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PUBLISHED SIMULTANEOUSLY FROM BENGALURU, KOLKATA, MUMBAI AND NEW DELHI

PERSONAL CRITICISM
BY BJP IS UPSETTING:
ABHIJIT BANERJEE



The BJP's personal criticism is upsetting, this year's Nobel laureate for economics Abhijit Banerjee, has told *The Wire*. He was responding to the disparaging comments made by Commerce and Industry Minister Piyush Goyal and BJP National Secretary Rahul Sinha after he won the coveted prize along with his wife, Esther Duflo, and the Harvard economist Michael Kremer. Goyal called Banerjee "totally Left leaning" and said "the people of India have rejected his thinking", while Sinha said, "Those people whose second wives are foreigners are mostly getting the Nobel prize. I don't know whether it is a degree for getting the Nobel."

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Trade wars to impact flow
of capital and goods: FM

Finance Minister Nirmala Sitharaman said protectionism and the ongoing trade wars have generated uncertainties and will ultimately impact the flow of capital, goods and services. She also called for 'concerted action' to mitigate the disruption on account of synchronous slowdown and to invoke the spirit of multilateralism.

PTI

Former tax dept head K V
Chowdary joins RIL board

Former anti-corruption body head K V Chowdary has joined the board of India's most valuable company, Reliance Industries, as an independent director. A 1978-batch Indian Revenue Service officer, Chowdary was in August 2014 appointed chairman of the Central Board of Direct Taxes.

PTI

BS
SPECIAL
ON
SUNDAY

IN DEPTH
Goldilocks entrepreneurs



India's focus on high-growth start-ups and micro enterprises is of little consequence to businesses that are too small to avail of a traditional bank loan and too large to benefit from government schemes, write

N CHANDRASEKARAN & ROOPA PURUSHOTHAMAN 7▶

COMPANIES P2

Former Jet Airways CEO
Vinay Dube joins GoAir

Former Jet Airways chief executive Vinay Dube has joined budget carrier GoAir in an advisory role, a source said on Saturday. Dube had quit defunct Jet Airways on May 14, nearly a month after the airline ceased operations due to severe liquidity crisis. According to the source, GoAir wanted to hire him for the position of the CEO, which is lying vacant since March this year.

Johnson's Brexit plans in
disarray as MPs force delay

New vote likely next week; EU will grant extension if UK PM sends letter

BLOOMBERG
19 October

Boris Johnson's Brexit plans were again thrown into chaos after the UK parliament voted to take more time to scrutinise the deal the prime minister struck with the European Union this week, forcing him to seek the delay he vowed he never would.

Without Parliament's sign-off, Johnson is required by law to send a letter to Brussels on Sunday requesting that Brexit be delayed until January 31 — three months after his self-imposed deadline. At a rare Saturday sitting, lawmakers voted by 322 to 306 in favour of a rebel Tory's proposal to withhold their approval for now.

Afterwards, Johnson said that he will not negotiate a delay with the EU. His office refused to say what this meant, but, speaking earlier, the prime minister accepted that he would have to obey the law.

"Whatever letters they may seek to force the government to write," he told Parliament at the start of the day, "it cannot change my judgment that further delay is pointless, expensive and deeply corrosive of public trust."

The result prolongs the 3 1/2 years of political turmoil triggered by the referendum. The possible outcomes range from delaying Brexit — allowing time for a general election or a second referendum on leaving — to a battle in court, or a chaotic and economically damaging departure from the bloc without a deal in just 12 days. Johnson still has a chance to deliver his pledge to get Britain out of the EU by the end of the month. A Withdrawal Agreement Bill will be put before parliament next week, and it could begin its journey into law as soon as Tuesday.

The scale of Johnson's defeat on Saturday, though, shows the problem he has created for



PHOTO:REUTERS

WILL TELL OUR FRIENDS AND COLLEAGUES IN THE EU EXACTLY WHAT I HAVE TOLD EVERYONE ELSE IN THE LAST 88 DAYS, THAT FURTHER DELAY WOULD BE BAD FOR THIS COUNTRY, BAD FOR THE EU AND BAD FOR DEMOCRACY"

BORIS JOHNSON, BRITISH PM, WHILE ADDRESSING PARLIAMENT

PAGE 8 THOUSANDS GATHER IN LONDON REBEL WITH A CAUSE PLOTS TO
DEMANDING NEW REFERENDUM RUIN BIG DAY FOR JOHNSON

himself by alienating his allies in the Democratic Unionist Party. Their 10 votes made the difference between defeat and victory. They had supported Johnson until this week, when he signed a Brexit deal that creates a customs border in the Irish Sea — a concession designed to secure Ireland and the EU's support for the agreement. The DUP angrily denounced that during the debate. When Johnson does try to push his deal through, the question will be, as it was on

Saturday morning, whether he has the votes. The day saw Conservative MPs, both current and almost all those he expelled last month, saying they would vote with him, as well as a small number of Labour MPs. If he can hold that coalition together for two weeks, he might have a chance.

