Weekend Business Standard

THE MARKETS ON	Chg#			
Sensex	38,862.2	177.5		
Nifty	11,666.0	68.0		
Nifty futures*	11,760.8	94.8		
Dollar	₹69.2	₹69.2**		
Euro	₹77.8	₹77.6**		
Brent crude (\$/bbl)**	69.4##	68.9**		
Gold (10 gm)***	₹31,609.0▲	₹13.0		
*(Apr.) Premium on Nifty Spot; **Previous close; #Over previous close; ## At 9 pm IST;				

SATURDAY, 6 APRIL 2019 • MUMBAI (CITY) ₹10.00 VOLUME VI NUMBER 36 • 20 pages in 2 sections



ECONOMY P6 GOYAL COUNTERS RBI ON LOWER GROWTH FORECAST

FUTURE OF OPEN-TALENT 'GIG' ECONOMY IN INDIA

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CCI OKAYS L&T'S PLAN **TO ACQUIRE 66%** STAKE IN MINDTREE

The Competition Commission of India (CCI) on Friday approved engineering and construction major Larsen & Toubro's (L&T's) proposal to acquire up to a 66.15 per cent stake in Mindtree. With this nod, L&T has overcome the first major regulatory hurdle in its bid to take a controlling stake in the IT services firm.

ECONOMY P6

RBI to seek EC nod for new pre-IBC guidelines

The RBI is likely to seek the approval of the Election Commission before releasing its new set of guidelines to banks, which will replace the February 12 circular quashed by the Supreme Court earlier this week.

COMPANIES P3

Lessors to de-register more Jet planes over 10 days

Lessors to Jet Airways are planning to ask the aviation regulator to de-register more planes leased to the airline, sources said, signalling a planned bailout of the debtladen carrier is failing to assuage concerns.

IOC resumes fuel supply to Jet

COMPANIES P2

HUL to work with trusted network to fight ad fraud

Hindustan Unilever (HUL) is drawing up a list of trusted online publishers it will work with to ensure greater digital transparency, reduction of ad fraud and bring down the menace of toxic advertisements.



SATURDAY

WEEKEND RUMINATIONS: A manifesto in two parts

The Congress deserves generous applause for taking the position that it has on the sedition law and various laws that provide for detention without trial, writes **T N NINAN**

NATIONAL INTEREST: A national election of

state leaders

Narendra Modi can't swing majority for the BJP in more than seven states. SHEKHAR GUPTA writes

SENSEX THIS WEEK



TOP 5 SENSEX GAINERS & LOSERS Mar 29,'19 Apr 5,'19 % chg GAINERS Tata Motors 205.8 **18.0** 356.6 **7.1** Bharti Airtel Maruti Suzuki India 6,671.7 7,106.7 520.9 548.4 5.3 Tata Steel 1,967.3 2,056.5 LOSERS

462.7 Sun Pharma YES Bank Hindustan Unilever 1,707.8 1,659.7 ICICI Bank 398.9 390.5 Mahindra & Mahindra 671.8 658.1 **-2.0**

Indiabulls Housing to buy Lakshmi Vilas Bank

Share-swap deal gives 36% premium to the bank's shareholders

NIKHAT HETAVKAR & HAMSINI KARTHIK Mumbai, 5 April

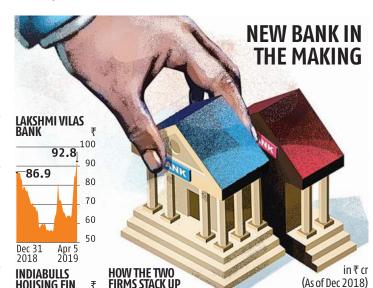
hennai-based Lakshmi Vilas Bank is set to merge with Indiabulls Housing Finance in a share-swap deal, reflecting the trend of consolidation in the $financial\,services\,sector.\,The\,boards\,of$ both entities approved the merger proposal on Friday.

The shareholders of Lakshmi Vilas Bank (LVB) will get 14 shares of Indiabulls Housing Finance (IBHF) for every 100 equity shares held in the bank, said the bank in a filing to the stock exchanges. At Friday's closing price, IBHF will pay a 36 per cent premium to the LVB shareholders. The deal would lead to 8 per cent equity dilution (on the basis of December 2018 figures) for the housing finance major.

This would be the second time that a non-banking financial company (NBFC) has acquired a bank since Capital First acquired IDFC Bank to form IDFC First Bank last year. While IBHF had applied for a banking licence, the Reserve Bank of India granted licences to only two entities in 2014.

The amalgamated entity would have a net worth of ₹19,472 crore and a loan book of ₹1.23 trillion as of December 2018. The merged entity's capital adequacy ratio would be 20.6 per cent.

IBHF's market capitalisation is 13 times that of LVB. The merger will bring access to the bank's low-cost deposit franchise for IBHF, which has largely relied upon wholesale finance to fund lending operations. LVB has been in dire financial circumstances due to mounting nonperforming assets (NPAs), and the



		_950
90	3.2	850
M		.750
-	111	650
853.5		550
Dec 31 2018	Apr 5	9
Source: Cap	italine	/Bank

١.	THU IS SIACK OF	1.150.15025252			
0		Indiabulls	Lakshmi Vilas	Amalgamated	
)		Housing Fin	Bank	entity	
J	Networth	17,792	1,680	19,472	
О	Loan book	99,270	24,123	1,23,393	
0	Net income (9MFY19)	4,872	613	5,485	
J	CAR (%)	24.1	7.6	20.6	
О	Gross NPA (%)	0.8	14.0	3.5	
	M-cap (as of Apr 5)	38,601	2,967	41,568	
k	Compiled by BS Research Bureau				

central bank has put two nominees on its board for close supervision. The bank has also been in the market to raise capital. IBHF's strong capital adequacy will help the bank overcome these problems.

"The important point in the merger is that LVB is in need of capital and we will provide it. Its high NPAs aren't a permanent destruction to postmerger returns ratios. It is an entity that IBHF can manage and digest, and has the capital to support," said Gagan Banga, vice-chairman, IBHF.

However, it is important that LVB, with its weak financials, does not slip into the RBI's prompt corrective action (PCA) framework, which could be adverse for the merger.

Turn to Page 10 ▶

US media report says all of Pak's F-16s intact; IAF rebuts

IAF maintains it shot down an F-16 aircraft during Feb 27 clash

AJAI SHUKLA New Delhi, 5 April

The Indian Air Force (IAF) on Friday contradicted a report by US publication Foreign Policy that implied India had falsely claimed to have shot down a Pakistan Air Force (PAF) F-16 when fighter aircraft from the two sides clashed on February 27 over Jammu and Kashmir, Foreign Policy cites senior American defence officials as stating that US personnel had "recently counted Islamabad's F-16s and found none missing".

An IAF statement on Friday repeated what it had said earlier: "During the aerial engagement... one MiG-21 Bison of the IAF shot down, one F-16 in Nowshera sec-



"The Indian forces have confirmed sighting ejections at two different places on that day. One was an IAF MiG-21 Bison and the other a PAF aircraft. Electronic signatures gathered by us indicate that the PAF aircraft was an F-16," said the IAF.

Senior IAF sources presented a detailed circumstantial case, built around intercepts of Pakistani radio transmissions, radar signatures

AMRAAM missile, allegedly fired by a Pakistani F-16, at a joint armed forces conference in New Delhi on February 28 PHOTO: PTI

an exploded

detected by IAF airborne warning and control system (AWACS) aircraft that were controlling the battle, visual confirmation of a pilot bailing out from a second stricken aircraft, other than the MiG-21. The sources argue that this could only have been a Pakistani F-16, since the PAF's other fighters — JF-17 Thunder and Mirage III/V — were

elsewhere in the battlespace.

SC warns Singh brothers of jail in contempt case

Apex court will hear the petition on April 11

AASHISH ARYAN New Delhi, 5 April

The Supreme Court on Friday threatened to send the former promoters of Fortis Healthcare, Malvinder Mohan Singh and Shivinder Mohan Singh, to jail if it was established that they had violated the orders of the court by selling assets of the

The apex court, while expressing dissatisfaction over the replies filed by the two brothers on how they planned to pay the more than ₹3,500-crore dues to Daiichi Sankyo, said it would directly hear the contempt petition moved against them on April 11.

"You may be owning half of the world but you cannot satisfy your creditors by simply telling them you own half of the world. There is no concrete plan as to how the arbitral amount would be realised. You said somebody owed you ₹6,000 crore. But this is neither here nor there. Tell us the value of your assets and how the award will be secured," a three-judge Bench, led by Chief Justice of India (CJI) Justice Ranjan Gogoi, said.



The SC has expressed dissatisfaction over Shivinder and Malvinder Singh's replies in connection with Daijchi arbitration award

The Bench had on March 14 asked the Singh brothers to consult their financial and legal advisors and give a concrete plan on how they planned to comply with the decree against them that requires them to pay ₹3,500 crore to the Japanese firm. It had also asked them to be present in person in the courtroom.

During the hearing on Friday, the elder sibling, Malvinder Mohan Singh, detailed a list of land and other assets that the RHC

Turn to Page 10

CRACKDOWN ON SHELL COMPANIES

Investors in unlisted firms can't file ITR-1, ITR-4 forms

SHRIMI CHOUDHARY New Delhi, 5 April

black money.

Directors and people with investments in unlisted companies and start-ups will now have to make extensive disclosures in the new income-tax return (ITR) forms, according to a Central Board of Direct Taxes notification for assessment year 2019-20. This will help the tax department to clamp down on shell companies and check routing of

FORMS TWEAKED

- ITR-1 has been rationalised; certain exclusions in ITR-4
- Seeks disclosures of directorship Additional disclosures for
- people having agricultural income

The board has widened the reporting requirements in most categories, including ITR-1 or Sahaj, which is

for the salaried class with income up to ₹50 lakh.

It has also sought details of agricultural land in ITR-2. In case net agricultural income exceeds ₹5 lakh, an individual will have to furnish details about measurement of the agricultural land and name of the district where the land is located. Agriculture income is exempt from income tax. Thus, details have been sought in the exempt income schedule.

Turn to Page 10

India Inc old brigade marches out

Directors aged 75 or more resign from over 200 firms as new Sebi rules kicked in on April 1

SUNDAR SETHURAMAN Mumbai, 5 April

Septuagenarian and octogenarian directors on the boards of India Inc were seen hitting the exit door before the Securities and Exchange Board of India's (Sebi's) new corporate

governance regulations kicked in on

April 1.

GOVERNANCE

have turned 75 or more have resigned from at least 228 companies in the past few months.

Directors who

Among them, 34 stated upfront that they were stepping down to comply with the new Sebi regulations. Others cited personal reasons and ailing health, while many quit without giving any reason.

Experts said most of the exits were



resolution in favour of the director's

continuation. More directors could

 $step\,down\,when\,their\,tenure\,ends$ and they are due for reappointment,

AGE VERSUS EXPERIENCE

- Special resolution for appointment of non-executive directors who are 75-year-old or more
- Special resolution requires 75% shareholders' votes
- Many directors of older age have quit citing Sebi rule
- Move sparks debate on whether age can be a ground for stepping down

experts added. Starting April 1, a non-executive director of 75 years or more can be appointed or re-appointed only by way of a special resolution, which requires 75 per cent 'for' votes. Moreover, an explanatory statement indicating the justification for

appointing needs has to be given by the company. The new regulation is based on the

recommendations made by the Kotak committee on corporate governance. The rule under the Companies Act that requires a special resolution for the appointment of executive directors above the age of 70 was the reference point for the recommendation.

GVK Power, Indiabulls Ventures, Godrej Properties and J&K Bank are among the companies whose nonexecutive directors have quit citing regulatory compliance as a reason for their cessation. There is a long list of prominent independent directors who have 'retired' or stepped down from their directorship, citing the Sebi regulation. These include noted economist YK Alagh, YH Malegham, R A Mashlekar, Vijay Kelkar, and Anil Dharker. Turn to Page 10

Zomato's revenues, expenses increase

NEHA ALAWADHI

Bengaluru/New Delhi, 5 April

Zomato has posted a threefold jump in revenues to \$206 million in the financial year ended March. However, the growth in the top line came by spending more than before on adding customers.

During the period, total cost rose more than sixfold to \$500 million against \$80 million in FY18, it said in its short-form annual report.

This indicated that the cost of customer acquisition may have significantly risen.

"Most of the losses (\$294 million) are on account of the food delivery business in India. We have had tremendous growth, aided by promotional marketing spends, to acquire new users and be the first-to-market in many cities," Deepinder Goyal, founder and CEO, said.

The growth, said Zomato, was driven by its core food business. It is expected to earn revenue of \$350 million in FY20 at the current pace of growth, a major improvement given the intense competition in the segment.



Zomato competes with Swiggy, Uber Eats, Foodpanda, and Dunzo. It has raised \$755.6 million in over 13 rounds, noted Crunchbase Delivery revenue for FY19

grew fourfold to \$155 million, compared to \$38 million in FY18. It now accounts for close to 75 per cent of the total revenue, up from 55 per cent in FY18. Though no comparative data on losses were available that the company said would be part of the audited financials, a major comfort would be the improvement in the unit economics of its food delivery business in India.

delivery, compared to ₹44 per delivery in March 2018. Our last mile cost per delivery is now ₹65, compared to ₹86 in March 2018," said the report.

IN BRIEF

Amazon launches India-first seller funding programme



Amazon India announced the launch of its sellerfunding programme – Amazon Wings – in partnership with Ketto, a crowd-funding platform, on Friday. Amazon India sellers can use Ketto's platform at a subsidised fee of 50 per cent for initiating fundraisers. The e-commerce giant

Will fulfil order for

supply of 255 e-buses

by July: Tata Motors

Tata Motors on Friday said it

255 electric buses to various

Torrent Pharma's

Dahei plant gets

USFDA observations

Ahmedahad-hased Torrent

Pharmaceuticals has received

five observations from the US

Food and Drug Administration

(USFDA) for its Dahej plant in

Gujarat that led the stock to

shed 2.8 per cent to end at

₹1848.9 a piece on the BSE on

Friday. The USFDA had inspected

the site between March 11 and

19. One of the observations

noted in the form 483 issued

was a repeat of 2017. Several

quality control documents were

found to be shredded. An email

sent to the company remained

BS REPORTER ◆

unanswered till the time of

would fulfil the order to supply

state transport undertakings by

has partnered with Ketto to launch a dedicated microsite to feature these fundraisers initiated by sellers. Sellers can now raise small ticket funds starting from ₹50,000 by means of crowd-funding through multiple individuals. "We are trying to understand hurdles faced by sellers on the platform. Ketto will help enable sellers to raise funds and foster innovation and new product development and empower the small business ecosystem on our marketplace," said Gopal Pillai, vice-president, Seller Services at Amazon India. "Crowd-funding can play a key role in helping entrepreneurs, especially businesses that foster both social impact and practical innovation," says Zaheer ROMITA MAJUMDAR∢ Adenwala, co-founder and CTO at Ketto.

Vikram Kirloskar takes charge as CII president

Vikram Kirloskar on Friday took charge as the president of the Confederation of Indian Industry (CII), the chamber said. Kirloskar is the chairman and managing director of Kirloskar Systems, and vice chairman of Tovota Kirloskar Motor. He takes over from Rakesh Bharti Mittal, vice chairman, Bharti Enterprises. Uday Kotak, the founder and MD & CFO of Kotal Mahindra Bank, is the president-designate and TV Narendran, the CEO & MD of Tata Steel, is the vice president for 2019-20, CII said.

Anoop Mittal demits NBCC CMD post after extension denied

The government has denied NBCC Chairman Anoop Kumar Mittal service extension till his date of superannuation. $resulting \, in \, his \, demitting \, of fice \,$ a good 10 months before he would have retired. Sources said Mittal's term came to an end on March 31, 2019 and he was entitled for extension till he attained superannuation age of 60 years in January 2020 but the government refused to extend



"We now lose ₹25 per

UPHOLDING TRUST Mumbai, 5 April ■ HUL is working on a he country's largest advertiser, Hindustan Unilever (HUL), is drawing up a list of trusted online publishers it will work with to ensure greater digital transparency, reduction of ad fraud and bring down the menace of toxic advertisements Last week, HUL's parent Londonand-Rotterdam-based Unilever had announced it was setting up a "trusted publishers' network", which would include global, regional and

executive officer, Greater South Asia, Dentsu Aegis Network. "So these platforms could be a part of the whitelist. As far as local names are concerned, advertisers such as

HUL to work with trusted

network to fight ad fraud

Publishers could include Google, Facebook, Twitter, Amazon, Flipkart

HUL will see whether they adhere to the criteria laid out as part of the trusted publishers network," he savs.

Shrenik Gandhi, chief executive officer, White 2018 and is Rivers Media, which is a digital agency based in at the rate of 23 Mumbai, said HUL would look at impact, high growth potential and return on investment when

choosing a publisher to work with. "Of course, the issue of ad fraud will also have to be monitored closely since fake click farms have been growing in recent years," he said.

