$3.2bn, 4%). Asian funds - primarily in China - also finished the month with strong inflows, adding 4.9 tonnes," stated the report. Going ahead, the World Gold Council expects the recent drivers of investment demand to continue. The drivers are primarily widespread market uncertainty and the improved opportunity cost of holding gold as yields move lower.

"We have found that lower rates have a positive impact on gold prices and offer the opportunity for additional gold exposure [potentially replacing bonds] in a lowrate environment," said the report.

### Most large-cap equity funds underperform

Mid-cap, small-cap funds do better

SPECIAL CORRESPONDENT MUMBAI

Most of the actively managed large-cap equity funds and equity-linked savings schemes (ELSS) have underperformed their respective benchmarks in the last fiveyear period as mid-cap and small-cap funds performed comparatively better.

According to the latest S&P Indices Versus Active India Scorecard analysis, over the five-year period ending December 2019, 82.29% of large-cap equity funds, 78.38% of ELSS funds and 40.91% of mid/small cap equity funds underperformed their respective indices. While the S&P BSE 100 surged 10.92% in the

one-year period till December 2019, 40% of the largecap equity funds underperformed the benchmark.

The mid/small cap category fared the best for active funds as majority of such funds managed to beat the S&P BSE 400 MidSmallCap Index across different time horizons.

"Over longer horizons, majority of the actively managed large-cap equity funds in India underperformed the S&P BSE 100 with 64.80% large-cap funds underperforming over the 10year period ending December 2019," said Akash Jain, associate director, global research and design, S&P Dow Iones Indices.

### Lockdown: Oil dealers seek stimulus package

Expenditure remains the same: CIPD

SPECIAL CORRESPONDENT CHENNAI

The Consortium of Indian Petroleum Dealers (CIPD), a national body representing over 60,000 fuel outlets, has written to the Centre appealing for a stimulus package to tide over declining following lockdown.

"The dealer network would be put to severe financial stress otherwise," CIPD president M. Narayan Prasad said in a communication addressed to the three national oil marketing companies. "Though sales volume is less than 10% of our usual sale, our expenditure to run the retail outlets remains the same. We have

been asked to pay full salary to employees and have to bear electricity charges, water charges, evaporation losses and also ensure payment of bank interest to keep the pumps open during the lockdown," he said. National general secre-

tary, CIPD, K. Suresh Kumar said the dealer margin should be calculated based on the average sale during December 2019 to February 2020. In other words, pay the dealers based on their immediate past performance rather than on the truncated sales ever since the lockdown and the related restrictions on movement came into force in March.

