

# CORONA CRISIS India VIX declines but mkt experts say worst not over

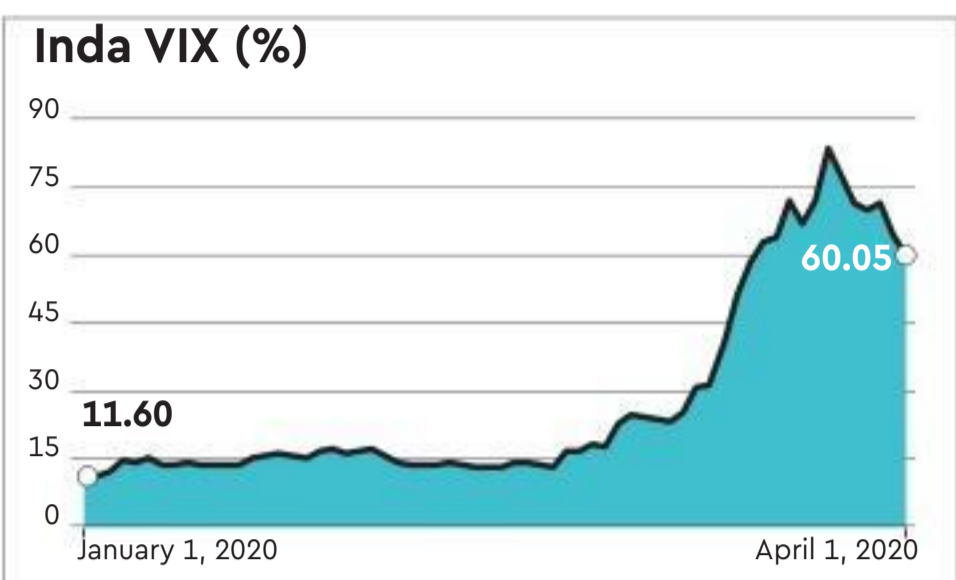
The VIX measures the fluctuations expected in the underlying index, which is Nifty in the near term

URVASHI VALECHA  
Mumbai, April 1

INDIAN MARKETS HAVE had a choppy ride since February as equities started pricing in risks emanating from the spread of Covid-19. As foreign portfolio investors kept up the heavy selling pressure, volatility has spiked to levels last seen during 2008, after the global financial crisis broke.

Indian Volatility Index (VIX), however, has been falling since then and closed Wednesday's trading session at 60.52. The benchmark Sensex ended the day down by 4.08% or 1,203.18 to close at 28,265.31. Nifty 50 also declined 4% or 343.9 points to close at 8253.8.

VIX is calculated on the basis of the order book of Nifty options. It helps traders mea-



sure the degree of volatility or fluctuations expected in the market over a period of 30 days. It is also known as the fear gauge since it portrays the stress in equities. VIX, which was at 10.5 in December 2019 spiked to 83.61 on March 24.

During the 2008 financial crisis, VIX had reached 82 mark.

According to Shrikant Chouhan, executive vice president - equity technical research, Kotak Securities, one cannot expect a vertical fall in VIX until there is some concrete solution to fight Covid-19. "VIX has corrected to 62 from 82, mainly due to little bit stability

in world markets. Many developed and emerging markets have banned the short-selling or restricted to specific stocks. It has helped to curb short-sellers and saved the market from falling vertically. However, till the numbers of infected cases from the US are not declining, VIX can move upward," he said. In India too, the Securities and Exchange Board of India had announced several measures to curb volatility in the markets last month.

Market experts also stated that after the Nifty reached the 9,000 mark last week from 7,511, the traders and investors received some respite. Ruchit

Jain, equity technical analyst, Angel Broking, stated that the India VIX is still trading at much higher levels than normally seen in a stable market environment. "With VIX still above 50, the use of options as insurance on long equity positions is diminished as the higher volatility makes options very expensive," he said.

The Volatility Index measures the fluctuations expected in the underlying index, which is Nifty in the near term. When VIX is higher, it indicates that the investors are feeling uncertain about the fluctuations. Gaurav S Ratnaparkhi, senior technical analyst, Sharekhan by BNP Paribas, however, believes that in the coming week, VIX levels may come down to 45 or 50. "As long as the market continues to trade between the 7,500 to 9,000 levels, the volatility index will keep coming down. It could even reach 45 or 50 levels in the coming week. When the market breaks the range of 7,500 to 9,000, then you could see the volatility spike up again," he said, adding that the Nifty is currently in a consolidation phase.