According to technology consultancy techARC. India's share in global digital ad fraud stood at 8.7 per cent in 2018 and is expected to grow at the rate of 23 per cent in 2019 owing to sophisticated techniques adopted by fraudsters.

"The impact of digital ad-fraud now goes beyond diminishing the returns on marketing spends and can jeopardise the entire digital transfor-

mation journey hampering brand equity, relevance and positioning among other ramifications," said Faisal Kawoosa, founder and chief analyst at techARC.

trusted publishers' list

as the need for digital

transparency grows

The move is part of a

global mandate and will

Parent Unilever has been

canvassing for a cleaner

Last year, Unilever said

it would reduce spends

did not filter content

on platforms that

digital ecosystem for long

include online platforms who

adhere to the company's norms

Some experts said HUL's move to come up with a publishers' whitelist could goad other advertisers to go down that road. "HUL is the largest advertiser in the country and its parent Unilever is amongst the largest advertisers in the world. In many respects what they do sets the

agenda for the industry both in the country and the world and their latest move could push other companies to follow suit," said Harish Shriyan, chief executive officer, Omnicom Media Group India.

According to the Pitch Madison Report, released in February, HUL's ad spends for calendar year 2018 was in the region of ₹3,400 crore, which is nearly 10 per of its FY18 turnover of ₹35,218 crore. The second- and third-largest advertisers in India such as Reckitt Benckiser and Procter & Gamble respectively spent around ₹700-850 crore last year, which is half of HUL's ad budget.

CCI okays L&T proposal to buy 66% in Mindtree

Bengaluru, 5 April

stake in Mindtree.

The Competition Commission of India (CCI) on Friday approved engineering and construction major Larsen & Toubro's (L&T's) proposal to acquire up to 66.15 per cent

With this nod, L&T has overcome the first major regulatory hurdle in its bid for 'hostile' takeover of the Bengaluru-headquartered IT services firm. "CCI approves acquisition of up to 66.15 per cent of the total equity shareholding of Mindtree, on a fully diluted basis, by Larsen and Toubro," the India's competition watchdog announced on Twitter.

According to legal experts, though the proposed deal has been okayed by the Indian regulator, it would still require approvals from anti-trust authorities in foreign jurisdictions such as the US and Germany as Mindtree operates in those geographies.

"For transactions that exceed prescribed thresholds, the approval of the CCI becomes a crucial step. Particularly, it is a key regulatory approval for the acquirer," said Archana Tiwary, partner at J Sagar Associates. Experts also said that as obligation of receiving the competition watchdog's approval lies with the acquirer, the consequence of a refusal could lead to complete failure of the deal.

After sealing a deal to purchase V G Siddhartha's 20.32 per cent stake in Mindtree on March 18, L&T has mounted a takeover bid on the midtier IT services firm by placing orders to buy a further 15 per cent stake from the open market, besides making an open offer to buy an additional 31 per cent stake at ₹980 per share.

For a controlling stake of 66 per cent in Mindtree, L&T is likely to spend around ₹10,700 crore.

The panel of four independent directors of the IT services firm is evaluating the open offer of L&T for providing reasoned recommendations to shareholders. On Tuesday,



WHAT NEXT

- L&T has now overcome the first major regulatory hurdle in its 'hostile' takeover bid for the Bengaluru-headquartered firm
- Experts, however, say it would still need approvals from anti-trust authorities in the US and Germany where Mindtree operates
- As obligation of receiving the competition watchdog's approval lies with the acquirer, the consequence of a refusal could lead to complete failure of the deal

this committee appointed Khaitan and Co the legal advisor and ICICI Securities as the financial advisor for assisting it in this process.

While Mindtree can give a counter offer by April 16, the committee of independent directors will give its recommendations to shareholders on L&T's open offer by May 10. The open offer, according to L&T's disclosures, will be between May 14 and May 27. Meanwhile, after opposing L&T's

takeover bid, founders of the company recently indicated they were open to negotiations, marking a significant change to their earlier stance. In an interview to Business Standard, Krishnakumar Natarajan, executive chairman of Mindtree, had said a 'middle ground' could certainly be explored through mutual discussions to protect the interests of Mindtree's stakeholders.

chge (%)

Dec '18

chge (%)

-3.43

-6.44

-6.90

-7.62

JSW Steel raising \$500 million from overseas bond sale

PRESS TRUST OF INDIA Mumbai, 5 April

local online platforms.

stereotypes.

By toxic, the reference is to mate-

Last year, Unilever had said it

rial that whips up hatred, is discrim-

inatory in nature and has explicit

would reduce spends on online and

social media platforms that did not

filter out content which was divisive

or promoted hatred and gender

Unilever spokesperson said the pub-

lishers who would be a part of its

trusted network would be assessed against kev established criteria. "We

are not sharing specifics about which

publishers are included in the net-

work. But our local media teams

(including in India) with their agen-

cies are leading the effort across all

geographies," the spokesperson said.

as Wunderman Thompson and

Ogilvy & Mather in India. Its media

agency is GroupM. Executives at

GroupM could not be immediately

reached for comment on the publish-

ers list for India. But ad and media

industry experts say the trusted pub-

lishers network in India could

include names such as Google,

Facebook, Twitter, LinkedIn and

Snapchat as well as marketplaces

such as Amazon and Flipkart where

have systems and processes in place

to track ad fraud and help reduce tox-

ic content," says Ashish Bhasin, chief

"Typically, the larger platforms

HUL works with ad agencies such

In an emailed response, a

sexual and pornographic content.

July, while admitting delays due Leading alloy maker JSW Steel is entering the dolto supply constraints of batteries. The company said it had lar bond market with a benchmark issue to raise delivered the first batch of elecup to \$500 million in debt, sources said on tric buses to various STUs as per Thursday. The issue has received Ba2 rating with a positive outlook by global ratings agency the FAME I tender wins. The firm denied reports that it has been Moody's Investors Service. The fundraising is in line with a May 2017 for delays in deliveries.

board resolution to raise up to \$1 billion in one or

more tranches by selling bonds in the international markets, the company told the exchanges. Merchant banking sources con-

firmed that the company is looking to raise up to \$500 million through the bond sale. The firm, with an installed capacity of 18 million tonne per annum, said senior management would hold roadshows in Hong Kong and

London next week for the bond issuance. In a note, Moody's said proceeds from the issue will be utilised for retiring some debt and also for capital expenditure. The company has \$500 million of senior unscured notes maturing in November and an equal amount in unscured

bonds maturing in April 2022, the agency said. The rating reflects the company's large-scale and strong position in its key markets, good product and end market diversification, it added.

Meanwhile, Fitch Ratings while assigning a 'BB' rating for the issue said the rating reflects its highly competitive conversion costs and position as one of the largest steel producers in India.



A techARC study

says India's share

in global digital

ad fraud stood at

expected to grow

per cent in 2019

8.7 per cent in

TELCOS OPERATING UNDER STRESS

Even as telecom companies continue to be under stress as the adjusted gross revenue (AGR) for the industry declined by 6.4 per cent YoY at the end of the December quarter, according to data released by the TRAI, on a sequential basis, one can see some improvement in the licence fee and spectrum usage charge (SUC).

Telcos pay SUC and licence fees to the DoT on the basis of their AGR. A sequential rise in these indicates the beginning of a revival in the industry. The past few quarters have witnessed a steady rise in terms of subscriber numbers, even as the urban subscriber base has either slipped or remained stable. Average minutes of usage per subscriber per month from wireless services has risen 6.37 per cent sequentially to 667 in the quarter to December. **COMPILED BY SOHINI DAS**

Sector financials Gross revenue

Access services contributed 72	(Service provider-wise AGR)			ARPU (₹/subscr	iber/	
Spectrum usage charge (SUC)	1,152		1,043	1,064	2.00	-
Licence fee	3,104		2,889	2,890	0.03	-
Adjusted gross revenue (AGR)	38,536		36,142	36,054	-0.24	-
0.000.000.000	0-1002		0.,0=.	00 00-		

Access services contributed 72.31% of the total adjusted gross revenue of telecom services

■ 0E Sep 2018 ■ 0E Dec 2018 (Figures in brackets % change)

Reliance Jio Vodafone Idea

Bharti

BSNL

month) Y-o-Y chg (%) -12.33 Q-o-Q chg (%) 4.06

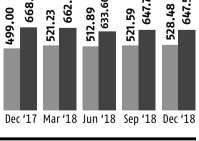
QE Dec QE Sep QE Dec 2017 2018

Subscriber base

■ Sep '18	■Dec '18		
	Subscriber base (million)	Rate of growth (%)	Market share (%)
Vodafone Idea	435.22 419.03	-3.72	36.50 34.90
Bharti Airtel	347.52 344.30	-0.93	29.17 28.74
Reliance Jio	252.25 280.12	11.05	21.17

Vodafone and Idea have been merged during the quarter ending (QE) September 18

Rural wireless subscriber base is on the rise Subscriber base (mn)



After HC order, more trouble ahead for apps similar to TikTok

Ministries say they are keeping a watch, with states having complained and wanting a ban

going to press.

KARAN CHOUDHURY & NEHA ALAWADHI Bengaluru/New Delhi, 5 April

Popular Chinese video apps such as TikTok, Kwai, LIKE and a host of others might be on borrowed time in India.

The Madras High Court's direction on Thursday to the central government for a ban on TikTok is the first indication in this regard of what seems likely over the coming months.

Highly popular in tier-III cities and towns, with an estimated 300-plus million users, these apps are now on the radar of the home and information technology (IT) ministries, after a slew of complaints. According to official sources, various states are contemplating bans over the next few months, on the worry that these platforms encourage child pornography,

nudity and the spread of fake news. We have received a lot of complaints

from southern states, including Tamil Nadu, as well as West Bengal and Assam in the east. We are monitoring the situation and if the need be, we will ban some of these apps. Also with elections around, we do not want to take any chances," said a senior home ministry official.

The Madras High Court said TikTok was "encouraging pornography". The order also directs the media from telecasting videos made by using the app.

According to IT ministry officials, misuse of these portals has been immense, given their popularity in the smaller cities and towns. With many there only recently acquainted with technology, their susceptibility to organised online porn networks or fake news is thought to be more.

"While they claim they have moderators, a lot which can be described only as porn and bawdy content is

NO CHILD'S PLAY

■ Many states are contemplating bans over complaints that these apps encourage child pornography, nudity, and the spread of fake news

■ Officials say misuse of these portals

- has been immense, given their popularity in the smaller cities, towns ■ Madras High Court says TikTok is
- "encouraging pornography" ■ Experts say banning such apps is

not a long-term solution

allowed on these portals. Children as

young as 10 are posting videos and there is no one to moderate them," said an IT ministry official. Sector experts say, though, that banning such apps is not a long-term

solution. "Banning a particular app might

reduce circulation of content to some

extent. (However) Most of these applications are hosted out of servers in China or outside India, although section 75 of the IT Act provides extra-territorial jurisdiction," said Salman Waris, managing partner at TechLegis Advocates & Solicitors.

Some within the industry were of the

view that the ban was appropriate given the content hosted on TikTok.

"It is encouraging to see the Madras High Court taking on Chinese platforms like Tik Tok that are known hubs for inappropriate content and which use gullible Indian children as test cases for their AI tools. The court has in essence done what the government has failed to do in recent months to ensure safety on the Internet," said an official at a social media platform.

Experts would like more checks and balances at these platforms. "The technology now exists to let individuals securely prove their age online. Using digital identity technology, individuals can share specific details -- just their verified age, date of birth or even an 'over 18' attribute. This ensures only those of the appropriate age can access the platform and its content, whilst protecting their privacy and personal information," says Shantanram Jonnalagadda, country head in India for Yoti, a London-based digital identity service entity.

After the high court order, the company which issued TikTok had said: "We fully comply with the Information Technology (Intermediaries Guidelines) Rules, 2011. We are currently awaiting the official order and once received, we will review and take appropriate action. Maintaining a safe and positive in-app environment at TikTok is our priority. We have robust measures to protect users against misuse, to protect their privacy and digital wellbeing." Helena Lersch, global public policy director of the shortvideo sharing platform, had earlier told Business Standard they had a strong content moderation mechanism.

"We have robust measures in place. We have reporting mechanisms, community guidelines; we only allow content that follows community guidelines. We forbid hate speech. violent content, pornographic content, minors. So, the moment we are made aware of this content, we are taking it down with a team that works on that 24x7. We have a large content moderation team in place," she had said.

COMPANIES 3

TURBULENCE IN THE SKIES

10C cuts fuel supply to Jet, resumes after assurance

As planes were stranded for over 3 hours, passengers were asked to deboard

ANEESH PHADNIS & AMRITHA PILLAY Mumbai, 5 April

ndian Oil Corporation (IOC), the country's largest refiner, stopped fuel supplies to cash-strapped Jet Airways on $Friday\, afternoon, grounding\, its$ operations for three hours. The supply was resumed after the airline gave an assurance on settling the dues.

Jet has been operating a truncated schedule with over 100 daily flights, and this has resulted in depleting ticket sales. The release of lesser-thanassured interim funding from the banks has increased the financial strain, and the airline has cash to manage operations only for a few days.

"Fuel supply to the airline was stopped briefly in the early part of the afternoon, but was later resumed after an assurance from the airline over payments," said a person who did not wish to be identified. It is not clear for how long will resumed supply continue.

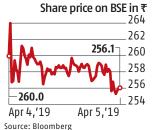
Till late Thursday, the airline enjoyed uninterrupted supply from the oil marketing company because till then the dues were within the bank guaran-



said the person quoted earlier. However, Jet did not respond to the queries. On Thursday, too, fuel supply was discontinued for a brief period but the issue was resolved and operations normalised.

On Friday afternoon, Jet planes were stuck at Mumbai, Bengaluru and Delhi as IOC refused to supply aviation turbine fuel.

Passengers who had boarded the planes were asked to deboard, and informed the delay was due to "technical reasons". The stranded flights departed in evening upon resumption of fuel supply.



The airline's lenders have decided to call for bids for a stake in Jet, but could not reach a consensus on providing emergency funding. As a part of the resolution plan, lenders had agreed to provide ₹1,500 crore. But, the plan has been reworked

While some lessors have

ment with Jet,

sources have told

Reuters, the latest

series of applica-

with the lenders advancing the stake sale process.

The airline management was informed the lenders would release additional funds if there was some assurance of an investor coming on board the airline, a source said.

On Thursday, the lenders agreed to release only ₹150 crore to the airline, and large part of that would be used to pay lessors. The airline has been forced to ground 80 per cent of its fleet on non payment of lease, resulting in massive flight cancellations. Forward bookings, too, have slumped, and passenger confidence in the

'Global CEOs back our stand against protectionism'



Nasscom said on Friday **KESHAV MURUGESH**, who is also CEO of WNS Global Services, is taking over as the new chairman. This is the first financial year the IT industry body is discontinuing the practice of

giving annual growth guidance. Angel tax has also created concerns in the start-up ecosystem. Murugesh tells Debasis Mohapatra Nasscom's focus areas will be skilling and reskilling. Excerpts:

Nasscom has discontinued giving annual growth guidance from this year. Does it indicate the losing relevance of the body?

I am coming at a crucial juncture. But there is no negativity (with issues such as no guidance on growth from this year). There are many opportunities in the market, and I am excited to hold this responsibility. The disruption in client geographies opens up opportunities for Indian firms in the areas of deep technology.

So, you are saying it is more of a business reality now?

With all the disruptive changes. and the available opportunities, it is important to appreciate that the old way of giving guidance is no longer relevant.

What will be your priorities?

Skilling and reskilling is an important area to manage new business. With all the disruption, we need high-quality talent. I believe the ability to go after deep tech areas will not only affect international client markets but also the domestic one. Also, the ability to adopt technology models to drive inclusive growth through creation of jobs in tier-II locations is a key aspect for us. Exploration of new markets will be another priority.

Protectionism is on the rise with increasing difficulties in moving Indian engineers to onshore locations. Do you feel Nasscom will be able to address this pain point under your leadership?

We have to understand the business model has transformed a lot. We should not expect clients to look for solu-

tions only driven from offshore locations. It is exciting that firms in the sector are focussed on creating innovative solutions to expand the market for our services. It is the reason most IT firms are setting up newer centres in onsite geographies in new technology areas. On the other hand, we have seen the protectionist theme across the globe. Therefore, from an organisation point of view, we have to appropriately explain why global companies are able to perform (well). To a large extent, it is because of the availability of strong talent from India, But, we have to take the right steps. There is a lot of support from the CEO community in client geographies to our

The tax department's advance ruling said the back office support services qualify as 'intermediary' services, and not exports. If this interpretation stays, most will beliable to pay tax...

The governments, whether state or Centre, are extremely supportive of the role Nasscom plays, its impact, and its member companies. Therefore, as new policies are formulated, they are continuously engaged with the industry for right policies to be created. So, the confusions would be ironed out.