Johnson could still try to circumvent the legislation forcing him to seek a delay, but he is certain to face legal challenges that could end up in the Supreme Court.

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ED raids DHFL
in probe over
Memon links

SHRIMI CHOUDHARY
New Delhi, 19 October

Widening its probe into illegal property dealings, the Enforcement Directorate (ED) on Saturday conducted searches on Dewan Housing Finance (DHFL) premises in connection with its exposure to real estate firm SunBlink Developers, which is under the agency's lens for its property dealings with late gangster Iqbal Memon.

An ED official said searches had been carried out since morning at seven to eight locations in Mumbai, including offices and residences of some of the directors of the company. Searches would continue for two more days, he added. Searches were also carried out on Mumbai-based Dheeraj Realty. Its promoter Dheeraj Wadhawan has been questioned by the probe agency.

A text message to DHFL regarding searches remained unanswered. The ED is probing several property deals involving Iqbal Mirchi, Sir Mohamed Yusuf Trust, and Millennium Developers, controlled by Nationalist Congress Party member and former Civil Aviation Minister Praful Patel. He was questioned by the ED on Friday on these property dealings and confronted with certain phone call details, purportedly showing connection between him and Memon.

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HDFC Bank's PBT up
17%, provisions rise

NIDHI RAI
MUMBAI, 19 October

Private sector lender HDFC Bank on Saturday reported a 17.47 per cent rise in its profit before tax (PBT) for the quarter ended September 30, riding on healthy loan book growth and other income.

PBT for the period under review stood at ₹8,997.40 crore, as against ₹7,659 crore in the year-ago period. Net profit (after tax) rose about 27 per cent to ₹6,345 crore, meeting analysts' expectations.

The bank's asset quality remained stable on a quarter-on-quarter (QoQ) basis with gross non-performing assets (GNPA) of 1.38 per cent of the total advances, as against 1.40 per cent in the June quarter. Provisions in the quarter rose 3.33 per cent on a QoQ basis to ₹2,700.81 crore. These included specific loan-loss provisions of ₹2,038 crore and general and other provisions of ₹662.7 crore.

"The bank maintains 114 per cent of total provisions of the gross NPA and doesn't see any trouble," the bank management told analysts in a call. According to the management, the impact of recent tax rule changes on its profitability was about ₹450 crore. Net interest income (NII), or the difference between interest income and



Q2 REPORT CARD

	Sep '18	Sep '19	% chg
Profit before tax (₹cr)	7,659	8,997	17
Net profit (₹cr)	5,005	6,344	27
GNPA (%)	1.33	1.38	
Total advances (₹cr)	7,508	8,969	19
Operating income (₹cr)	4,015	5,588	39

Source: Company

interest cost, for the bank rose about 15 per cent to ₹13,515 crore from ₹11,763 crore in the corresponding quarter a year ago.

Its net interest margin (NIM), or the difference between yields on advances and cost of deposits, was 4.2 per cent, slightly down from its first quarter's NIM of 4.3 per cent.

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Shiv Sena chief Uddhav Thackeray at an election rally on Saturday. The economic slowdown is not a poll plank for the Shiv Sena, the dominant party in the region, and others

PHOTO:PTI

Festive spirit
is missing in
Maharashtra's
industrial hub

Aurangabad's markets, from auto to pharma, mirror India's slowdown woes

ARCHIS MOHAN
Aurangabad, 19 October

This industrial hub, and tourist destination, of the Marathwada region hit international headlines nine years back when Mercedes-Benz handed over keys to 150 of its cars to local businesspersons in a single day. That event — local entrepreneurs had planned to buy the cars over a morning jog — generated a never-before buzz about the city and helped attract some investors.

On the last day of campaigning for the Assembly polls on Saturday — and with Diwali less than 10 days away — the festive spirit local businesses had hoped for is absent from Aurangabad's bazaars. The widespread economic slowdown has hit most sectors here too, from automobile and pharmaceutical industries to tourism.

If entrepreneurs reminisce about the sale of 150 Mercedes cars in mid-October of 2010 as an example of how the animal spirits drove the city's economy then, the slowdown is not an election plank for any of the principal political parties in the fray.

Bharatiya Janata Party (BJP)-Shiv Sena alliance workers nod in agreement when asked about the economic slowdown, but take the conversation towards Prime Minister Narendra Modi's leadership and the scrapping of provisions of Article 370.