# Govt permits import of 7 lakh tonne of pulses

NANDA KASABE  
Pune, April 1



IN A MAJOR move that could bring down prices of pulses across the country, government has fixed a quota of import of 7 lakh tonne of pulses for the period April 1, 2020 to March 31, 2021. This includes 4 lakh tonne of tur, 1.5 lakh tonne each of moong and peas for the fiscal 2020-21.

A production target of 26.30 million tonne for pulses and grains was set by the Union government for the year 2019-20. However, the actual production would be reduced by 10% because of unseasonal rain and farmers holding their produce due to lack of transport, the All India Dal Millers Association has said.

Suresh Aggarwal, president All India Dal Mill Association, said that the govern-

ment will now issue licences for import of 4 lakh tonne of tur and 1.5 lakh tonne of moong in addition to 1.5 lakh tonne of peas, thus, offering relief in the supply of raw material in the country. He said raw material can be easily imported from South Africa, Malawi, Mozambique, Kenya and Burma.

The millers' body had earlier wanted the government to release the stocks held by National Agricultural Cooperative Marketing Federation of India (Nafed) to ensure that

supplies are maintained following shortage in the wake of the lockdown due to the Covid-19 outbreak. He said that millers are facing transportation problems and shortage of raw material. Farmers are holding on to their produce due to lack of transport and there's hardly any trading in APMCs, he said.

The government should start releasing the stocks to ensure that factories keep processing the pulses, he added.

According to Aggarwal, a section of millers in key producing regions such as Indore, Kalaburgi, Akola, Himmatnagar and Nagpur, who have access to raw material and labour, have been running their operations to maintain the supply of dal.

As on March 26, the pulses stocks held by Nafed stood at over 22.32 lakh tonne, of which gram accounted for the most at over 14.88 lakh tonne.

# Sugar output declines 22% to 233 lakh tn

PRESS TRUST OF INDIA  
New Delhi, April 1

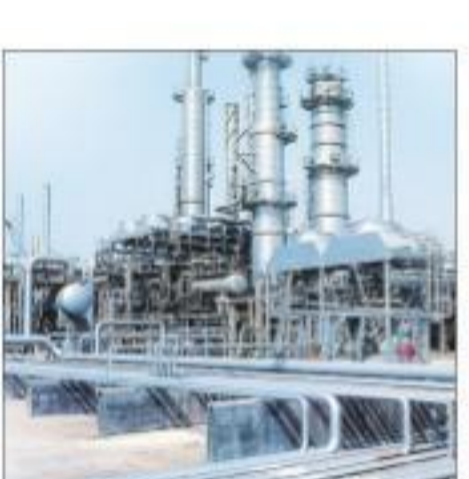
INDIA'S SUGAR PRODUCTION dropped by 22% to nearly 233 lakh tonne in the first half of the current marketing year ending September on lower cane production, industry body Isma said on Wednesday. Sugar marketing year runs from October to September. The country produced over 330 lakh tonne of sugar in 2018-19 but output is estimated to decline to 260 lakh tonne in 2019-20.

"232.74 lakh tonne of sugar have been produced till 31st March 2020 as against 296.82 lakh tonne produced last year by 31st March 2019, about 64.08 lakh tonne less," Indian Sugar Mills Association (Isma) said in a statement. The association pointed out that nationwide lockdown had initially disrupted some movement of sugar due to lack of availability of trucks, but sugar dispatches have picked up in the last 4-5 days after the government intervention to smoothen the supply chain. Isma assured that there is enough sugar with the sugar mills, and therefore, there will not be any problem of availability of this essential food item to the consumers.

Wherever there is any availability of sugarcane, the sugar mills are making all efforts to ensure that the farmers do not face any problem, and the mills in those areas are operating, the statement said. "During the initial couple of days of the lockdown, there was concern about smooth availability of important inputs like lime, sulphur, bags, phosphoric acid etc. Availability of these inputs has since been assured by the government and the suppliers therein and normal supplies have been restored," it added.

# Gas sales by Petronet LNG, GAIL dip by a quarter, firms to invoke force majeure with foreign cos

VIKAS SRIVASTAVA  
Mumbai, April 1



FOLLOWING THE IMPOSITION of a national lockdown since March 22, sales of natural gas by Petronet LNG and Gail India have dropped by 20-25 million metric standard cubic meter per day (mmscmd) or around 25%, as consumption across power, fertiliser, refineries, and city gas distribution (CGD) sectors have fallen substantially.