More on business-standard.com

"Overall we expects a negaweak, notwithstanding recent ing challenges for developers, resulted in lower sales of under-

Lessors to Jet plan to de-register more planes

ADITYA KALRA AND ADITI SHAH

New Delhi, 5 April

Lessors to Jet Airways are planning to ask the Directorate General of Civil Aviation (DGCA) to de-register matter many more planes leased to Reuters. Once a next 10 days to the airline, three sources said, signalling a planned bailout tered, the lessors 15 planes that have

that have already been already taken a few planes out grounded, over the next 10 of India after a mutual agreedays, one of the

sources with direct About six lessors are knowledge of the **expected to apply to** told the DGCA over the

plane is de-regis- de-register up to

tions to the DGCA would be on a non-consensual

vate carrier controlled by its lenders, has had to ground over three-quarters of its fleet of 119 planes, many due to non-payment to lessors, leading to hundreds of flight cancellations. Avolon, one of the world's biggest aircraft lessors, on Thursday applied to the DGCA to take two of its planes placed with Jet outside of India, making it the first to

Negative outlook for residential real estate sector, says Icra

Owing to weak consumer sen- environment, and low affordtiments despite the recent ability levels for buyers. announcement of various sops for the buvers, the cuntry's residential real estate sector outlook remains negative, the report said.

agency Icra, factors responsible for negative outlook are demand-supply mismatches in many markets and product challenging macro-economic construction houses.

tive outlook on the Indian residential real estate sector. Consumer sentiment remains According to the rating sops for the sector announced in the union budget," Icra group head Shubham Jain said. Icra further noted that the rationale to revise the rates has segments, leveraged balance been to reduce the high headsheets and continuing fund- line GST rates, which have

of the debt-laden carrier is fail- are free to take been grounded basis. Jet did not ing to assuage their concerns. them out of the immediately About six lessors are country and lease them to oth-respond to a request for compull planes out on a non-conexpected to apply to the DGCA er airlines. ment. Jet, India's oldest pri-

4 WORLD

Malpass elected new president of World Bank

Washington, 5 April

Senior US Treasury official David Malpass was appointed president of the World Bank Group, placing a loyalist of President Donald Trump at the helm of the development lender.

Malpass was unanimously selected to serve a five-year term from April 9, the World Malpass was unanimously Bank's executive board said in a statement on Friday.

Trump nominated Malpass in February, choosing a loyal supporter who had been sharply critical of China and called for a shakeup of the global economic order. Critics including Nobel laureate Joseph Stiglitz questioned the selection, pointing to Malpass's doubts about international cooperation. grow into dynamic emerging But no other countries pro- markets.



selected to serve a five-year term from April 9 PHOTO: REUTERS

posed any candidates to challenge Malpass, making his selection by the board all but assured.

Before his nomination, Malpass portrayed the World Bank as too big, inefficient and reluctant to cut funding for developing countries that

Trump urges Fed to lower US interest rates

Washington/New York, 5 April

President Donald Trump said on Friday the US Federal Reserve should lower interest rates and take other unconventional measures to ease pressure on an economy that he said they slowed down.

"I think they should drop rates," Trump told reporters. "I think they really slowed us down. There's no inflation." The US president also suggested that the central bank pursue an unconventional monetary policy called "quantitative easing"that was used to nurse the economy back after the global financial crisis. The technique used from 2008 to 2014 involved buying trillions of government-sponsored bonds.

"It should actually now be

Trump's repeated public attacks on Fed policy and his intention to nominate two political allies to the central bank's board of governors has led some analysts to see the economic policymaker's cherished independence as under attack. The White House has said it does not wish to undermine the central bank's

The renewal of quantitative

easing, Trump said, should be in addition to interest rate cuts - a likely worrying thought, at this point, for Fed officials who describe such a combination of tactics as only appropriate in a dire downturn. On Thursday, Trump said he plans to nominate his political ally Herman Cain, the former head of Godfather's Pizza, to one of two vacancies on the Fed's sevenquantitative easing," Trump member Board of Governors.

independence.

May asks EU for Brexit delay

PM asks for June 30 deadline; the bloc 'willing' to offer even more time — up to a year

REUTERS London/Brussels, 5 April

https://t.me/TheHindu_Zone_official

ritish Prime Minister Theresa May wrote to European Council President Donald Tusk on Friday asking for a delay of Brexit until up to June 30, but said she aims to get Britain out of the EU earlier to avoid it participating in European elections.

An EU official signalled that Donald Tusk, the chairman of EU leaders, could be willing to offer even longer: Up to a year for Britain's feuding politicians to agree and ratify a plan.

France, however, indicated it was not yet ready to accept an extension unless the British presented a clear plan which would justify such a delay.

"We're not there today," a source close to French President Emmanuel Macron told Reuters.

Britain is now due to leave the EU in a week, but May has been forced to seek more time after Britain's parliament failed to approve a withdrawal agreement.

Her Conservative Party is deeply divided, as is the main opposition Labour Party, leading to an extraordinary series of inconclusive votes in parliament that have stretched Britain's centuries-old unwritten constitution to its limits.

Scenarios that run the gamut from abandoning the EU abruptly with no exit deal to cancelling Brexit altogeth-



Britain is due to leave the EU in a week, but Theresa May has been forced to seek more time after Britain's Parliament rejected her agreement

Obscure parliamentary

procedures have been resur-

rected from the rulebooks

providing daily drama from

the House of Commons, but

the future of Britain's biggest

change in generations has

become no clearer. After final-

ly recognising that her minor-

ity Conservative government

could not push through a

Brexit deal on its own, May

started talks this week with

Labour leader Jeremy Corbyn

in the hope of coming up with

the need for more time,

But that means accepting

a cross-party solution.

er have all gone down to including the prospect that Britain might have to hold European Parliament elections on May 23, which May has long said she hoped to avoid at all cost.

"The United Kingdom proposes that this period should end on 30 June 2019," May said in the letter.

'The government will want to agree a timetable for ratification that allows the Bucharest. United Kingdom to withdraw from the European Union before 23 May 2019 and therefore cancel the European Parliament elections, but will continue to make responsible prepara-

tions to hold the elections should this not prove possi-

Tusk, who convenes a summit of EU leaders next week, is likely to offer Britain a flexible extension of up to a year, with the possibility of leaving sooner, a senior EU official said. "The only reasonable way out would be a long but flexible extension. I would call it a 'flextension','

the official said. As in May's proposal, the extension could be terminated early if Britain ratifies the withdrawal agreement.

"It seems to be a good scenario for both sides, as it gives the UK all the necessary flexibility, while avoiding the need to meet every few weeks to further discuss Brexit extensions," the official said.

Premature?

Any extension must be agreed by all 27 of the other EU countries. France in particular has signalled that it would not automatically give Britain whatever May sought.

"If we are not able to understand the reason why the UK is asking for an extension, we cannot give a positive answer," Finance Minister Bruno Le Maire told reporters in

The French diplomatic source called the extension idea premature and "clumsy".

However, other European politicians have signalled they would be happy to give Britain time to rethink.

Google disbands Al ethics board

Google on Thursday confirmed that it has disbanded a recently assembled artificial intelligence ethics advisory panel in the face of controversy over membership.

The end of the Advanced Technology Advisory Council (ATEAC) came just days after a group of Google employees launched a public campaign against having the president of conservative think-tank Heritage Foundation among its members.

Another member of the board had already resigned. and the inclusion of a drone company executive had rekindled concerns about potential military uses of artificial intelligence, according to Vox news website, which first reported on the council being disbanded.

cil and going back to the drawing board."

Govt urges banks to show results of gold scheme

Mumbai, 5 April

n a meeting held on Friday, finance ministry officials asked banks to show results in the existing gold monetisation scheme (GMS) said a bank official having knowledge of the development.

The scheme has not seen much success since its launch in November 2015, and just about 15 tonnes of gold have been mobilised.

Ministry officials told leading public sector and private sector bank executives that they should ensure that idle gold is deposited under the scheme and that there was "no revamped GMS coming in the next three months". Whatever changes in GMS and any other gold schemes are to happen will take place only after the new government takes charge.

The major issue for banks was that they were finding the scheme unviable even after getting the existing compensation by way of interest rate and cost given

by the government.

the Under hallmarking scheme, a cuscentres have told tomer has to give the govt in the gold to a hallmarkpast that a few ing centre, which tons of gold can works as a colleceasily be mobilised under tion and assaving centre. The gold is the GMS once then forwarded to a refinery, which the tripartite then sends them agreement to banks in the form of bars.

Based on the hallmarking centre's receipts, the bank opens customer's gold deposit account.

The banks, the Centre and the refinery have to sign a tripartite agreement to



The major issue for banks was that they were finding the scheme unviable even after getting the existing compensation by way of interest rate and cost given by the government

operationalise the scheme. Hallmarking centres' association said banks are vet to sign the final agreement with gold refineries. The banks in all previous meetings have told the finance ministry that the scheme was not viable for them. Banks had

sought many relaxations, including exempting such gold deposits from cash ratio reserve (CRR) requirements. Other suggestions to finance ministry

include allow-

ing banks to open gold metal account and return physical gold on maturity, which will attract temple trusts, who are sitting on several thousand tons of idle gold.

In Friday's meeting, a

source said an official told them that there would be no CRR exemption this quarter. However, banks need to show results as "nudging by the ministry official was almost like an order", the source said. Banks will now need to identify branches where they see higher potential to mobilise gold.

Refineries and hallmarking centres have told the government in the past that a few tons of gold can easily be mobilised under the GMS once banks sign the tripartite agreement.

Three months back, the Reserve Bank had allowed charitable institutions, the Centre and state government entities to deposit gold. However, banks are yet to procure gold from them, said the industry observer.

Sources said banks would now "tap such wholesale depositors, rather than retail investors, to mobilise gold under the scheme".

Retail securitisation volumes double in FY19

Liquidity squeeze drives many NBFCs to sell loans

ABHIJIT LELE Mumbai, 5 April

The retail securitisation volume in the Indian market more clarification that securitised than doubled to ₹1.9 trillion in 2018-19, compared to ₹85,000 crore for 2017-18, driven substantially by mortgage lenders, a CRISIL study shows.

Securitisation refers to packaging loans such as auto loans and home loans and the credit card debt of banks and lenders as debt.

part of the loans to generate liquidity for running businesses. The rating agency says

This helps lenders to sell

spurt in volume. One, a few large mortgage players returned to the market in the first quarter of 2018-19 after assets were not liable to the goods and services tax (GST).

Two, non-banks (housing finance companies and nonbanking finance companies) rushed to securitise receivables because conventional sources of resource mobilisation came pressure September 2018.

The system witnessed a liquidity crunch in the third quarter of FY19 after IL&FS group entities defaulted on there were three drivers to the payments for commercial the DA volume as 92 per cent of

papers and bonds.

Three, the Reserve Bank of India's (RBI's) notification relaxing guidelines on minimum holding period requirements in securitisation transactions, backed by long-tenure loans, increased the availability of eligible securitisable assets.

Direct assignments (DAs) continued to be the preferred route, accounting for 64 per cent of the securitisation volume. While DA transactions went up 146 per cent, pass-through certificates (PTCs) soared 95 per cent. The volume of PTCs reached ₹69,000 crore.

Mortgage-backed transactions originated by housing finance companies and invested in primarily by public sector banks accounted for the bulk of

mortgage transactions are happening through the DA route.

Said Krishnan Sitaraman. senior director, CRISIL Ratings, "Three asset classes — mortgages, vehicle loans and microfinance loans — constituted 84 per cent of the securitisation volume. Growing investor comfort with these asset classes and steady asset quality metrics sup-

ported growth." Relatively new asset classes such as gold loans, loans to small and medium enterprises, and personal loans are also getting securitised, underscoring a potential broad-basing of the market, it said.

Heading into 2010-20, some tailwinds that aided the market in fiscal 2019 are abating. Among other factors, pent-up supply following GST imple-

mentation has exhausted, regulatory relaxation on the minimum holding period is available only till May 2019, and the funding environment for non-banks is gradually stabilising. But new supportive factors are emerging in their place.

Rohit Inamdar, senior director, CRISIL Ratings, said: "Securitisation will continue to clock decent volumes despite changing market dynamics. The spotlight on asset-liability maturity management by the recent liquidity crunch should result in nonreducing their banks dependence on short-term funding sources. That could spur healthy appetite for securitisation transactions, which have no negative asset-liability maturity mismatches."

Banks' stressed asset sale to ARCs off to a slow start

NAMRATA ACHARYA

Kolkata, 5 April

With Central Vigilance Commission (CVC) raising doubts over the sale of stressed assets by banks to asset reconstruction companies (ARCs), the process has started on a low pitch this financial year.

Recently, CVC suggested that banks have a monitoring mechanism for bad loan sales to ARCs, with the cash flow statement from stressed assets shared with banks, according to top bankers in public sector banks (PSBs). CVC is of the view that in many cases the management fee and other expenses charged by the ARCs to banks are not fair.

"Now, certain additional

caveats that have been brought in are acting as a dampener for the ARCs. The regulatory requirement is that the ARCs have to make cash flows statements available to the bank. What is How is the management fee

CASE IN A NUTSHELL

- CVC has advised banks to keep tabs on cash flows of assets sold to ARCs
- Banks expect formal guidelines on ARC sale
- Returns from security receipts have been negligible for banks
- CVC has raised concerns over use of management fee paid to ARCs
- Banks prefer resolution through NCLT, rather than ARC sale

getting used? These are the which the haircut is deterquestions ARCs need to answer. So. ARCs are quoting their price a bit conservatory. The that kind of enthusiasm which was visible earlier, it has gone down," said head of public sector bank.

Banks too are in favour of having a monitoring mechanism for sale of assets to ARCs.

"CVC has asked for more happening to that assets? transparency in the deals, with a kind of policy under More on business-standard.com

mined. This will eliminate distress sale of assets by banks." said another head of a public sector bank.

While formal guidelines on monitoring mechanism of loans sold by banks to ARCs are yet to come, banks are already acting on the CVC's suggestions in seeking details of expenses incurred and cash flows in the stressed

BoI to divest 25% in Star Union Dai-ichi Life for over ₹1K crore

SUBRATA PANDA Mumbai, 5 April

State-owned lender Bank of India (BoI) is planning to sell 25.05 per cent equity stake in and sale of non-core assets. Star Union Dai-ichi Life Insurance for ₹1,106 crore at ₹170.50 floor price of each share.

BoI has 28.96 per cent equity stake in Star Union Dai-ichi Life insurance. Other joint venture the insurance sector has seen partners in the life insurance many joint venture partners sellcompany are Union

Bank of India and Japan-based Dai-ichi Life Holdings. Union Bank of India owns 25.1 per cent stake in the life insurance company, whereas Dai-ichi Life holdings

with 45.94 per cent stake is the ing stake. majority shareholder.

After the stake sale, BoI will hold 3.91 per cent stake in Star

Union Dai-ichi Life Insurance. In an exchange filing, BoI said it had floated a Request for Proposal (RFP) for sale of equity stake of up to 64.8 million shares of Star

Union Dai-ichi Life Insurance,

having a face value of ₹10 each The proposed stake sale by BoI

is a part of the bank's strategy to raise money via monetisation of its stake in strategic investments

For the proposed stake sale Bank of India has appointed RBSA Capital Advisors as the financial advisor.

In the last couple of months,

ing their stake in the respective life insur-After the stake ance companies sale, Bol will hold 3.91% Mostly, the listed companies such as stake in Star ICICI Prudential, SBI Union Dai-ichi Life and HDFC Life Life Insurance have had their joint venture partner sell-

In the first nine months of FY19, the life insurance company has earned premiums worth ₹1.211 crore. The profit of the company after tax stood at ₹55 crore in the same period.

Shares of BoI closed at ₹100.90, down 0.10 per cent from its previous close at the BSE.

https://t.me/SSC4Exam https://t.me/Banking4Exam https://t.me/UPSC4Exam IN BRIEF

SC stays HC decision asking **AJL to vacate Herald House**



The Supreme Court on Friday stayed the Delhi High Court order, asking Associated Journals (AJL), publisher of Congress mouth piece National Herald, to vacate the Herald House building. AJL moved the apex court against the high court order, which dismissed its plea to restrain the Centre from taking any "coercive steps" for vacating the premises at Herald House in ITO area in the national capital. The high court had held that the entire transaction

of transferring shares of AJL to Young Indian (YI) firm, in which Congress President Rahul Gandhi and his mother Sonia are majority shareholders, was a "clandestine and surreptitious transfer of the lucrative interest in premises" to YI.

India mulls hosting second WTO meet next month: Prabhu



India is planning to host the second informal meeting of trade ministers from about 20 member nations of the World Trade Organization (WTO) next month amid growing challenges for global trade Commerce and Industry Minister Suresh Prabhu has said. This meeting assumes significance as several countries are raising questions over the relevance of the global trade body. Many countries are also taking protectionist measures, impacting global

Focused on reducing non-viable PSUs, says Secretary DPE

The Department of Public Enterprises (DPE) is now focused on reducing nonviable companies, after bringing 19 state-owned enterprises to closure under strategic disinvestment, a top official said on Friday. Secretary in the DPE Seema Bahuguna said the government had revamped the dispute resolution mechanism for central public sector enterprises (CPSEs) to reduce litigation and unblock public money. "We focus on strategic disinvestments, as part of which, 19 CPSEs have been brought to closure by now. We are focused on reducing non-viable companies now," she said.

