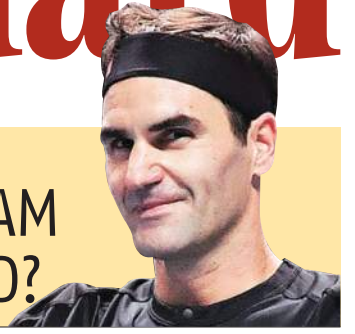




WORLD P8
HUAWEI, ZTE BARRED FROM US GOVT SUBSIDY PROGRAMME

WORLD P9
ROGER FEDERER: GRAND SLAM CHAMPION TO SNEAKERHEAD?



PUBLISHED SIMULTANEOUSLY FROM BENGALURU, KOLKATA, MUMBAI AND NEW DELHI



AUTO SECTOR MAY SPEND ₹17K CR ON CAPEX TILL FY21

Amid slowdown in the automobile sector, the combined capex of listed automakers and component manufacturers is expected to be about ₹17,000 crore in the current and the next financial years. Some of these companies brought down their initial capex estimates by 10-15 per cent. The projected capex will be largely towards BSVI transition, developing new products, and expansion in international markets.

MCA wants accounts of CG Power to be restated

The Ministry of Corporate Affairs (MCA) wants Power and Industrial Solutions to restate accounts of the past five financial years, reflecting the actual financial position, including receivables from firms linked to former promoter Gautam Thapar, said sources. After the fraud came to light, had expressed desire to restate financial accounts for the past five years and it will now expedite the process. Sources said the MCA has filed a petition before the Mumbai Bench of the NCLT seeking permission to re-open the books and recast the financial statements of CG Power and its subsidiary companies for the past five financial years, beginning 2014-15.

Homebuyers seek further talks over Jaypee Infra

Homebuyers of Jaypee Infratech want NBCC to acquire the debt-laden firm in the ongoing insolvency process, and have asked their representative in a panel of creditors to further negotiate the bid submitted by the state-owned firm. P&A Law Offices, which represents and advises nine registered homebuyers associations, has written a letter to Kuldeep Verma, who is an authorised representative of homebuyers in a committee of creditors. The law firm said that the bid of Suraksha Realty could be first put through a voting process, based on the evaluation of resolution plans of the two contenders.

Bengal, Assam find few takers for tea tourism

The West Bengal and Assam governments' initiatives, for boosting income of tea firms by allowing them to use a larger part of idle land in their estates for tourism and other purposes, may come a cropper because of a lack of funds. The West Bengal government recently allowed tea garden owners to use up to 15 per cent (maximum of 150 acres) of estate, but only in non-plantation areas, for activities like tourism, growing non-tea crops and others. The earlier cap was 5 per cent. Assam is also expected to come up with a similar announcement. However, the Bengal government's move has found few takers and only a handful of firms are keen on further investment.

Fadnavis returns as Ajit stuns NCP, Sena, Cong

NCP sacks Ajit Pawar as legislative party chief; SC to hear case today



Maharashtra Governor Bhagat Singh Koshyari flanked by newly appointed Chief Minister Devendra Fadnavis (left) and deputy CM Ajit Pawar, in Mumbai

ARCHIS MOHAN & AGENCIES
New Delhi, 23 November

The Bharatiya Janata Party (BJP), and the Narendra Modi government at the Centre, stunned their political adversaries on Saturday morning by installing a Devendra Fadnavis-led government in Maharashtra, supported by the Nationalist Congress Party's (NCP) Ajit Pawar.

While it is advantage BJP, given that the Assembly speaker will be from the party with the power to take decisions on the applicability of the anti-defection law, the political impasse is set to continue in

the state, at least till the floor test in the Assembly, slated for November 30.

The Sena-NCP-Congress combine on Saturday night filed a petition in the Supreme Court seeking quashing of the Maharashtra governor's decision and demanded an immediate floor test to avoid "further horse trading". Hearing of the plea is scheduled to commence at 11:30 am on Sunday, said Sunil Fernandes, lawyer of the three parties.

Confusion also persisted over how many of the party's legislators supported Ajit.

At least seven of the nearly dozen who attended the oath-taking ceremony at the

Mumbai Raj Bhavan at 7.30 am, seemingly returned by evening to the faction that his uncle and party chief Sharad Pawar leads.

The NCP has 54 MLAs, including Ajit. Sharad Pawar exuded confidence that his MLAs would stick by him, and Fadnavis' government would fail the floor test.

Pawar added that his MLAs would rather face disqualification than support the Fadnavis-led government.

MLAs of NCP's ally Congress may be flown to Jaipur on Sunday to ward off any poaching bid, a party leader said on Saturday night.

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THIS IS A SURGICAL STRIKE ON MAHARASHTRA AND THE PEOPLE WILL AVENGE IT

Uddhav Thackeray
Shiv Sena



THERE WAS NEITHER BAND-BAJA NOR A PROCESSION AS THE CM AND DEPUTY CM WERE SWORN-IN IN A CLANDESTINE MANNER

Ahmed Patel
Congress



CAN'T RULE OUT CHEATING OF GOVERNOR; AJIT PAWAR MAY HAVE SUBMITTED 'READY-MADE' LIST OF NCP MLAs

Sharad Pawar, NCP

Govt releases 5 NSO reports, all in a day

SOMESH JHA
New Delhi, 23 November

The Union government on Saturday released five sets of survey reports on key socio-economic trends, most of which were approved but withheld. The junked consumer expenditure survey was not among these.

The Ministry of Statistics and Programme Implementation (MoSPI) released the survey reports, 'Household Social Consumption in India: Health' and 'Household Social Consumption in India: Education'. The survey for these was conducted along with that for the 'Household Consumer Expenditure' between July 2017 and June 2018.