Given the 21-day lockdown, the two firms may also face issues in lifting the contracted cargoes arriving at ports in the near future and ask foreign suppliers for rescheduling of the shipments.

The companies have already issued force majeure

notices to their suppliers, which may allow them to renegotiate the scheduling of cargoes over the coming weeks and months.

Petronet LNG managing director & CEO, Prabhat Singh told FE, "As per the relevant clause in the contracts we have issued force majeure notices to our suppliers following the complete lockdown situation

in the country. We will discuss with our suppliers in coming days on how to go about rescheduling of the cargoes."

Petronet LNG imports around 250 cargoes in a year and plans to import around 260-270 cargoes in FY21. Petronet's around 144 cargoes or 9 million tonne of LNG is tied on long term contract, while the balance is sourced from the spot market.

"Given the current situation we may have to reschedule some of the cargoes in the short term depending on the offtake from our clients," Singh said.

Gail India has also issued force majeure notices to its suppliers after it received such notices from its customers in the CGD, steel, glass, ceramics and power sector, a senior Gail India official told FE.

While, Petronet LNG saw its natural gas sales drop to 140 mmscmd from 160 mmscmd, GAIL India's supplies dropped to between 72-78 mmscmd from 98 mmscmd before the lockdown.

Of the 160 mmscmd that Petronet LNG supplies per day, fertiliser units consume 44 mmscmd, power companies consume 30 mmscmd, CGD consumes another 29 mmscmd, refineries 20 mmscmd, and petrochemicals consume 10 mmscmd, while miscellaneous consumes the rest.

A senior Gail India official said there is drop in consumption of power as the industrial demand has dropped. Similarly, the offtake of fertiliser has also slowed down creating problems of storage.

# Sensex starts FY21 with 1,203-point plunge; banks, IT stocks hammered

FE BUREAU  
Mumbai, April 1

INDIAN EQUITIES PLUNGED on Wednesday, the first trading session of financial year 2020-21, erasing Tuesday's gains as other global equity markets continued to see a sell-off. The 30-share benchmark Sensex declined 1,203.18 points, or 4.08%, to close at 28,265.31.

The broader Nifty 50 declined 343.9 points or 4% to close at 8,253.8 points. The daily turnover in the futures and options (F&O) segment for the Nifty was ₹12.4 lakh crore. For March, the average F&O turnover was ₹11.8 lakh crore

which is the lowest in ten months. According to market experts, this shows that the speculators in the markets have reduced.

The sell-off in Indian equities has come on the back of the relentless selling by foreign portfolio investors (FPIs) who in March pulled out \$15 billion from the Indian equities and debt market, making it the highest ever outflow witnessed by the Indian markets.

According to the provisional data on the exchanges, FPIs sold equities worth \$146.17 million on Wednesday. Domestic institutional

investors sold equities worth \$58.9 million.

Ambareesh Baliga, an independent market expert, said, "F&O trading is essentially a margin play as opposed to the cash market where one needs to pay 100%. Many of those trading in the F&O segment may not have moved to the cash market. The cash market usually has medium to long term investors."

India started lower tracking its Asian peers who ended their day in the red. Bourses in Taiwan, Shanghai and Hong Kong were down between 0.4% to 2.1%. South Korea's Kospi was down by 3.9%.

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(Formerly known as Reliance Nippon Life Asset Management Limited)  
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**NOTICE NO. 1**

**DIVIDEND DECLARATION**

**Record Date April 07, 2020**

Notice is hereby given that the Trustee of Nippon India Mutual Fund ("NIMF") has approved declaration of dividend on the face value of Rs. 10/- per unit in the undernoted scheme of NIMF, with April 07, 2020 as the record date:

Name of the Scheme(s)	Dividend (₹ per unit)*	NAV as on March 31, 2020 (₹ per unit)
Nippon India Interval Fund - Quarterly Interval Fund Series I - Dividend Option	0.0001	10.1099
Nippon India Interval Fund - Quarterly Interval Fund Series I - Institutional Plan - Dividend Option		10.1101
Nippon India Interval Fund - Quarterly Interval Fund Series I - Direct Plan - Dividend Option		10.1147

\*As reduced by the amount of applicable statutory levy.