PFS, US-India Clean **Energy Finance** initiative join hands

PTC India Financial services (PFS) on Friday joined hands with the US-India Clean Energy Finance (USICEF) initiative. USICEF, managed by Climate Policy Initiative (CPI), was founded in 2017 in partnership with the Indian Ministry of New and Renewable Energy, OPIC, IREDA, and leading US foundations. USICEF supports early-stage projects to scale up, de-risk and become investment-ready. As part of the partnership, PFS will look at new distributed solar power proposals being implemented by reputed developers under various BS REPORTER4

compel tech firms to hire more locals Restrictions on the H1-B visas

H1-B visa restrictions

by the US have compelled Indian tech companies to hire more locally. This led to an escalation in employee costs, a rating agency said on Friday. The second-largest IT exporter Infosys led with 2,122 visa denials in fiscal year 2017-18, followed by its larger rival TCS with 1,896 rejections, the report by Care Ratings said. "The increasing protectionist measures imposed by the US administration to safeguard US workers are directly having an adverse impact on the Indian IT majors," it said. Of the top three firms with highest H-1B visa denials in FY18, Cognizant was leading with 32 per cent denials followed by two Indian IT majors namely Infosys and TCS with 26 percent and 18 percent, it said.

 $back\,of success\,of\,FAME\,II\,and$

other measures, according to

a NITI Aayog report. The

penetration of EV vehicles

could reach around 80 per

and 30 per cent for private

Transformation: Progress to

Opportunities – by the NITI

report quantifies direct oil

vehicles incentivised under the FAME II would deliver. PTI-

Cooperation with

says NASA chief

agency James Bridenstine

(pictured) has said, days after

he criticised India and termed

its anti-satellite weapon test a

Administrator Bridenstine said

"terrible thing" for creating

about 400 pieces of orbital

debris. In a letter to ISRO

Chairman K Sivan, NASA

"based on the guidance

received from the White

human space flights.

House", he looks forward

continuing to work with ISRO

on a host of issues including

Isro remains intact.

The coop-

ISR0 rem-

ains intact

chief of the

US space

and carbon savings that

Aayog and the Rocky

Mountain Institute. The

cars, the report - India's

Electric Mobility

Date and Future

cent in case of two-wheelers

Shaktikanta talking to each oth-India could achieve er. As reported earlihigh penetration of er, the government is planning to autho-EV by 2030: NITI report rise the RBI to refer India could achieve high companies to the penetration of electric Insolvency Bankruptcy Code (IBC) vehicles (EV) by 2030 on the

on a case-by-case basis. The EC's Model Code of Conduct, in force from March 10 till the end of the Lok Sabha elections, restricts announcement of new schemes/projects and also grant of new reliefs after the announcement of elections (see box).

ARUP ROYCHOUDHURY

he Reserve Bank of India (RBI) is likely to

Election Commission (EC)

before releasing its new set of

guidelines to banks, which will

replace its February 12 circular

that was quashed by the

Supreme Court earlier this

week. The new circular is

expected to be out in the com-

ing a circular does not relate

to publicity or elections in

any way, the Election

Commission does have a

remit over any new

announcement. As a matter

of formality, the RBI will seek

the EC's permission before

issuing the new circular," said

sions on the new circu-

lar. These discussions

will also include

Finance Minister

Arun Jaitley and RBI

Das

and

Governor

"While the matter of issu-

seek the approval of the

New Delhi, 5 April

ing week.

As reported earlier, the Supreme Court verdict does not curtail the government's powers to give directions to

WHAT THE **RULE SAYS**

on new circular

Reserve Bank to

seek EC approval

Given that the new RBI circular may guide banks on dealing with nonperforming assets before the option of taking them to IBC, it be broadly come under a 'relief', an official said.

The only specific guideline that the MCC contains for the RBI is that the "Reserve Bank of India may continue to take decisions unhindered on monetary policy issues". Officials expect that the EC will have no issues with the new guideline.



the RBI to initiate recovery proceedings. The government will invoke Section 35AA of Banking Regulation Centre's view is that the Act to soften the Supreme Court verdict on the February 12 circular.

This will be well within

the rules set under the Banking Regulation Act and would be hard to challenge in court. Section 35AA of the Banking Regulation Act gives power to the central government to authorise the Reserve Bank "for issuing directions to banking companies to initiate insolvency resolution process.'

The Supreme Court ruling by Justice Rohinton Fali Nariman and Justice Vineet Saran largely centred on the fact that the RBI should have sought authorisation from the government before sending companies to the bankruptcy code on a case-by-case basis, as laid down under Section 35AA.

However, a circular such as February 12 nets a whole bunch of companies that meet the cut-off set by the central bank, in this case ₹2,000 crore of outstanding

debt for each account. The RBI had said if the account servicing has

been delayed even by a day, it would be in default and a resolution process has to be drawn by the banks and if need be, referred to the National Company (NCLT) Tribunal under the Insolvency Bankruptcy Code (IBC).

The February 12 ciraffected 157 accounts, each with outstanding debt of at least ₹2,000 crore, and totalling ₹12 trillion-plus.

Former NITI Aayog vicechairman Arvind Panagariya said at an event in New Delhi on Friday that the RBI will bring in another circular which is consistent with law. "The SC ruling does not impact existing cases going into IBC. None of the powers is gone," he said.

Goyal takes on RBI for lowering growth forecast



INDIVJAL DHASMANA New Delhi, 5 April

MPC RATE CUT: A DAY AFTER

Railways and coal minister Piyush Goyal asked the Reserve Bank of India on Friday to introspect its role in pulling down the country's projected economic growth for 2019-20 to 7.2 per cent from the earlier fore-

cast of 7.4 per cent. The economy rose 7 per cent in 2018-19, the lowest growth in the five-vear term of the Narendra Modi-led government.

Goyal, who held the post of finance minister when Arun Jaitley was undergoing treatment, was speaking at the Confederation of Indian Industry's annual session. "All stakeholders, including the RBI, should introspect on their respective roles (on low economic growth)," he said, adding the RBI could have taken certain steps differently over a period of time.

He said every organisation should introspect how much contribution they had to the woes of the country today. "To my mind, double-digit (economic) growth is doable," he said.

Shaktikanta Das had assumed the post of RBI governor in December after Uriit Patel resigned from the post. This was a time when the finance ministry was trying hard to persuade the central bank to cut the policy rate but the Mint Road seldom obliged it. Since Das took charge, the central bank cut rates by 50 basis points — 25 basis points each in two policies.

Goyal said he was glad that now the RBI was recognising growth as much as inflation. "(I am) glad that RBI has lowered rates. Lower inflation will help India become more competitive and infuse more liquidity."

At the same event, Arvind Panagariya, former NITI Aayog vice-chairman, said, "Given our level of inflation, personally, I would have done 50 basis points (cut), because, somehow, these 25 basis points cuts get lost and pass through happens with 50 basis points (reduction).'

He said central banks like to be conservative either way — if they raise, they raise by 25 basis points, and if they cut, they cut by 25 basis points.

On jobs, Goyal said the nature of employment was changing as more people were working on contractual basis. He said one should benchmark more on 'livelihood creation' compared to conventional jobs and warned that any

Goldman sees Reserve Bank pausing in rest of 2019

While many analysts expect another rate cut in the June policy, Goldman Sachs on Friday said the Reserve Bank is likely to wait to see the impact of the past two consecutive rate actions and assess the macroeconomic factors. The Wall Street brokerage goes one step further saving it expects two rate hikes in calendar 2020-a 25 bps each in Q1 and in the Q2.

doles would lead to under-reporting of income. Goyal also said capturing authentic data on jobs would become a challenge and hinder formalisation of economy.

Suggesting that the country should rather look at its own policies than slowing down global trade, Panagariya said India's share was just 1.7 per cent in global merchandise trade. "If global trade was to rise to \$20 trillion from \$7 trillion over the years, but it rises to \$18 trillion or \$16 trillion, India can more than make up by raising its share to 3 per cent in global trade. But that would require conducive domestic policies," he said

Panagariya said India had stopped opening up of the economy after 2007-08 and it is now even resorting to import substitution measures. We are shooting on our foot," he said.

Panagariya suggested India should explore the possibility of a free-trade agreement (FTA) with the US. "With the US being such an important strategic partner, one area where we can explore an FTA agreement is services." On over 100 economists and social scientists

criticising the credibility of statistical data in the Modi regime, Panagariya said, "What is the source of the questioning of this credibility? IMF, World Bank and none of the international institutions in UN, whose systems we follow are asking these questions. Those who are asking have to point out the specific problem."

He said the ministry of statistics and programme implementation (Mospi) released a 40page document about the methodology along with figures. "If there is a genuine problem with the methodology, the government would itself be happy to (respond to) questions on the quality of data," he said.

For InvITs, firms choose pvt route

AMRITHA PILLAY

More than two years since its introduction eration of NASA with and with three such trusts in

> existence, recent corporate actions suggest that the private route is being preferred to a public listing. Reliance Industries'

Digital Fibre Infrastructure Trust and Tower Infrastructure Trust; Brookfieldsponsored India Infrastructure Trust, and Oriental Structural Engineers-sponsored InvIT are four similar instruments at different stages of formalisation. All three are expected to find investors through the private route.

While the private route allows for lower disclosures, industry experts added that both companies and investors have been there were more significant advantages.

There is a definite advantage for a pri- instrument. Mutual funds, for instance, set of investors, who, besides bringing in change in the future

> long-term capital, offer strategic inputs," said Shubham Jain, group head and vice-president for Icra Ratings. There are two public listed

> InvITs — Sterlite Power's India Grid Trust and IRB Infrastructure Developers' IRB InvIT fund. The third InvIT. Larsen & Toubro arm IDPL's IndInfravit, is privately held. "L&T's InvIT's yield has been higher than those listed," said a source with knowledge on the InvIT's performance.

When introduced, indus $try\,experts\,pegged\,the\,instruments'\,fund$ raising potential at \$5-7 billion. However, slow in warming up to the relatively new

vately held InvIT, as the valuation is set are still to invest in a big way in InvITs. after a mature discussion with a selected Wealth managers expect the trend to

"Given the kind of yields that the listed ones are offering, it is surprising that mutual funds have largely stayed away from InvITs so far. For an institutional investor, it does not matter much whether it is privately held or a publicly listed one. What matters is the sponsor reputation," Nipun Mehta, founder and chief executive officer for BlueOcean Capital Advisors, said.

According to Value Research, three mutual funds have less than ₹50 crore combined in India Grid and 10 funds hold ₹444.82 crore in IRB InvIT fund, of which only two funds held more than ₹100 crore each as invested.

"Funds like L&T and the proposed ones like Reliance Industries and Brookfield will offer sponsor reputation. I expect mutual funds will start looking at InvITs with better promoter reputation," Mehta added.



The UP government has reversed the Akhilesh Yadav Cabinet's decision to waive interest payment

UPgovtreverses interest waiver for sugar mills

VIRENDRA SINGH RAWAT Lucknow, 5 April

ing 2012-15.

The UP government has reversed the Akhilesh Yadav Cabinet's decision to waive interest payment by defaulting sugar mills in three successive crushing seasons dur-

UP Cane Commissioner Sanjay Bhoosreddy on Friday filed an affidavit in the Allahabad High Court, apprising the bench of the state government's decision, which would necessitate interest payment by mills. The units running in losses are liable to pay interest at 7 per cent annum, those making profits would pay farmers at 12 per cent interest.

During 2012-13, 2013-14 and 2014-15 crushing seasons, the sugar mills in UP had defaulted on payments of about ₹2,000 crore, including RKMS convener V M Singh interest. In April 2015, the millers had approached then Akhilesh government, proposing to pay farmers without interest component, owing to their purported precarious financial condition.

In October 2016, the Akhilesh Cabinet waived interest owed by mills to farmers. However, Rashtriya Kisan payment.

Mazdoor Sangathan (RKMS) challenged the decision in the HC, seeking relief to farmers.

On March 9, 2017, the HC had, after subsequent hearings, quashed the Akhilesh government's decision to waive interest liability of mills and termed it as arbitrary, as cane growers' interest was not protected.

Meanwhile, RKMS is preparing to file an objection on the next date of hearing in the case on April 26, about two slabs of 7 per cent and 12 per cent for defaulting mills to pay interest and seek direction to mills to pay at a flat 12 per cent interest.

"Interest payment would ensure that mills would pay farmers within the stipulated 14 days of buying sugarcane from farmers, else they would attract further payment liability on account of interest, told Business Standard adding that the total liability of mills on this account for the three crushing seasons could touch almost ₹1,800 crore.

He said the instant case would serve as the precedent for successive crushing seasons as well and deter mills from holding up farmers'

INDIA INC BOARDROOM SCORECARD ON **CORPORATE GOVERNANCE**



On March 28, 2018 the Sebi board had approved 40-odd proposals of the Uday Kotak-headed Committee on Corporate Governance. A year on, corporate India is yet to comply with some of the key recommendations, especially those related to the board of directors, data by NSEinfobase.com, an offering of PRIME Database, a primary market tracker, shows. COMPILED BY SUDIPTO DEY

Woman independent directors **SEBI DECISION:** At least one woman

independent director in the top 500 listed entities (by market capitalisation) by April 1, 2019 and in the top 1,000 listed entities by April 1, 2020

March 28,'18

■ 155 firms of top 500 NSE-listed entities (by m-cap) needed to appoint a woman independent director by April 1, 2019

■ There were 336 firms, of top 1,000 NSE listed entities, that need to appoint a woman independent director by April 1, 2020

■ 52 companies in the top 500 still need to appoint an independent woman director

■ For top 1,000 NSE-listed companies, the number is down to 212

Age of non-executive directors

Sebi decision: Firms having non-executive directors who are 75 years or older have to pass a special resolution for them to continue

IMPACT

March 28, 2018

■ There were 1,162 directors in 698 firms who were 75 years or older

April 2, 2019

While the private

lower disclosures.

industry experts

added that there

significant

advantages

route allows for

■ 1.026 directors in 614 companies were 75 vears or older

Of these 614 firms, 257 have passed special resolutions for 463 directors, all of which were passed. Outcomes of such special resolutions for 15 other firms having 26 directors are still pending

Number of directors

Sebi decision: Minimum six directors in the top 1,000 listed entities by April 1, 2019 (and in the top 2,000 listed entities by April 1, 2020)

IMPACT March 28, 2018

■ There were 65 firms in the top 1,000 listed entities that needed to increase the size of their board. At that time, there were 55 firms that had five directors. eight with four and two having three directors on their board. At that time 76 new directors had to be appointed in these firms

April 2, 2019

■ There were still 35 firms in the top 1,000 listed entities that needed to increase the size of their board. 29 firms had five directors; five had four and one had two directors on its board. As such, 43 new directors have to be appointed in these firms

Number of directorships Sebi decision: Reduction in the maximum number

of listed entity directorships from 10 to eight by April 1, 2019 and to seven by April 1, 2020 **Impact**

March 28, 2018 ■ According to the Companies Act, 2013, and

Sebi regulations that were already in place, there were only 2 directors who had to reduce listed entity directorships to eight by April 1, 2019 and 3 directors who had to reduce listed entity directorships to seven by April 1, 2020 April 2, 2019

■ There was no director who still had more than eight directorships while there were four directors with more than seven.

Roles of chairperson & MD/CEO **Sebi decision:** Separation of CEO/MD and chairperson (initially made applicable to the top 500 listed firms from April 1, 2020)

Impact

March 28 2018

■ There were 165 firms of top 500 NSE-listed entities that had the same person as chairperson and MD and CEO and needed to segregate the roles by April 1, 2020

April 2, 2019

■ This number is down to 154

8 ISSUES AND INSIGHTS

The pesky priests



MARGINAL UTILITY

TCA SRINIVASA RAGHAVAN

dlesome priest?" said Henry II of England in 1170 when he got irritated with his friend Thomas Becket was also Archbishop Canterbury. The priest was givthe king ing impractical and unwanted advice. modern

ill no one

rid me of

India this can be said of NRI economists who swan in and out of the country dispensing advice like agony aunts to NGOs. The latest advice is that taxes must be increased to pay for the socially necessary — but fiscally disastrous Nyay project of the Congress.

Nothing wrong with that except just the one thing: these guys don't earn Indian salaries and pay Indian taxes. I call these jet-borne economists and the India-based Jesuits amongst them the 21st century Salvation Army. Their approach to public finance is exactly the same.

They are very much like the Victorian priests who invaded India in the 1870s and hugely influenced legislation. As a result of their interference, a different morality was imposed on India's laws.

But before proceeding with these NRI economists. let me dispose of a fallacy, namely, that Indians are undertaxed. That statement is true if — and only if around half the population is earning enough to be taxed, which it is not.