"The government has proposed several measures to help the economy," says Manish Jain, a BJP booth in-charge, who is a businessman himself. He, instead, talks about the efficient delivery of social welfare schemes of the Modi government at the Centre, and the Devendra Fadnavis government in the state, and his role in last-mile delivery of these schemes.

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RISE IN GOVT SPEND FAILS
TO LIFT RURAL ECONOMY

The Soybean Processors Association of India, in its last crop assessment report released on October 11, pegged the total soybean crop in Madhya Pradesh at more than 4 million tonnes, which is a drop of almost 31 per cent from the previous year. The total production in the country has been estimated at 8.99 million tonnes, 17 per cent less than last year. In any other time, such a sharp reduction would have pushed up prices in the spot market. SANJEEB MUKHERJEE writes

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The phone call is not dead, it's evolving

Here's a crazy idea: What if people started using their smart-phones to actually speak to each other again?

KATHERINE BINDLEY
19 October

When researchers at Yahoo Labs wanted to learn more about how young people use video chat, they asked 16 teenagers in the greater San Francisco Bay Area to keep a diary for two weeks. The subjects liked to multitask, cleaning their rooms and scrolling through social media, while talking with friends. Chats sometimes lasted almost all night—teens would go down for dinner with their families, only to come back upstairs and resume the conversation.

"They would turn on a video chat and then just throw their phone some place," says Yahoo principal research associate Frank Bentley. "They'd basically use it as open audio because

the camera would just be pointing at the ceiling."

"Open audio" sounds a lot like making phone calls. But don't tell those teens. "It's almost seen as rude to call someone," says Mr. Bentley, who worked with lead author Mia Suh, a Ph.D. candidate at the University of Washington on the study. It's as if they're saying, "I am going to disturb someone and make their phone ring and interrupt them and kind of force them to pay attention to me," he says.

Talking was the most popular way to communicate via cellphone in the fall of 2012, with 94% of survey respondents having done so in the prior week, according to consumer-research firm MRI-Simmons. By the spring of 2019, talking had fallen to least popular, behind texting, emailing, posting to

social media and using chat apps, with just 45% reporting doing it in the prior week. In other words, less than half had used their phone for an actual phone call.

Multiple people I interviewed said when the phone rings unexpectedly, they assume someone has died. But some app developers and investors think voice communication over the phone isn't the problem, just the act of making a phone call itself. Between the rise of smart speakers and Apple's wireless AirPods earbuds, and the ubiquity of group messaging and video chat, they're betting now might be the time for voice to make a comeback. "Calling is



fundamentally broken," says Alex Ma, 26, co-founder and CEO of the company behind audio-chat app TTYL. "We went from landlines to the iPhone X but we haven't changed the way we call people."

After Mr. Ma graduated from college, he found it hard to keep in touch with friends; texting didn't make him feel connected enough so he started calling them weekly. But the calls felt like they had to be scheduled events.

The app he launched last summer is like a voice-only version of Houseparty, the popular video hangout app recently acquired by Epic Games, the maker of "Fortnite."

With TTYL (as in "talk to you later"), you put your earbuds in and open the app,

then your friends get notified you're free to talk. People can either keep a "room" open for others to join, or lock it for privacy. The app is designed for small, close groups: You wouldn't have as many friends on TTYL as on Facebook or Instagram—only people you'd actually want to hear from.

"What our app allows you to do is in a single tap, jump into someone's ears and start a conversation," says Mr. Ma.

Another new app called Chalk allows users to combine a text chat with the ability to quickly switch to a voice conversation. They can also go into listen-only mode, where they can hear everything but can't talk back. (They can text back, or quickly turn their microphones back on.) The idea is to reduce the time and effort it takes to switch back and forth between communication modes.

"People were designed to have voice conversations," says Juyan Azhang, 28, co-founder and CEO of the company behind Chalk. "I don't think we were

designed to have phone calls, and I think people lump those things together and I guess our goal is in some ways to peel that apart."

Mr. Azhang thinks live chat has more of a future than voice messaging, where peoplesling recordings at each other. That is already a function of Apple Inc.'s iMessage and Facebook Inc.'s Messenger, WhatsApp and Instagram. This type of voice messaging is popular abroad but hasn't really taken off in the U.S.

Voice-first platforms have launched—and failed—many times over the years, some of them not too long ago. Ryan Hoover, who invested in TTYL and runs the startup-tracking service Product Hunt, says there's a graveyard of audio-based apps on his website.

"Part of it is simply the timing," he says. "AirPods did not exist. Bluetooth headphones were far less prominent. Very few people had smart speakers."

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Source: The Wall Street Journal