**Pursuant to payment of dividend, the NAV of the Scheme will fall to the extent of payout, and statutory levy, if any.** \*The dividend payout will be to the extent of above mentioned dividend per unit or the difference of NAV from the last Specified Transaction Date (Ex. NAV) to the Record Date mentioned above, whichever is higher. However the payout will be subject to the available distributable surplus in the Scheme as on the Record date.

The specified transaction period for Nippon India Interval Fund - Quarterly Interval Fund - Series I is on 3rd & 7th April, 2020 (both business days). The following shall be applicable for application received during the specified transaction period.

**For Subscriptions including Switch-ins under Dividend Option**

In respect of valid applications for subscriptions received up to 3:00 p.m. on the aforesaid Record Date along with a local cheque or a demand draft payable at par at the place where the application is received, the Ex-Dividend NAV of the day on which application is received shall be applicable. The investors will not be eligible for dividend declared, if any, on the aforesaid Record Date.

In respect of valid applications received after 3.00 p.m. on the second day of the Specified Transaction Period the closing NAV of the next working day shall be applicable, provided such a day is/has been declared as a Specified Transaction day for the fund. Otherwise, the application will be liable for rejection.

In respect of purchase of units in Income/Debt Oriented scheme with amount equal to or more than Rs 2 lakhs, the applicable NAV shall be subject to the provisions of SEBI Circular CIR/IMD/DF/19/2010 dated November 26, 2010 and CIR/IMD/DF/21/2012 dated September 13, 2012 on uniform cut-off timings for applicability of NAV. With regard to Unit holders who have opted for Dividend Reinvestment facility, the dividend due will be reinvested by allotting Units for the Income distribution/ Dividend amount at the prevailing Ex-Dividend NAV per Unit on the record date.

**For Redemptions including Switch-out under Dividend Option**

In respect of valid applications received up to 3.00 p.m. by the Mutual Fund, on the aforesaid Record Date the Ex-Dividend NAV of the date of receipt of application shall be applicable and the investors will be eligible for the dividend declared on the aforesaid Record Date.

**For units in demat form:** Dividend will be paid to those Unitholders/Beneficial Owners whose names appear in the statement of beneficial owners maintained by the Depositories under dividend plan/option of the Scheme as on record date.

All unit holders under the dividend plan/option of the above mentioned scheme, whose names appear on the register of unit holders on the aforesaid record date, will be entitled to receive the dividend.

**For Nippon Life India Asset Management Limited**  
(Formerly known as Reliance Nippon Life Asset Management Limited)  
Asset Management Company for Nippon India Mutual Fund  
Sd/-  
**Authorised Signatory**

**Mumbai April 01, 2020**

**Make even idle money work! Invest in Mutual Funds**

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

**uti**  
UTI Mutual Fund

Haq, ek behtar zindagi ka.