Second, even those who don't earn enough to pay income tax, do pay a lot by way of indirect taxes. So, please let us stop this nonsense about being undertaxed

once and for all. It's boring.

The real problem, which the NRI economists don't seem to know, lies in the way governments use tax revenues. Take pensions, for example. No one wants to talk about them.

So let me ask: Why should an employee of the central or state government get a fully inflation-indexed pension? Why should they all get 50 per cent of the last pay drawn? Why not fix the pension at 50 per cent of first pay drawn for Class One employees and then gradually go down to the Class Four level where the pension can be 50 per cent of the last pay drawn? What sense does it make to spend so much on those who have often saved enough to have two, if not more, houses?

If some grand Rawlesian notions are driving these NRIs, why not look at unrequited transfers to the underserving? I look forward, keenly, with bated breath, in prolepsis, for just one of these guys to endorse my proposal.

If they won't, they should shut up because being a contextually clueless bunch they should understand the contexts first

Contextually clueless

Basically, the issue is this: If compassion has to underpin politics — which it must but doesn't — what is the best way to transfer some of this sentiment into fiscal policy?

The easy way is to tax the rich and hand over some money to the poor. I call this the Robbing Hood approach. It converts a political need into an economic obligation, dripping with moral gulab jamun juice.

But the fact is that this obligation is better met by leaving more money in the hands of the well-off than less. In economics, lest the compassionate NRIs have forgotten it, this serves two ends.

One, it increases aggregate demand for non-wage goods and two, it increases the savings rate. Both are necessary for investment, which is necessary to create work for the poor.

nce 1957 — thanks to Sir Nicholas Kaldor whose ideas were rejected in Britain — is that we have done the opposite. We have taken money from those who can use it most productively and handed it over to those who use it least productively. This includes the government which uses the money for consumption rather than investment.

The results are there for all to see — overwhelming poverty and the growing moral need for direct income transfers. But if it hasn't worked when it was indirect via subsidies, why should it work now?

Let me put this another way. You don't solve either the economic problem of poverty or even the moral one via income transfers. You only solve the political one.

A larger question is whether economists should be concerning themselves with moral issues. Reading Adam Smith's Theory of Moral Sentiments may be necessary but it is not sufficient. His principles of taxation should be read as well.

They will open eyes and minds.

Patna Sahib will be make or break

https://t.me/TheHindu_Zone_official

The outcome in that Lok Sabha seat will decide what is more important: The Modi-Shah hegemony or winning the seat



PLAIN POLITICS

ADITI PHADNIS

r X was insistent. "Please don't use my name," he begged. "Raviya hamara dost hai," he said lapsing into Hindi in his anxiety "and you can't be a Kavastha in Patna and not know R K Sinha or Shatrughan Sinha, for that matter". This report is based on his analysis.

Patna Sahib is going to be one of India's most interesting contests: Because nowhere else has caste, power politics, and generational change come together to form a combination so potent that it is combustible.

R K Sinha is a venerable and respected pillar of Patna's "prabuddha" (intellectual elite) population. A journalist to begin with, he is self-made and has been the backbone of Rashtriya Swayamsevak Sangh's (RSS) activities in Bihar for several decades. In Bihar, the upper castes used to be with the Congress. In fact, the winning combination for the Congress used to be an amalgam of upper castes, especially Kayasthas (dating back to the days of Rajendra Prasad, Sachidanand Sinha and Mahamaya Prasad Sinha) and the Dalits.

This changed with the Emergency when another Kayastha — Jayaprakash Narayan challenged the Congress' caste hegemony. More, he was able to create a new social combination, inviting the intermediate castes to the amalgam on the back of a promise of their empowerment. The rise of figures like Lalu Prasad led the Kayasthas to look for leadership elsewhere: And when the rath yatra led by the face of anti-Congressism, L K Advani, hit Bihar, the Kayasthas moved to the Bharatiya Janata Party (BJP) en masse. Shatrughan Sinha was the recipient of this bounty. He is not an inconsiderable figure in the politics of Patna and is considered the local boy who

made good but returned to his roots.

Then there's Ravi Shankar Prasad. The son of the Jana Sangh/BJP President of the Bihar unit in the 1970s-80s, Thakur Prasad, Ravi Shankar is the illustrious son of a well known father. The father rose to be a minister in the Karpoori Thakur government. Ravishankar took an opposite position and along with friend Sushil Kumar Modi, fought the legal case against Lalu Prasad's complicity in the fodder scam. He is certainly not a newbie in politics but is generally considered a non resident Bihari.

Patna is a place where everyone knows everyone. R K Sinha's son Rituraj worked in the BJP's 2015 assembly election campaign, leading the war room. There is no Kayastha function in Bihar and eastern Uttar Pradesh that RK Sinha does not attend or finance. He has organised self help groups, his Chitragupt Sabha does a lot of charity work all over north India. He raised his voice publicly in 2012 about the denial of a place to a Kayastha in the Janata Dal United-BJP government in Bihar. He is the ultimate liberal at heart, a great votary of a free press. He never shirks from

telling the truth: Whether people like it or not. Backed by an assurance from the RSS, Sinha

put in a bid to contest the Lok Sabha election. Deputy Chief Minister Sushil Kumar Modi ascertained the views of MLAs from the constituency. All but Nawal Kishore Yadav, the new entrant into the BJP (he crossed over from the Rashtriya Janata Dal some months ago and was made a minister) supported Sinha's claim.

When the Central Election Committee of the BJP met, it was clear that Shatrughan Sinha would not be given the BJP nomination. R K Sinha was generally considered a shoo in. Instead, Ravi Shankar Prasad was named the candidate although he still has four and a half years of his Rajya Sabha term left. Supporters of the two leaders clashed at the airport. It was both unseemly and ugly.

Recognising that RK Sinha was hurt, Arun Jaitley called him to assuage his feelings and seek his support for Prasad. It was too late.

Now, Mr X says, it will be touch-and-go for Ravi Shankar Prasad. The Kayastha vote will be split. And if Shatrughan Sinha can attract some Yadav votes (which Ravi Shankar cannot) and some Muslim votes (which will not go to the BJP any way) it will not be easy for Prasad to win: Unless he can make up with R K Sinha. That's not happening.

Mr X's personal, private opinion is that the move addresses a post May 23 situation: The Modi-Shah combine doesn't want independent-minded MPs, least of all MPs who can pick up the phone and speak to the RSS's top leadership. They also want a generational change. The outcome in Patna Sahib will decide what is more important: The Modi-Shah hegemony or winning the seat.

97 per cent strike rate among

Indian pollsters in predicting the

There are other challenges as all — especially for the EC.

Sopariwala. For instance, 21

million women are missing

from the electoral roles.

'That's more than the

number of women in

Jharkhand," says Roy.

(According to the 2011 Census, Jharkhand has

16,057,819 women.) Roy

and Sopariwala are arguing

for any women who can prove that she is above 18

years old to be allowed to vote

we can make a genuine effort

to include many more of

them in the next election,'

at her nearest booth. "And, then

logistical," says

right winner."

COFFEE WITH BS ▶ PRANNOY ROY, CO-FOUNDER & EXECUTIVE CO-CHAIRPERSON; DORAB SOPARIWALA, EDITORIAL ADVISER, NDTV

The originals

Roy and Sopariwala tell Uttaran Das **Gupta** why 2019 will be the most important election of our lives

n the results night in 1977, Prannoy Roy and a few of his associates sat hunched over a radio in their barsati. "AIR (All India Radio) was still operating under the fearsome shadow of the Emergency. As the results began to come in, AIR persisted in presenting a falsely 'balanced' picture," writes senior journalist and NDTV founder Roy in his new book, The Verdict: Decoding India's Elections, with co-authored market researcher and pollster Dorab R Sopariwala. But even the limited information revealed to them "that there was a sweep... in favour of the Janata Party". Wine bottles were already being uncorked. The Emergency era, the lowest point in the history of the Indian democracy, was drawing to an end.

In their book, Roy and Sopariwala claim that 1977 marked a shift from the "pro-incumbency" phase of the previous 25 years the first general elections were held

"I doubt that there is

to polls that are close to

results come out. There

strike rate among Indian

the right winner."

in 1951-52 — to an "anti-incumbency" "Dorab any political motivation coined the term," says Roy. "I don't the election," says Roy. remember," replies "If a pollster puts out The duo had analysed look like a fool when the data from 78 state Assembly elections is in fact a 97 per cent for the first phase (1952-77) and 93 elec-pollsters in predicting tions for the second phase (1977-2002).

"Now, 2002-19, we are in a 50-50 era, where governments have a 50 per cent chance of being re-elected, if they perform," they write. The message from the voter is clear:

"perform or perish". When I meet Roy and Sopariwala (in March), everyone is eagerly waiting for the Election Commission (EC) to announce the dates for another election. I meet the duo at Roy's cabin in the NDTV office in south Delhi. The small L- shaped room has glass windows. From where I sit, I can look out at the parking lot of the building complex. On one wall of the cabin hangs a large, rectangular TV playing eight news channels. On another wall, directly over Roy's neat desk, hangs another large flat screen playing NDTV. Both are mute. On the desk is a small Indian flag.

This book has taken a long time to write, claim the authors. "Like true Librans, we are perfect procrastinators," says Sopariwala. "But he (Roy) is the king of them all." Roy agrees. "If the elections were not around the corner, we would never have finished it," he says. "There were many late nights, staying up till 3-4 am to meet a deadline. I work best to a deadline." Roy adds that he had, however, finished his PhD in three years flat. "That

was to a deadline, right?" I ask. Roy demurs: "In Delhi University, six-seven years was the norm." I am curious how

Roy who did a PhD in economics, and Sopariwala, a graduate from the London

Economics, got involved in the profession of election

journalism and poll forecasting. "It is such an aphrodisiac," says Sopariwala. "If you are in India, you are always watching elections. I am deeply interested in politics, though not as a participant." Roy says he was not interested in politics. "But I am an election junky," he adds. The very nature of Indian democracy and how elections are conducted - and consequently forecasting and analysing polls has seen a sea change over the past 40 years. "You could call this one (2019) the WhatsApp election,"

At this point, Roy and I decide to go for some coffee; Sopariwala sticks to water. One of the me

tors for elections anywhere now is the internet and social media. After the Cambridge Analytica scandal (2018), governments all over the world and even in India are demanding more accountability from social media giants such as Facebook and Twitter for information spread on their platforms. Sopariwala says this is not such a significant factor for a pollster. "We are trying to analyse the output (the vote), not the input," he says. "As long as the voter is not lying about whom they are going to vote for, how does it matter what influence is working on them?"

Roy says the influence of the internet is an added factor for those analysing elections. "The great thing about the internet is anonymity," he says. This is a subject they also write about in their book: "While anonymity is at the very core of the internet, in the aim of the message is to create violence, killing or rape — the anonymity needs to be sacrificed." Roy adds that this power should reside only in the judiciary and not in the governments.

ILLUSTRATION: BINAY SINHA

If not the internet, how influential are opinion poll or forecasts, like the ones that Roy and Sopariwala do? "Not in the least, according to the research done in this area," says Roy. "It has no effect on the voters. It affects the morale of party cadres." And how politically motivated are such polls? "I doubt that there is any political motivation to polls that are close to the election," says Roy. "If a pollster puts out wrong data, he would look like a fool when the results come out. There is in fact a

The focus of this election will be women in villages, adding that since

1971, when the number of rural women turning out to vote was 8 per cent lower than their urban counterparts,

there been a comnlete reversal

Now, 6 per cent more women from villages come out to vote than

So, who will come to power in 2019? This is a question I could not

'rarest of rare cases' — where the help but ask the two leading poll-

"Anyone who tries to predict an election is either a liar, a fool or a politician," says Sopariwala. "No one has the foggiest (idea)." Roy adds: "A swing of 3 per cent means 100 seats changing hands. Can you feel a swing of 3 per cent? The job of a journalist is to tell the story and the issues in an election, not to forecast. Leave that to the pollsters." In India, there are 29 elections being fought, not one, "this is not a 'national election. It's a 'federationof-states' election", they add. "Lok Sabha is becoming less and less important for the voter vis-à-vis

state or local elections," says Roy. The very next day, the EC announced the dates for the 2019 Lok Sabha elections.

Return to tradition



PEOPLE LIKE THEM

KEYA SARKAR

n recent years, the residents of Santiniketan await the festival of Hoili or *Basanta Utsay* with great trepidation. As the Visva Bharati University celebrates the coming of spring in the tradition of Rabindranath Tagore, hordes of lovers of Bengali culture descend on this small town to participate in the festivities.

The programme, held by Visva Bharati, comprises singing of and dancing to Tagore's songs of spring by the students of the school, college and university. The university has always welcomed outsiders to participate. Held in the open with no restrictions on admission, this programme has probably been one of the best welcoming of spring that the country sees. However, while earlier tourists (mainly Bengalis) who came from across the globe were aficionados of Tagore literature, those who come now, by the bus from muffosil towns within and without Bengal, may not even know who Tagore was.

So from a cultural festival, Basanta Utsav has become a merry making weekend jaunt hugely aided and abetted by the innumerable hotels and lodges selling weekend packages. While the number of visiting tourists usually hovers around 1-1.5 lakh, this year the number crossed 2.5 lakh, as put out by the university.

The police and administration in their wisdom block entry and exit from the Basanta Utsav venue except through specific roads. The civic volunteers on duty are often from outside of Santiniketan and have no clue about these. The resulting traffic chaos and stampede is dangerous and growing every year.

In addition to those tourists who spend a couple of days, there are of course the day trippers. This year this meant that every open area within Visva Bharati's large campus had become a parking lot for Volvo buses. Each bus opened its hatch at the back and cooked for the travellers that it had carried. Once the buses had fed all and thrown what they didn't wish to carry back, the open spaces were a sight to behold. This was in addition to the millions of empty plastic water pouches flying around, which the university had distributed to its 2.5 lakh guests. For residents who can barely cope with the daily garbage that they generate (because Santiniketan has no municipality), the Basanta Utsav merry making aftermath is truly horrific.

This year, however, the recently appointed vice chancellor was all enthusiastic and ensured that over 1,000 members of the university staff and students cleaned the campus over the next two days. Like every year, this year too there has been a lot of debate about the need to have an unrestricted, free-for-all Utsav. Tagore started it for those who lived and studied in Santiniketan and maybe it was time to go back to that.

But the hotel lobby is powerful and moneyed and every year they manage to win this debate. For the university too, as its educational standards are on a decline, its administrators take far more pride in the numbers that attend the Basanta Utsav and the Pous Mela (held in December) than its academic achievements.

Weekend with my mother



PEOPLE LIKE US

KISHORE SINGH

https://t.me/Banking4Exam

o one is giving my mother's request for a family weekend getaway much thought. Maybe because a summer break needs to be longer than a weekend, or even an extended weekend. All that planning, all that travelling, for it to be over in the blink of an eye? On the family group, where my kid brother has been given charge of rallying the family's forces, he has been getting little traction. With prices hardening and bookings becoming increasingly difficult, no one can blame him for sending peevish messages. Meanwhile, plans for longer vaca-

tions are under more active — if secre-

tive — consideration. My own family rarely shares these with me, having labelled me the holiday wet-blanket. I am loath to commit to dates because office programming, fluid at the best of times, is likely to change just when you've splurged on non-refundable tickets and rooms. Better, I think, to pay more at some later date, than to lose it all on the whim of a colleague. My family tells me they would like us all to vacation together. There was a time I thought this charming. I now know better. All they're hoping for is for me to fund the trip.

When they are able to spend their own money, they do not care to include me. These are vacations to be enjoyed within their intimate circle of friends. So, my wife, who was in one place earlier this week, is going to be in quite another as you read this - and they're both far from home. Of course, she says it's work, or at least work-related, but I do not think that is the truth, or at least the entire truth. I miss her more than she misses me when she is away from home. There is no one to hang the clothes in the cupboard, you see.

Passing by my daughter's room, I heard her arguing with friends about where she did not want to go this summer, and that included New York

because, she said, she was "bored" of the most exciting city in the world, or London, because, well, how many times can you return to the same place again. So, her friends, one batch of which is meeting in NY, and the other in London, is collaborating on how to start, or end, their trip in a part of Europe in which my daughter has some interest. Having travelled extensively these last years on bachelorettes, bridal showers, shopping escapades and getaways for no reason at all, my daughter, I think, would prefer something closer home. She has been the first — and only one so far — to endorse the weekend break with my mother.

I am not privy to my son's holiday plans since he no longer shares them with us, having recently acquired a wife. He will be travelling for professional reasons to a distant part of the world, but unlike in previous years, he has not asked us to join him for an extended sabbatical as he would previously. Since no one seems keen to have me around any longer, I'm signing up for my mother's retreat. I had thought being on my own would be liberating, but you don't want everyone else to have fun while leaving you to cope with New Delhi's heat, dust and outages.

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Weekend Business Standard

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WEEKEND RUMINATIONS

T N NINAN

A manifesto in two parts

wo broad points should be made about the Congress election manifesto, released earlier this week. First is the commitment to increase government expenditure in many ways: Double general government expenditure on health to 3 per cent of GDP, double expenditure on education to 6 per cent of GDP, spend close to 2 per cent of GDP on the Nyuntam Aay Yojana (Nyay), the hand-out programme, by the second year of its operation, and increase defence expenditure in relation to GDP. Taken together, they constitute an expansion of government expenditure by somewhere between 5 per cent and 7 per cent of GDP. But in the 52 sections of the 55-page manifesto, there is almost nothing on how resources will be found for all of this, other than an anodyne statement in the Nyay context on raising revenue and cutting expenditure.

The additional commitments being promised must be weighed against the reality that the tax revenue of the general government (Centre and states combined) is only about 17 per cent of GDP, and there is already a general government deficit of over 6 per cent of GDP. Meanwhile, 400,000 government vacancies will be filled, and a million people appointed in panchayats and urban local bodies to help people claim government benefits. All those people will have to be paid. The only conclusion one can draw is that the promises must be taken with a generous pinch of salt, despite the assertion by Rahul Gandhi that he has never broken a promise that he has made.

The second key aspect of the manifesto concerns an entirely different set of issues, to do with individual liberties. The Congress deserves generous applause for taking the position that it has on the sedition law and various laws that provide for detention without trial — some of them dating back to colonial times and some worse than the laws imposed by colonial rulers. The party has also promised to de-criminalise defamation (as most other democracies already have), and to review the Armed Forces (Special Powers) Act. Going further, it promises to enact legislation against custodial torture, hold the police accountable to an independent body, make bail the norm rather than the exception, and to set selected undertrials free, depending on the nature of the accusation and how much time has already been spent in jail. The manifesto mentions that the relevant provisions of the Indian Penal Code, such as the one on sedition, have been misused; the question is whether such misuse is inevitable.

It is doubtful whether even this second lot of promises is easily deliverable. For instance, court orders are already on record asking governments to free undertrials who have served half the maximum sentence prescribed for the crimes they are accused of committing, but no action has followed. Still, the fact that a national party has come down so unequivocally on the side of individual freedoms is to be welcomed wholeheartedly when the issue of national security has been so framed as to encroach on those freedoms, when even asking questions is said to be antinational, and when the Congress itself has in the past been guilty of encroaching on the same freedoms, including press freedom.

 $There \ will \ also \ be \ legitimate \ questions \ about \ whether \ such \ sweeping \ changes$ are practicable in a short span of time. Third-degree torture is almost the primary method of interrogation by the police. If a new law rules this out of order, and the police are to be held accountable in a way that they are not currently, the system will need to radically re-orient the police force and invest in training. How quickly can that be done? Similarly, there can be legitimate questions about whether the state does need some special powers when it is faced with armed revolt in parts of the country. The issue is how to provide for such situations while building in effective safeguards. Those questions are for later. For the moment, it is enough that a major political party has come down on the side of Constitutional freedoms and internationally recognised human rights.

A national election of state leaders

India today has about 20 strong state leaders and no national leader can take their voters away. Modi can't swing majority for BJP in more than seven states

SHEKHAR GUPTA

ou have to get out of Delhi often if you want to understand that there are two ways of looking at India: Inside-out, that is, from Delhi and the heartland at the rest of the country; or outside-in,

which is, looking at the heartland from beyond.

washes you into seeing the picture purely in national party-national leader terms. If you give yourselves the gift of distance and an open mind, you might see the change in this new India. National parties as we knew them are in decline. The concept of the Great Pan-National Leader ended with Indira Gandhi. What about Narendra Modi? We will come to that in a bit.

This new writing on the great political wall of India was read out NATIONAL INTEREST to us earlier this week by two of our strongest state satraps, not even regional leaders. Telangana strong-

man K Chandrashekar Rao (KCR) and young Y S Jaganmohan Reddy (of YSRCP) in next-door Andhra made the same point, each in his own chosen words: There is no such thing as a truly national party in India any more. The ones you describe as national parties, the BJP and Congress, are also regional. They just happen to have a footprint across a few states.

The Congress declining as a national party you can understand. But how can the BJP not be called a national party? After all, it won a national majority of its own in 2014. Get out of Delhi and see.

Sitting in Delhi, we confuse the Hindi heartland for the nation. The BJP's 2014 majority tally of 282, for example, mostly came from UP, Bihar, Madhya Pradesh, Rajasthan, Chhattisgarh, Jharkhand, Harvana, Delhi, Himachal Pradesh and Uttarakhand (190). Of the rest, 49 came from the two western states, Maharashtra and Gujarat. This accounts for 239 seats of the 299 in these states, a strike rate of 80 per cent. From the rest of the country, which is the entire south (Karnataka, Kerala, Andhra Pradesh, Telangana, and Tamil Nadu), east (northeastern states, West Bengal, Odisha) and even including far north, Jammu and Kashmir and Punjab, the party only won 43 out of the 244, or just 17 per cent. Plot this on the map of India. This isn't the footprint of a pan-national party. It is a 10-state party, which maxes out the seats there and gets a majority.

And pan-national leaders? Mr Modi is the only one today with that claim. Everybody knows him. But can he get people to overwhelmingly vote for him in more than these 10 states? Even within these 10 states, in the most important ones, his challenge comes from local parties and leaders. He is now fighting a makeor-break battle in Uttar Pradesh with Mayawati and Akhilesh Yadav.

Bihar's equivalent of these state leaders is Lalu Prasad and Nitish Kumar. Both the Congress and BJP have aligned with one, as a junior partner. In Punjab, the BJP is an adjunct of the Akali Dal, in Haryana, both the BJP and Congress are searching for a local Essentially, when you look inside-out, it brain- ally. Even Mr Modi, with his phenomenal oratory,

cannot swing a majority for his party, even hypothetically, by himself in more than seven states today. Hypothetically, because these include Uttar Pradesh.

heck out the Congress. If the BJP is a national party of seven-nine states, Congress has just six, albeit many of these smaller: Madhya Pradesh, Rajasthan, Chhattisgarh, Kerala, Punjab and Karnataka. It is extinct in West Bengal, Odisha, Andhra Pradesh, Telangana, UP and Bihar.

There's nothing in the

2019 campaign air, the

chunavi hawa that

tells vou it's a wave

We can say now with

confidence that this

election will be fought

state-by-state, more

like 2004 than 2014

That's why the maximum the Congress can aim for, if all the electoral Gods smile on it, is about 150. I know it's unlikely and 100 will be an optimistic target. But it serves our limited purpose of proving that if the BJP is half a national party, the Congress is no longer even a one-third. You want a further reality check? Name a state, any one state, where Rahul Gandhi could swing this Lok Sabha election by himself.

The fact is, Indira Gandhi was the last truly national leader who could win in almost all states. Since her passing, barring the unusual election of December 1984, no truly pan-national leader or party has emerged. That election, for anyone. space has been taken by charismatic, powerful leaders of states and castes. To call any of them even a regional leader is a misnomer. Vote tallies support this hypothesis.

From just about 4 per cent in 1952-77 now regional/state parties' vote share has risen to 34 per cent (2002-18). This sum- a counter-intuitive full-majority government if one mer it will go higher. What's even more important, because these parties' vogue is concentrated in a region, they get more bang for the buck, or seats for their vote percentage. Today, with 34 per cent vote, these parties win 34 per cent of the Lok Sabha seats. With each additional per cent, they get 11 more seats whereas the national parties get just seven. I am taking this data from The Verdict by Prannoy Roy and Dorab Sopariwala — just in case

In undivided Andhra Pradesh, the Congress vote share was traditionally around 40 per cent. It has fallen to just under three in the new state. The BJP's

boasts of a coming boom in West Bengal and Odisha will be tested soon. But, barring Assam and Tripura, it has conquered no new frontiers, despite a Modi with a majority and Amit Shah with his BJP mem-

bership of 100 million. India, today, has about 20 leaders so strong within a limited geography or political demography that no national leader, including Mr Modi, can take their voters away. Most of them have acquired administrative and political experience, and networked across regions. They might have different concerns and ideologies, but are united on one point: Abomination of dominant national parties.

There is a large, populous and progressing world outside of our Hindi-Dilli dugout that doesn't share the insecurity of our elites in the polling season, of a ʻ*khichdi*' taking over if Mr Modi doesn't win. You can spend days in the south and the east without hearing that familiar chatter: But if not Mr Modi, who? For three decades now, as the Congress declined, India has been evolving into a truly federal republic, and the idea of a national election has been replaced by a sum of 30 state elections — as it should be, with no party dominating even a third of the states, and the BJP plus Congress significant in less than a half.

Why does the TINA (There is No Alternative) factor dominate the politics of the heartland, but doesn't impress people beyond these? One important factor is that in none of the states where the Congress and BJP fight for domination a true regional leader has grown. In Bihar and UP, Lalu, Nitish, Mayawati and Akhilesh are formidable leaders, but each has his or her limitations. The BJP either challenges them or compels them to share the turf with it. Of the major states, national parties still dominate Maharashtra, Gujarat, Madhya Pradesh and Rajasthan, and, to some extent, Karnataka, since they lack their own leaders.

The second reason is of course national parties do not like to build strong state leaders. The Congress committed suicide in Andhra Pradesh rather than let the obvious successor for its state satrap grow. It was so furious with his ambition that it didn't even treat him with basic respect after his

> father's death in a helicopter crash. It has only one state leader of consequence, Capt. Amarinder Singh. The BJP today has just none, maybe a half, Yogi Adityanath. The three others -Shivraj Singh Chouhan, Vasundhara Raje and Raman Singh — have been consigned to deep-freeze.

> Indian politics, therefore, is at an interesting juncture with no truly pan-national leader or party and yet a declining insecurity over coalitions beyond the heartland. As 2014 demonstrated, you can still produce

party can sweep contiguous states containing upwards of 200 seats.

There's nothing in the 2019 campaign air, the chunavi hawa that tells you it's a wave election, for anyone. We can say now with confidence that this election will be fought state-by-state, more like 2004 than 2014. Don't ask me who will lead the next coalition, because I do not know. All I can tell you is, irrespective of who leads the next government, it will be a cabinet in which Ram Vilas Paswan can also open his mouth.

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When cash is king



SUNIL SETHI

oney talks. By that definition campaign politics of the moment is brimming with bagfuls of cash. This week in sylvan Arunachal Pradesh, the night before Narendra Modi was to address a rally, in the car park of a government guest house, where Chief Minister Pema Khandu, his deputy chief minister, and BJP president were staying the night, two vehicles in the CM's convoy were literally loaded up. One, a government vehicle yielded ₹80 lakh; the other a booty of ₹1 crore. Former MLA Ralom Borang told Election Commission (EC) officials where to get off. "Part of this money is borrowed from my relatives and part of it is my own money." Chief Minister Khandu was moment the Election Commission (EC) and

the income tax officials are monitoring the matter. I have asked the state party president to look into the matter," he baldly stated.

This may be small change in a small state with two Lok Sabha seats but, crucially, also facing an Assembly election to 60 seats. However, if further proof were needed it is now officially provided by the EC on a daily basis. Its seizures as of April 4 totted up to ₹1,618.78 crore — the largest component—inalisation of electoral politics. being cash (₹399.50 crore), followed by liquor (₹162.89 crore), drugs and narcotics (₹708.54 crore), gold and other "freebies" (₹347.83 crore), etc.

Only speculation exists as to the extent of cash sloshing around as the election juggernaut gains momentum. According to one estimate it could be as much as ₹50,000 crore a 40 per cent jump from 2014 — a higher spend than what Donald Trump's election cost was in 2016. Where does the money go? Substantially larger sums are splurged on social media, amply confirmed by evidence of the eyes, in what is being dubbed as the country's most expensive election. Then there are the rising costs of shoring up legislators' support, as in Karnataka and Goa recently; in the cut-throat "trade" of seat distribution; or the apparently limitless supply of logistical backup by leading moneybags that includes cavalcades of cars, helicopters. the picture of Yes-Minister-opacity: "At the and airplanes in return for future favours once government is formed. "When political

parties choose candidates on the basis of including the Law Commission and the winnability' it also means money power. The number of crorepatis in parliament and state legislatures is a clear indication of parties putting their faith in moneyed candidates to be able to win elections," says Chakshu Roy of the Delhi-based think tank PRS Legislative Research on parliamentary practice. Together with Jagdeep Chokkar, former professor at IIM Ahmedabad and founding member of the Association of Democratic Reforms, these organisations offer compre- anonymous limit remains at ₹20,000"; hensive analysis on money power and crim-

Votes-for-notes no longer only means blandishments of cash and goodies for fence-sitting voters. In 2017 it was alleged that TTV Dhinakaran, Sasikala's nephew, who later won the late Jayalalithaa's seat with a thumping majority and formed his own party, had offered huge bribes to EC officials to win rights to the AIADMK's twoleaf symbol. The intermediary involved apparently confessed to the crime. Mr Dhinakaran was let off in the court case but Chennai was rife with videos of cash-distribution — a step up from gifts of kitchen blenders television sets and gold trinkets that the chief minister was famous for in her Lady Bountiful days.

In 1943 B R Ambedkar criticised his contemporaries Gandhi and Jinnah, saying, "In establishing their supremacy they have taken the aid of 'big business' and money magnates. For the first time in our country, money is taking the field as an organised player." Several government reports since the 1990s, Administrative Reforms Commission, have pondered on how to purge elections of dirty money or, as one of them politely put it, of reducing "illegitimate and unnecessary funding". All have abysmally failed.

you thought I made it up.

Several of the EC's regulations on campaign financing are so credulity-stretching as to invite derision. Here are some choice examples:

■"No donations above ₹2,000 in cash,

■"Each party to submit to the Income Authority, a report of contributions in excess of ₹20,000 from individuals or companies";

■"Spending on election campaign by any person without the written authority of the candidate carries a fine up to ₹500...Any person who fails to maintain election accounts as required by law shall be punished with fine up to ₹500":

■"An MP/MLA/MLC convicted of bribery shall be disqualified." There is also a blanket ban on foreign contributions to candidates or political parties.

"Let's face it," says Chakshu Roy, "the guest for political power begins with a lie. The minute a winning MP or MLA, having spent a fortune, declares to the electoral officer and the income tax that he has not exceeded the limit of ₹20,000 you suspend disbelief. That is where our sense of apathy and disillusionment begins.'

Charisma and oratory and mind-bending cross-country rallies, all have their uses in election campaigning. But cash is the undisputed king.

Batsmen ruled out

EYE CULTURE

UDDALOK BHATTACHARYA

Ashwin is out of luck. Had he been the first to do what he did — Mankading a batsman) goes beyond the poppingcrease - the matter would have died down as a peccadillo. In the age of instant cricket, quite an oxymoron, one looks askance at ethical niceties. But Ashwin's supposed moral infraction (the rules defend his action, though) is getting prominence because more than 70 years ago, our own Vinoo Mankad, considered one of the greatest allrounders of all time, had done the same thing in Australia, in a series in which the Indians were expected to be mauled and they were. Mankad, in all fairness, had given the Australian batsman a warning that he was going beyond the crease when the Indian spinner was about the send down the ball. He didn't listen, perhaps in the hope Mankad would go not ahead and do it. What followed was anger all round, and doubts about Mankad's sportsmanship. However, the matter did not go very far because Bradman weighed in in favour of Mankad.

It is strange that what happened so many years ago is still relevant to a game that had perforce to transform itself under the pressure of those who had never quite liked the game. And it is entirely possible many more cases of amoral, wonky tactics, mimicking extraordinary dismissals that took place decades ago, are waiting to happen. While Ashwin can defend his action by saying he acted when the game was in motion, Sarfraz Nawaz can't do so. In a Test match, again in Australia, when Andrew Hilditch, the non-striker, picked up the ball and gave it to Nawaz for him to start his run-up, the bowler appealed. The umpire did not believe him and so Nawaz appealed not once but eight times for the umpire to regain his composure and rule the batsman out. This was in early 1979, and perhaps for this reason Asif Iqbal did not pick Nawaz when Pakistan toured India under him (Iqbal) later But irony was in store for Iqbal.

In 1983 in a Test match in Bombay, when Desmond Haynes was given out for handling the ball, and the "offending" bowler who appealed for him to be given out was Kapil Dev, Iqbal was spotted in the gallery. When TV asked him what he would

have done, Iqbal's reply was: would have done what Kapil did.' Haynes had edged the ball with his bat and there was a possibility that the ball might have travelled towards the stumps, when he stopped it. But had he stopped it man, which is running him out at with his leg and not with his hand, the non-striker's end if he (the bats- there was no way he could have been given our

> At a time when the umpire's decision was final there were at least two occasions when their verdicts were reversed to accommodate the wishes of people who were thought to be impeachable. The first was in the West Indies, 1974, Alvin Kalicharran, believed Tony Greig, had started for a single and he ran him out. The crowd thought the batsman had played the last ball of the day and began his long walk towards the pavilion. What Kalicharran thought we do not know but there were guestions on Greig's sporting spirit, also,

> Vivian Richards was Vivian Richards. So he could get away with coercing the umpire into changing his decision in a one-match against India in Nagpur when Dilip Vengaskar was given out. No questions asked! No issues raised!