**Notice - Dividend Declaration**

Sr. No.	Scheme Name	NAV as on 31-03-2020 (per unit)	
		Option/Plan	Nav per Unit (₹)
1	UTI - Fixed Term Income Fund - Series XXV-Plan-X (1229 Days)	Direct Plan - Annual Dividend Option	10.0135
2	UTI - Fixed Term Income Fund - Series XXV-Plan-X (1229 Days)	Direct Plan - Quarterly Dividend Option	10.0135
3	UTI - Fixed Term Income Fund - Series XXV-Plan-X (1229 Days)	Regular Plan - Annual Dividend Option	10.0135
4	UTI - Fixed Term Income Fund - Series XXV-Plan-X (1229 Days)	Regular Plan - Flexi Dividend Option	12.4901
5	UTI - Fixed Term Income Fund - Series XXV-Plan-X (1229 Days)	Regular Plan - Maturity Dividend Option	12.4886
6	UTI - Fixed Term Income Fund - Series XXV-Plan-X (1229 Days)	Regular Plan - Quarterly Dividend Option	10.0134
7	UTI - Fixed Term Income Fund - Series XXV-Plan-Xi (1211 Days)	Direct Plan - Annual Dividend Option	10.0157
8	UTI - Fixed Term Income Fund - Series XXV-Plan-Xi (1211 Days)	Direct Plan - Flexi Dividend Option	12.5856
9	UTI - Fixed Term Income Fund - Series XXV-Plan-Xi (1211 Days)	Direct Plan - Maturity Dividend Option	12.5878
10	UTI - Fixed Term Income Fund - Series XXV-Plan-Xi (1211 Days)	Direct Plan - Quarterly Dividend Option	10.0156
11	UTI - Fixed Term Income Fund - Series XXV-Plan-Xi (1211 Days)	Regular Plan - Annual Dividend Option	10.0157
12	UTI - Fixed Term Income Fund - Series XXV-Plan-Xi (1211 Days)	Regular Plan - Flexi Dividend Option	12.4600
13	UTI - Fixed Term Income Fund - Series XXV-Plan-Xi (1211 Days)	Regular Plan - Maturity Dividend Option	12.4602
14	UTI - Fixed Term Income Fund - Series XXV-Plan-Xi (1211 Days)	Regular Plan - Quarterly Dividend Option	10.0156
15	UTI - Fixed Term Income Fund - Series XXV-Plan-Xii (1198 Days)	Direct Plan - Annual Dividend Option	10.0119
16	UTI - Fixed Term Income Fund - Series XXV-Plan-Xii (1198 Days)	Direct Plan - Maturity Dividend Option	12.5877
17	UTI - Fixed Term Income Fund - Series XXV-Plan-Xii (1198 Days)	Direct Plan - Quarterly Dividend Option	10.0118
18	UTI - Fixed Term Income Fund - Series XXV-Plan-Xii (1198 Days)	Regular Plan - Annual Dividend Option	10.0119
19	UTI - Fixed Term Income Fund - Series XXV-Plan-Xii (1198 Days)	Regular Plan - Flexi Dividend Option	12.4562
20	UTI - Fixed Term Income Fund - Series XXV-Plan-Xii (1198 Days)	Regular Plan - Maturity Dividend Option	12.4621
21	UTI - Fixed Term Income Fund - Series XXV-Plan-Xii (1198 Days)	Regular Plan - Quarterly Dividend Option	10.0118
22	UTI - Fixed Term Income Fund - Series XXVI-Plan-I (1182 Days)	Direct Plan - Annual Dividend Option	10.0118
23	UTI - Fixed Term Income Fund - Series XXVI-Plan-I (1182 Days)	Direct Plan - Flexi Dividend Option	12.4739
24	UTI - Fixed Term Income Fund - Series XXVI-Plan-I (1182 Days)	Direct Plan - Maturity Dividend Option	12.4739
25	UTI - Fixed Term Income Fund - Series XXVI-Plan-I (1182 Days)	Direct Plan - Quarterly Dividend Option	10.0117
26	UTI - Fixed Term Income Fund - Series XXVI-Plan-I (1182 Days)	Regular Plan - Annual Dividend Option	10.0118
27	UTI - Fixed Term Income Fund - Series XXVI-Plan-I (1182 Days)	Regular Plan - Flexi Dividend Option	12.3554
28	UTI - Fixed Term Income Fund - Series XXVI-Plan-I (1182 Days)	Regular Plan - Maturity Dividend Option	12.3498
29	UTI - Fixed Term Income Fund - Series XXVI-Plan-I (1182 Days)	Regular Plan - Quarterly Dividend Option	10.0117

Face Value per unit in all the above schemes/plans is ₹ 10. Record date for all the above mentioned schemes/plans will be **Tuesday, April 07, 2020**. Gross Dividend - 100% of distributable surplus as on record date for above mentioned schemes/plans. Distribution of above dividend is subject to the availability of distributable surplus as on record date. Dividend payment to the investor will be lower to the extent of Statutory levy (if applicable). Pursuant to payment of dividend, the NAV of the dividend options of the schemes would fall to the extent of payout and statutory levy (if applicable).

Such of the unitholders under the dividend option whose names appear in the register of unitholders as at the close of business hours on the record date fixed for each dividend distribution shall be entitled to receive the dividend so distributed.

**Mumbai - April 01, 2020** Toll Free No.: 1800 266 1230 Website: www.utimf.com

REGISTERED OFFICE: UTI Tower, 'Grn' Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400051. Phone: 022 - 66786666. UTI Asset Management Company Ltd. (Investment Manager for UTI Mutual Fund) E-mail: invest@uti.co.in. CIN-U65991MH2002PLC137867. For more information, please contact the nearest UTI Information Centre or your AMFI/NISM certified UTI Mutual Fund Independent Financial Advisor, for a copy of Statement of Additional Information, Scheme Information Document and Key Information Memorandum cum Application Form.

Mutual Fund Investments are subject to market risks, read all scheme related documents carefully.