Dismissals in cricket have been a subject as much of rancour as they have been of humour. But they happened many ages ago. In a county match when WG Grace was bowled, he quietly lifted the bails, put them back on the stumps, and asked the umpire: "It's windy, isn't it?" The umpire said: "Hold your cap tight as you walk back to the dressing-room."

Wilfred Rhodes was, understandably, very hurt when Harold Larwood's ball hit him on the boot. Umpire Frank Chester, appearing as concerned as he could be, asked 'Willie, are you hurt?" "Aye," was the reply. "Can you walk?" Chester asked again. "Maybe with some difficulty," said Rhodes. Chester commanded: "Please walk." He was out LBW.

In 1987, long after cricket had ceased to be a gentleman's game, Courtney Walsh proved he was a fine gentleman on the field, and in a World Cup match at that. In Pakistan and against Pakistan, he had a wonderful opportunity to Mankad the last man of the opponent's innings. He didn't, and Pakistan won. As a reward for his wonderful gesture, Zia-ul Haq presented him a carpet

By the way, when and where was the expression "Mankaded" coined? Perhaps it was in Australia. And why just "Mankaded" to the exclusion of all others that might have fitted different situations? Many Australians have acquired fame for their antics

Election season whack-a-mole



INTER ALIA

MITALI SARAN

f the Election Commission (EC) were not a vital institution, you might feel a bit sorry for it, because it really does have a lot on its plate. There has been such large-scale abuse of its guidelines in the run-up to the 2019 election that the EC has had, to put it charitably, a hard time keeping up with all the violations. But it's too important an institution to feel sorry for. When it comes to safeguarding the people's right to vote in free and fair elections, it should expect only the sharpest public scrutiny.

The EC has not covered itself in glory under the Modi government, having been inexplicably accommodating of the PM's https://t.me/SSC4Exam

of EVMs and voter rolls. The governing party defies it so much that it's hard to avoid the conclusion that the EC is its creature. Like many other institutions by now, the EC is widely perceived as toothless. Now, with elections just a few days away, it will need to hold the line against a tidal wave of propaganda, fake news, and overt communalism.

The EC has dealt with the easy stuff, like the Indian Railways serving customers in cups provided by the NGO Sankalp, emblazoned with 'Main Hoon Chowkidar', and Air India printing tickets and boarding passes with Narendra Modi's image and 'Vibrant Gujarat' on them. It took up a complaint from traders in Delhi about Gujarati cloth in Delhi's wholesale markets being sold in wrappers emblazoned with the Prime Minister's image and the BJP's party symbol.

It has written to Doordarshan about airing the PM's 'Main bhi chowkidar' programme. It has pulled up Yogi Adityanath for calling the Army 'Modiji ka sena', though it has not pulled up the PM for saying that Rahul Gandhi was contesting in Wayanad because it is a Hindu minority constituency a statement factually incorrect. The EC remains oddly unsure, at the time of writing,

schedule, and faced criticism of its handling and accomplishments, whose makers have links to the BJP, should or should not be allowed to run just before voting begins.

The thorny issue of NaMo TV, which spews propaganda 24/7, remains to be sorted. The channel has recently resurfaced after its preelection run last year. Its content — compilations of the PM's speeches and promotions of the BJP's schemes and programmes — is available to all channels on the direct to home network. NaMo TV is on air despite having no licence or certification. The EC sought a report from the I&B ministry, which said it was merely an advertising platform paid for by the BJP: the Tata Sky CEO tweeted that the feed comes from the BJP. He also said that the earlier Tata Sky tweet describing the channel as a "Hindi news service" was wrong, that it is a "Special Services" channel, and that for more information approach the client, i.e. the BJP. These contortions make it look shady, even though it may well be within the rules for NaMo TV to operate. However, its ownership, and liability for content, remains unclear. But the Election Commission's greatest

challenge probably lies in the governing party's vast network of social media pages and handles, which purport to be independent about whether a movie about Mr Modi's life BJP, but which receive funds from the party democracy. https://t.me/Banking4Exam

and are an integral part of its campaigns. The Huffington Post's excellent investigation into Association of Billion Minds (ABM) should be required reading this election season. ABM sees itself as Amit Shah's team, and serves as one of the BJP's political consultants. It helps design and advertise party campaigns, but runs them from what look like fan pages and fan accounts. Much of ABM's content is communal, much of it is fake, and all of it is about the relentless promotion of Narendra Modi.

The Election Commission is playing whack-a-mole already; it cannot possibly rein in all of the Hydra's heads. But it can, when there is a financial link involved, consider it part of election campaign funding. As the Huffington *Post* story points out, the BJP is not the only political party engaging in these tactics — it is only the largest and best funded.

It's not just tragic, but also dangerous, that "professionalised" elections, with data profiling, marketing "innovations" like ABM, and complete comfort with spreading hate and fake news, as well as utterly complicit media, have destroyed voters' access to truthful information, and distorted their perspectives on candidates and the quality of their representation.

Can the Election Commission step up to

the plate and exert its constitutional powers with non-partisan conviction, to see us through a free and fair election? Upon its citizens' groups with no visible link to the credibility hangs the credibility of this

on the cricket field, https://t.me/UPSC4Exam

MFs' asset growth rate at 7-year low

Sharp volatility in debt, equity markets has created panic among investors

Mumbai, 5 April

The mutual fund (MF) industry, which had recorded double-digit growth in its asset base for the last several years, saw the same slip to a seven-year low at the

According to data from the Association of Mutual Funds in India (Amfi), the MF industry's average assets for the March quarter stood at ₹24.5 trillion, which was 6 per cent higher than the same period in the previous fiscal year. The industry assets have grown at an average of 23 per cent over the past six years.

According to experts, the growth in asset base has slowed down because both the debt and equity markets have seen sharp bouts of volatility in recent months.

"The events seen during this year have created panic among corporate and largeticket investors, who have pulled out a large part of their investments from schemes following Infrastructure Leasing & Financial Services (IL&FS) crisis. Further, the rise in interest rates and weak equity markets have led to mark-to-market losses," said Raj Kumar, CEO of LIC Mutual Fund.

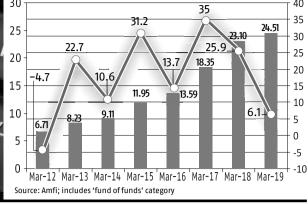
The income category has witnessed outflows to the tune of ₹80,000 crore since the II &FS crisis hit debt markets in September. Liquid schemes used by corporates and institutions to park surplus funds —



20 -4.7

■ ₹ trillion (LSH) — % growth (RHS)

LOSING PACE



Market volatility took a toll on industry's asset growth

https://t.me/TheHindu_Zone_official

have seen ouflows of above ₹1.3 trillion since September.

Kumar said investor caution was likely to stay for some time: flows could start improving

On the equity side, the flows have come under pressure, as poor trailing returns have disappointed investors and falling commissions have raised concerns among distributors

"The one-year returns have been negative. The ban on upfront commission has also dented sales," said a senior official of a fund house.

According to a data analysis,

nearly three in five diversified equity schemes underperformed their respective underlying indices in FY19.

A separate study by S&P Dow Jones Indices showed 92 per cent of large-cap equity funds and 26 per cent of midand small-cap equity funds had underperformed their respective indices. In February, equity flows slipped to ₹5,122 crore, falling for the fourth month in a row. This was the lowest tally in 25 months. Compared to the average inflow of ₹9,825 crore over the past 12 months, the figure was down 48 per cent.

Analysts say growth could see a revival if the election outcome indicates a stable government. At end-February, equity assets (including tax-saving schemes) stood at ₹7.7 trillion. Assets managed by income and liquid schemes stood at ₹11.8 trillion, accounting for over half the industry's assets

Sensex caps best week in 14 mths

SUNDAR SETHURAMAN & BLOOMBERG Mumbai, 5 April

The benchmark Sensex on Friday capped its best weekly rising streak in 14 months, with investor focus shifting towards the upcoming elections, and with the earnings season set to begin next week.

The index advanced 0.5 per cent, or 178 points, to 38,862, completing its seventh consecutive week of gains. During this phase, it has added over 3,000 points, or 8.5 per cent. The Niftv50 rose 0.6 per cent, or 68 points, to 11,666.

The Sensex had retreated for the past two sessions after closing at a record high on Tuesday. Foreign institutional investors (FIIs) turned netbuyers after two back-to-back days of selling. On Friday, they purchased shares worth ₹798 while domestic investors were net-sellers to the tune of ₹326 crore.

The surge in FII flows is seen as the key reason behind the market's seventh straight weekly gain. Since Februaryend, overseas investors have pumped in over ₹50,000 crore domestic markets, buoyed by the dovish policy WINNING STREAK Week ended Sensex Gain in pts Gain in % Mar 1 (2019) 35,871.5 0.17 36,671.4 Mar 15 38,024.3 1,352.9 3.69 ▮ Mar 22 0.37 140.3 38,164.6 Mar 29 38,672.9 1.33

stance adopted by global central banks, particularly the US Federal Reserve

38,862.2

Besides easy liquidity, the prospective re-election of Prime Minister Narendra Modi has helped sentiment.

The first phase of voting in starts on April 11, while Infosys kicks off the quarterly earnings season next Friday.

India on Tuesday became the first among markets valued at more than \$1 trillion to reach a record this year.

Last month, India was the best-performing major market globally, with gains of nearly

cent gains, the most since four financial years. Experts believe the gains could moderate, going ahead. On Friday, all 19 sectoral indices compiled by the BSE advanced, led by a gauge of

real estate stocks. Lenders,

including IndusInd Bank and

0.49

8 per cent. Indian markets

ended the FY19 with 17 per

YES Bank, rose the most on the benchmark gauge. Among Sensex members. 21 ended with gains led by Tata Steel and Vedanta, Power Grid and SBI fell the most at

nearly 1.5 per cent each.

Metropolis IPO subscribed 6 times

The ₹1,200-crore initial public offering (IPO) of Metropolis Healthcare saw a demand of nearly six times the shares on offer. The institutional investor portion of the IPO garnered nearly nine times subscription; the wealthy investor portion being subscribed thirce and the retail investor portion subscribed less than twice. The price band for the IPO is ₹877-880 per share. Given the high demand, the firm may price its shares at the top-end of the band, which will fetch it ₹4.416 crore. RS REPORTER

Polycab subscribed 71% on Day 1

The ₹1,345-crore IPO of Polycab India was subscribed 71 per cent on Friday, the first day of the issue. A day earlier, it had allotted shares worth ₹400 crore to anchor investors at ₹538 per share, the top-end of the IPO price band. At the issue price, Polycab will be valued at nearly ₹8,000 crore. This is after accounting for the fresh issue of equity shares worth ₹400 crore. The IPO comprises second share sale worth ₹945

PVR writes to Sebi against Screwvala



PVR has said Screwvala's interviews included false details about VPF and the monetary gains to multiplex players

URVI MALVANIA Mumbai, 5 April

PVR has written to the Securities and Exchange Board of India (Sebi), stating that the statements made by Ronnie Screwvala about virtual print fee (VPF) - the charge levied by film exhibitors - had resulted in volatility in its stock price.

In the letter dated April 4, PVR said Screwvala's statements were slanderous and malicious, and had misled analysts as well as investors.

On March 19, Screwvala had moved the Competition Commission of India against

multiplexes for charging VPF, which, he said, was a significant contributor to their revenue and profitability.

VPF is typically levied on film distributors by exhibitors to share the cost of digitisation of screens.

In the letter, PVR has said that Screwvala's interviews in the media included false information about VPF and the subsequent monetary gains to multiplex players.

It added that specific $claims\,pertaining\,to\,multiplex$ chains earning ₹400 crore a year from charging VPF were incorrect, and that it did not contribute to profitability.

THE COMPASS

Outlook for agri-input companies worsens on Skymet predictions

India-focused firms reeling from weak March quarter performance

UJJVAL JAUHARI

The outlook for Indiafocused agri-input companies has worsened after the monsoon predictions earlier this week.

Weather Skymet Services on Wednesday predicted this year's monsoon at 93 per cent of the long period average (LPA). impacted by a devolving El Nino. Rainfall is expected to be deficient in June and July, which means the June quarter is likely to be weak for agri-input firms.

However, a grey area is how the monsoon behaves thereafter. Analysts say that rainfall is expected to pick up during August and September, and may compensate for the deficient rain in June and July. Therefore, they say, the overall demand for agriculture production and agrochemicals may not get materially impacted.

Nevertheless, they will be watching the progress of the monsoon. In this backdrop, and looking at international prospects, the advice for investors is to stick with companies with sizeable exports or global exposure.

Analysts at Prabhudas Lilladher say: "We continue to remain positive on companies with sizeable exports/international business such as PI Industries and UPL, given their high revenue growth visibility as well as consistency in performance."

Though Dhanuka Agritech and Insecticides India also figure among their picks, the fortunes of these two companies completely on how the monsoon pans out in India.

The sentiment around domestic-focused agriculture companies is also among the top picks of likely to be impacted by analysts.



the expected weak performance in the March quarter.

The weak rabi season

and high inventory at channel partners is likely to weigh on their perform-Analysts ance. Edelweiss say the nearterm outlook for agriinput companies remains muted on account of a weak rabi season and crop prices. Further, with the presence of higher-channel inventory in the system, they expect marginal growth of 4 per cent yearon-year (YoY) in domestic agrochemical revenues.

The overall growth of agrochemical companies is expected to be driven primarily by PI Industries. The analysts expect a 14 per cent YoY increase in revenues for the firm, driven by a 20 per cent YoY rise in the custom synthesis and manufacturing solutions segment, which is seeing a strong order book and growth momen-UPL, too, is expected to

see 12 per cent YoY growth, driven by performance in Latin America despite the weak domestic performance. However, looking at government initiatives such as the Direct Income Transfer and farm loan waivers to support farmers' income, Coromandel International remains

► FROM PAGE 1

Investors in unlisted firms can't file ITR1 **ITR4 forms**

An assessing officer said disclosures of holdings in the form of unlisted shares would help keep a check on whether such routes were being used to generate unaccounted money.

He said the tax department had observed cases where either the shares were traded in physical form where the gains could remain undisclosed or shares were issued by unlisted companies to garner funds from persons who wanted to avoid know-yourcustomer scrutiny.

Experts said the new modalities were comprehensive in nature. "The new forms, ITR-2 and ITR-3, specifically ask about investments and holding of a person in unlisted shares of a company and if the person held such shares any time during the year. Such individuals cannot file their return in ITR-1 and ITR-4, irrespective of the quantum and nature of income," said Amit Maheshwari, partner, Ashok Maheshwary & Associates LLP. The board has rationalised the new ITR-1. An individual who is a director of a firm, has investment in unlisted shares or has income on which TDS has been deducted in other person's hands, can't file

these forms. In case of individual assesses, ITR-2 asks them to furnish elaborate details about their residential and directorship details. Further, the new form seeks details of foreign assets and income from any source outside India, including offshore depository and custodial accounts.

More on business-standard.com

Supreme Court warns Singh brothers of jail

In his submissions before the assets worth ₹6,300 crore, majority of which was lying with a spiritual leader, which they had not been able to recover.

Singh also tried to get the court to intervene to recover the money, arguing that the top court's intervention would hasten payment to Daiichi. The request was, however, turned down by the court, which said who owed money to whom was not its problem. "We are not here to solve your

problems. We are here to help you satisfy creditor dues," the Bench said. Other than these, the group, Singh claimed, had ownership in other companies and real estate assets, which could be sold to pay the dues. He, however, did not provide any details of



where these assets were.

Shivinder Mohan Singh, on the other hand, submitted that he had assessed the value of assets held by him and it had come to around ₹900 crore, which could be sold to satisfy part of Dajichi Sankvo's decree. Apart from that, the vounger sibling said, he had another plan in which he sought a time of two years from the court. During this period, Shivinder said, he would work with Daiichi Sankyo and others and enhance the value of the assets

Acknowledging that the val-

ue of the RHC group had depleted severely over the past few years, Shivinder said most of this value degradation happened during the time he had relinquished the world to undertake a spiritual journey and left the company's control to his elder brother.

The two brothers, who were present in court on Friday, have been asked to be present in the court again on April 11.

On Friday, the top court also stayed insolvency proceedings against the RHC group and its garnishee companies. The order came on a submission by Daiichi Sankyo that if insolvency against these companies started, a moratorium would

from ₹900 crore now to ₹2000 come in place, which would the award owed to them.

> The insolvency petition has been moved against a cluster of 19 companies that are allegedly linked to the Singh brothers. The companies, Religare Finvest had said in its petition, were used to siphon off loans taken by the two brothers when they were in control of the firm.

> The apex court is hearing a batch of petitions filed by Daiichi Sankyo, which include a challenge to the sale of Fortis Healthcare's stake to IHH Berhard Malaysia. The top court, on December 14 last year, had ordered status quo with regard to the sale of controlling stakes of Fortis Healthcare.

More on business-standard.com

Indian pilots. One of them, he stat-

ed, was injured and under treat-

Corporate India's old

brigade marches out

The move has sparked a debate on whether age should be a ground for a director to step down. While some believe it will help induct younger generation, others say it could impact the company's

"It is an ongoing process on the part of companies to ramp up their boards and bring in directors with the right kind of skills and diversity, while also being sensitive to the culture and ethos of the company," said Sai Venkateshwaran, partner,

"When the average employee age in many companies is late-20s and early-30s, I don't see any rationale in the directors above 75 continuing on boards," said Shriram Subramanian, MD,

In its observations, the Kotak panel had said: "While age itself may not be a determinant of efficiency or capability of a person or the basis for disqualification of a director, a higher level of shareholder endorsement may be required for directors to continue in their position beyond a certain age.'

The committee further noted that non-executive roles on board also needed significant commitment of time, and hence checks and balances should be considered in connection with the age of non-executive directors similar to the provisions of the Companies Act for executive directors.

"Age is a very subjective issue. So in order not have a rule on age, it is better to have a benchmark, and once the benchmark is crossed, there should a little bit more scrutiny for continuation," said J N Gupta, MD, Stakeholder Empowerment Services

Last year, the reappointment process of Deepak Parekh as non-executive chairman of HDFC had put a spotlight on the issue of average board age and number of directorships.

Nearly a quarter of shareholders had voted against Parekh's reappointment after certain overseas proxy firms recommended shareholders to vote against the resolution citing its directorship in eight boards. Some experts had also raised concerns over the high average age of the directors at the mortgage lender.

Indiabulls Housing to buy Lakshmi Vilas Bank

"In the interim period, we will function as a going concern and ensure that we stay PCA," Parthasarathi Mukherjee, MD and CEO, LVB. Indiabulls' presence in the northern and western markets will complement its presence in the south, and the merged entity will be able to create a pan-India footprint.

For the management of the combined entity, IBHF has proposed that Banga and Mukherjee will serve as joint MDs of the merged entity.

Founder and chairman of the Indiabulls group, Sameer Gehlaut, will be vice-chairman, said IBHF in a filing. The IBHF board has constituted a re-organisation committee headed by former RBI deputy governor S S Mundra, to take necessary decisions about the proamalgamation. Mundra also serves as an

board of the housing finance company. The merger is expected to take 6-12 months as it would require regulatory approvals from the RBI, National Housing Bank, CCI, Sebi, and the NCLT. The RBI's nod will be crucial for the merger. "We are flexible with the structure suggested by the RBI and will follow the guidance," added Banga.

independent director on the

IBHF already holds a significant stake in UK-based OakNorth Bank, which is valued at ₹3.000 crore. It had acquired a 40 per cent stake in the banking start-up in October 2015. In October 2018, it sold a 16 per cent stake in OakNorth Bank to Singapore's GIC for ₹900 crore, according to IBHF's presentation. The share exchange ratio has been arrived at on the basis of joint

With inputs from Gireesh Babu

valuation reports.

The sources presented transcripts of radio conversations between Pakistani ground troops on February 27, which talked about a second captured pilot, who was mistakenly identified as an IAF

pilot and then taken to a Pakistani

hospital. Soon after the shooting down of the IAF MiG-21, piloted by Wing Commander Abhinandan Varthaman, a radio call from Pakistani battalion, 7 Northern Light Infantry (NLI), stated at 12:05 pm: "Yeh enemy ka tabah hua hai jo parinda tha, enemy ka tha. Unke wo jo dono parinde wale hain, un dono ko pakad liya. (The destroyed

bird was that of the enemy. There

were two pilots and we have cap-

Minutes later, at 12:42 pm, the 7 NLI radio operator said: "Enemy ka jo tabah hua parinda wale pakad live hain, hamne anne unit mein laya. Ab dusra bhi 658 waale ne unko bhi pakad liya. (We have brought the enemy pilot we captured to our unit. The soldiers from 658 [Mujahid Battalion] have cap-



US media report says Pakistan's...

that day, 7 NLI transmitted: "Wing Commander Abhinandan, the MiG-21 pilot, dusra zakhmi CMH mein hai (Wing Commander Abhinandan is the MiG-21 pilot and the other is wounded and has been transferred to the Central Military Hospital (CMH)."

IAF sources point out this was corroborated by the confusion within the Pakistan military's public relations organisation, Inter-Services Public Relations (ISPR), whose director, Major General Asif Ghafoor, posted on Twitter at 11:49 am: "One Indian pilot arrested by troops on the ground and two in

In a press conference, which was posted on Twitter at 1:14 pm, Ghafoor stated that Pakistani tured a second pilot)." At 3:20 pm ground troops had captured two

ment in the CMH. In the same press conference, Ghafoor denied any F-16 had been shot down and stated that "No F-16s had taken part in this engagement." Several days later, after the IAF displayed the wreckage of an AMRAAM airto-air missile, which arms the F-16 fighter, Pakistani spokesperson changed tack, admitting that F-16s had taken part. That evening, at 6:19 pm,

Ghafoor tweeted, presumably after being informed that the second pilot was Pakistani: "There is only one pilot under Pakistan Army's custody. Wing Comd Abhi Nandan (sic) is being treated as per norms of military ethics."

IAF sources also presented a playout of the AWACS radar display, which showed a MiG-21 icon heading towards an F-16 icon. which subsequently vanished from the display. The IAF says that proves the F-16 was shot down, but there is no way of verifying this.

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https://t.me/UPSC4Exam



Won't increase tax

Modi raises Agusta charge sheet that named AP, FAM

Dehradun, 5 April

rime Minister Narendra Modi on Friday referred to the Enforcement Directorate's charge sheet on the AgustaWestland helicopter scam and claimed that alleged middleman Christian Michel had pointed at the involvement of the first family of the Congress

Alleging that the Congress and corruption



were "inseparable partners", Modi said Michel had disclosed two names to his interrogators. 'AP' and the oth-

er was 'Fam'. 'AP' stands for Ahmed Patel and 'FAM' stands for family. Have you heard of Ahmed Patel? Which family is he close to?" Modi asked the crowd at a rally in Dehradun.

When he heard the crowd's response, Modi said: "You understood automatically. The family cannot tolerate the stern attitude of the *chowkidar* (watchman)." The ED had filed a supplementary charge sheet against Michel in a Delhi court charge sheet.



on Thursday, saying that the alleged middleman had identified the initials "AP" as Ahmed Patel, the senior Congress leader considered close to the Gandhi family. Michel, however, filed an application on Friday claiming that he had not named anybody in connection with the deal.

He also claimed a journalist was pushed around when he tried to ask Congress President Rahul Gandhi questions on the

Jaitlev also attacks Rahul

BJP leader Arun Jaitley on Friday questioned Gandhi's "silence" on the charge sheet, saying right to silence belongs to an accused but not to a prime ministerial aspirant.

Addressing a press conference, Jaitley said the Congress should answer as to who were referred to as "RG", "AP" and "FAM" and added that Swiss police had also seized papers carrying similar initials in its

Cheap poll stunt: Congress slams ED

The Congress said on Friday that the ED's supplementary charge sheet was a "cheap election stunt" to divert the people's attention from the "imminent defeat" of the Narendra Modi dispensation in the Lok Sabha

Congress chief spokesperson Randeep Surjewala said a "panic-stricken" Modi government is using "rehashed insinuations" through its "puppet" ED, which it dubbed as "Election Dhakosla" (sham) for "manufacturing lies". "All these rehashed insinuations and lies were bundled out earlier too through a set of pliable media."

raids in connection with the case in 2013.

Meanwhile, Christian Michel told a Delhi court on Friday that he has not named anybody in connection with the deal during investigation by the ED.

Michel, who alleged that the central government was using agencies for political agenda, filed an application after the reports appeared that ED in its charge sheet has named politicians of the previous UPA regime.

NaMo TV is an ad platform by DTH service providers: I&B

Pune, 5 April

Yojana (NYAY).

ruled out burdening the mid-

dle class to fund the anti-poverty scheme Nyunatam Aay

The opposition party has

said that if voted to power, it will

give ₹72,000 per year as mini-

mum income to poor families,

benefiting around 25 crore peo-

ple, a move Gandhi has termed

Pune, Gandhi said the mani-

festo has been prepared after

consultations with all stake-

holders. "The middle class will

not be taxed and income tax

will not be increased to imple-

ment the Nyay scheme where

₹72,000 will be deposited in

bank accounts of poor people

every year if the party is voted to

guarantee scheme is estimated

to cost ₹3.26 lakh crore to the

national exchequer. The BJP,

which has criticised the scheme,

has sought to know how it will

be funded. Senior Congress

leader and former Union minis-

ter P Chidambaram has also said

the middle class won't bear the

burden for implementation of

conference and various inter-

views, there will be no increase

"I have already said in press

the Nyay scheme.

The Nyay minimum income

power," he said.

Interacting with students in

a 'surgical strike' on poverty.

PRESS TRUST OF INDIA New Delhi, 5 April

https://t.me/TheHindu_Zone_official

The Information and Broadcasting (I&B) Ministry is learnt to have responded to an Election Commission (EC) notice on NaMo TV on Friday, saying it is an advertisement platform launched by DTH service providers which does not require government nod.

The ministry also said that NaMo TV is not a regular channel and it does not figure in the official list of approved channels, a source said.

The ministry told the poll panel that according to the norms, no approval is required to run such advertising platforms, the source said.

On Tuesday, the EC had issued a notice seeking a report from the ministry on NaMo TV, launched just weeks ahead of the general election, after Opposition parties, including the Congress, asked the poll body to direct the ministry to suspend the channel as it was violative of the model code of conduct.

The EC will take a call on whether it violated the model code after going through the documents the ministry

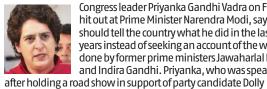
to fund NYAY: Rahul PRESS TRUST OF INDIA Congress President Rahul Gandhi on Friday said his party's manifesto was an expression of the people of India and

Congress chief says he loves Modi, berates him for 'insulting' Advani

Congress President Rahul Gandhi on Friday said his love for Prime Minister Narendra Modi begets anger from the latter, and berated him for 'humiliating' BJP veteran L K Advani.

Addressing a poll rally at Chandrapur, Gandhi said, "BJP talks of Hinduism. In Hinduism, guru is supreme. It talks of guru-shishya tradition. Who is Modi's guru? Advani. Joota maar ke stage se utara (Advani was kicked out from stage)." Gandhi said Modi had humiliated Advani, and added that disrespecting one's guru is not Hindu culture. His swipe at Modi over the treatment meted out to Advani follows the BJP patriarch's blog published on Thursday. PTI

Priyanka: PM unable to list even one achievement of his 5-year rule



Congress leader Priyanka Gandhi Vadra on Friday hit out at Prime Minister Narendra Modi, saying he should tell the country what he did in the last five vears instead of seeking an account of the work done by former prime ministers Jawaharlal Nehru and Indira Gandhi. Priyanka, who was speaking

Sharma, alleged the prime minister was serving lies to the masses and is unable to list a single achievement of his five-year tenure. PTI

class. This is our promise," Chidambaram tweeted. During the free-wheeling in the tax burden of the middle interaction, moderated by RJ

Malishka and actor Subodh Bhave, Gandhi answered a number of questions, ranging from politics to personal life.

ECpulls up Adityanath, NITI V-C

Says NITI Aayog's Kumar violated poll code with comments on NYAY; lets off Uttar Pradesh CM over 'Modiji ki sena' remark, asks him to be careful in future

New Delhi, 5 April

The Election Commission (EC) said on Friday that NITI Aayog Vice-Chairman Rajiv Kumar violated the model code of conduct when he made comments against the Congress' proposed NYAY scheme.

However, the EC expressed "displeasure" over his remarks and did not take any further action.

In a communication sent to Kumar, the EC asked him to be cautious in future while making statements.

The Commission has come to the conclusion that your above-mentioned comments violate the said MCC norms. The Commission has therefore, decided to convey it's displeassent to Kumar.

On March 27 response on his remarks in dent

The EC had felt that since

While Kumar told the EC that he spoke against the NYAY scheme as an economist and not as part of the policy body, Adityanath, in his reply, is learnt to have hailed the role of the EC in conducting polls

remarks were prima facie violative of the model code.

Kumar is learnt to have told the Election Commission that Minister Yogi Adityanath with ure to you and expects that you he spoke against Congress's shall excercise caution in Nyuntam Aay Yojna (NYAY) future," the EC said in the letter scheme as an economist and not as part of the policy body.

At a press conference here

Rahul Gandhi which he had attacked the announced that 20 per cent Congress over its minimum families belonging to the income guarantee promise. poorest category will be given Rs 72,000 each annually as

Kumar is a bureaucrat, his minimum income if his party comes to power.

The EC is also learnt to have let off Uttar Pradesh Chief a light rap for his "Modi*ji ki* sena" remark, asking him to be more careful in the future.

Not satisfied with the emarks, the EC is learnt to el had sought Kumar's on March 25, Congress presi- have told him that be "more cause notice based on a video careful in his utterances in future", sources said.

They said the EC also told Adityanath that since he is a senior politician holding an

EC to seek legal

The EC on Friday decided to consult its legal experts before taking a final decision on whether to restrain the release of the biopic on PM Narendra Modi till the polls are over.

'The matter is now in the Supreme Court where it is listed functionary explained.

remarks should reflect his

The commission was not satisfied with his reply in which he is learnt to have hailed the role of the EC in con-

The EC had issued the Uttar adesh chief minister a show clip submitted by the Ghaziabad district magistrate which showed Adityanath making the remarks at the election rally there on Sunday.

view on Modi film

for April 8. Since the EC has been made a party, the commission will discuss the situation with its legal experts on way forward,"

important position, his

Amit Shah: BJP brought peace to Northeast



BJP President Amit Shah on Friday said the Modi regime has ensured peace and development in the Northeast, which was roiled by militant activities just five years ago.

The BJP is committed to take action against cross-border terrorism and to root out insurgency in the northeast, he said in Changlang, insisting that political stability returned to Arunachal after the party came to power.

Modi had instructed his ministers to visit the northeast states every fortnight and resolve the problems of the people in the region, Shah said.

"Five years ago, the northeast was disturbed, there was hardly any development. The BJP has brought peace to the region and paved way for its development," he claimed.

"All parts of the northeast now have air and rail connectivity. In Arunachal alone, the govt has sanctioned ₹50,000 crore for the development of roads," Shah stated.

Won't contest polls: Sumitra Mahajan

SANDEEP KUMAR Bhopal, 5 April

Lok Sabha Speaker Sumitra on Friday announced she would not contest the Lok Sabha election starting next week.

The eight-time Member of Parliament from Indore spoke out against the Bharatiya Janata Party (BJP) in a letter. Mahajan, known as "Tai"

"The BJP has not declared its candidate for the Indore seat till now. Why is this situation of uncertainty? The party may be hesitant to take a decision. I had, however, spoken to seniors in the party in this context quite early on and left the decision on them. It seems they still have some hesitancy regarding the candidate for the seat. This is the reason I'm making this declaration now that I will not contest the Lok Sabha polls. I decision on the seat." She also thanked the people of Indore

for supporting her. Mahajan is the latest to join the list of BJP leaders over 75 years of age who have been asked not to contest elections. L K Advani, Kalraj Mishra, Murli Manohar Joshi others. Joshi had also written an open letter to the Kanpur completely fine with it."



to the people of Indore, wrote, Mahajan is the latest to join the list of BJP leaders over 75 years of age who have been asked not to contest elections

voters, saying he had been asked not contest the election.

Political analyst Girija Shankar terms the letter a "revolt". "Angst is a small word. The language of the letter indicates that Mahajan is certainly not happy with the party leadership." He also said Mahajan's move will not leave the party free to make a affect the chances of the BJP in the saffron bastion as any individual cannot survive without the umbrella of the party.

spokesperson Rajnish Agarwal said, "She is a senior leader. She had to make an announcement regarding her plans and she and Shanta Kumar are among chose to write a letter. We respect this. The party is

SC no to granting interim stay on electoral bonds

The Supreme Court on Friday refused to grant interim stay on the electoral bonds scheme of the Centre on funding to political parties and asked the petitioner NGO to file an appropriate application. The Centre told the court the scheme was launched to prevent black money flow into political funding. A bench of CJI Ranjan Gogoi and Justices Deepak Gupta and Sanjiv Khanna said the issue requires a detailed hearing and, therefore, it will take up the plea on April 10.

BS REPORTER

Citizenship Bill, NRC lollipops, says Mamata



The National Register of Citizens (NRC) and Citizenship Bill

are "two lol-

lipops" being doled out by PM Narendra Modi to "fool" the people of Assam, West Bengal CM Mamata Banerjee said on Friday. The NRC had left out the names of 4 million people and it was only the Trinamool Congress that stood beside these people irrespective of their religion, Banerjee said while addressing an election rally in Assam.

https://t.me/SSC4Exam