This was a part of the 75th round of survey conducted by the National Statistical Office (NSO), earlier known as the National Sample Survey Office (NSSO).

It has also made public the unit-level data — essential for researchers and analysts to do their own analysis based on the raw survey data. All the reports have been signed by NSO Director General Vijay Kumar.

The government's decision to release the reports comes two days after over 200 scholars from across the globe issued a statement demanding release of all withheld reports produced by the NSO, including the household consumer expenditure survey that was junked by the government last week.

The other reports released by the MoSPI on Saturday include periodic labour survey force report, which shows the trend of unemployment in urban areas for January-March 2019. It has also released results of its survey titled 'Drinking Water, Sanitation, Hygiene and Housing Conditions in India' — part of its 75th round of survey conducted between July and

Urban jobless rate down to 9.3% in Jan-Mar quarter

PRESS TRUST OF INDIA
New Delhi, 23 November

Amid criticism over high joblessness rate, a survey by the National Statistical Office (NSO) on Saturday showed that urban unemployment rate dropped to the lowest level in four quarters at 9.3 per cent during January-March 2019. The quarterly bulletin of the Periodic Labour Force Survey by the NSO does not contain comparable figures for 2018. The NSO stated in the bulletin that the urban unemployment rate (UR) was 9.9 per cent in April-June 2018, 9.7 per cent in July-September 2018 and 9.9 per cent in October-December 2018.

December 2018.

"It is a welcome move that the government has released these survey reports. It was starting to get really worrying after the annual report of the periodic labour force survey (PLFS) 2017-18 was initially withheld for release. The whole idea of conducting PLFS was to track employment on a real-time basis. The MoSPI should now put out a calendar for release of some of these data sets," said former Chief Statistician Pronab Sen.

However, though the 75th round of household survey was meant to capture three broad trends — consumer expenditure, health and education — the government has decided to release only the last two and not the first one.

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RCEP offer inadequate, says FM

GIREESH BABU
Chennai, 23 November

Union Finance Minister Nirmala Sitharaman said on Saturday that India did not join the Regional Comprehensive Economic Partnership (RCEP) as the offer "was not as much as our aspirations."

The RCEP negotiations were launched by ASEAN leaders and six other countries during the 21st ASEAN Summit in Phnom Penh (Cambodia) in November 2012. The objective of launching RCEP negotiations was to achieve a modern, comprehensive, high-quality, and mutually beneficial economic partnership agreement among the ASEAN member-states and their FTA partners.

She also said that she held discussions with credit rating agencies on their methodology to assess risk, in the backdrop of the failure of firms which had



"I MET UP WITH A FEW OF THE CREDIT RATING AGENCIES TO UNDERSTAND THE WAY IN WHICH THEIR RATE ARE CONSISTENT WITH WHAT IS HAPPENING IN THE ECONOMY"

Nirmala Sitharaman, Finance Minister

been rated well by these agencies. Delivering the sixth G. Ramachandran Memorial Lecture, organised by the Southern India Chamber of Commerce and Industry, she said, "I met up with a few of the credit rating agencies to under-

stand the way in which they rate are consistent with what is happening in the economy."

"Without taking any name, I would only highlight that an AAA-rated institution collapsed in a week after the rating. So, do you really take the rating as just

an indicator or just a broad advisory or do you take that as a holy book and say that their rating is really good and they can be offered loan as much as they want?" she said.

Many such decisions, where the rating was good, ended up with people wondering why the company failed.

Speaking about the non-performing asset (NPA) crisis, she said most banks are out of prompt corrective action (PCA) now. They are going through a churn on how to assess risk and how best they can rate asset quality so that their functioning will be smoother.

The government is also discussing the legislative changes or amendments the government needs to undertake to empower the RBI.

She also said banks should assess their strengths and weaknesses before planning to scale up of operations. Turn to Page 4

Odisha most attractive for new investments in H1, shows CMIE data

JAYAJIT DASH
Bhubaneswar, 23 November

Odisha has edged past Maharashtra as the most attractive destination for investments during H1 or the April-September period of FY20. Cornering 18 per cent of the virgin investments drawn by all states, Odisha won hands down, surging past Maharashtra, which mopped up 16 per cent.

In FY19, Maharashtra had aced other states, grabbing 21 per cent share of the new investments. By contrast, Odisha which had a mere four per cent share last fiscal, drastically improved its tally to 18 per cent in the April-September period of this financial year, data from the Centre for Monitoring Indian Economy (CMIE) showed.

Gujarat was another major gainer, scaling up its share in total new investments from two per cent to nine per cent in the period under review. Gujarat's share in the new investments had deteriorated from nine per cent in FY17 to two per cent in FY19. However, during the first six months of the current fiscal year, it regained its share in the new investments to nine per cent in H1 FY20.

The percentage share of eight states in new investments plunged in During H1 of FY20. These were: Telangana, Bihar, Madhya Pradesh, Andhra Pradesh, Tamil Nadu, Punjab, Haryana and Maharashtra. Seven other states gained in share: Odisha, Gujarat, Rajasthan, West Bengal, Uttar Pradesh, Delhi and Andaman & Nicobar.

During H1 FY20, new investments contracted by 83 per cent as against a 15 per cent growth logged in the corresponding period last year. Transport services had the highest share of 77 per cent in the services sector in FY19, an analysis by CARE Ratings noted. Construction and real estate, where investments shrank in FY19, witnessed their share contracting 49 per cent in H1 FY20.

New investment projects in FY19 were the lowest in the past five years. The scenario deteriorated in H1 of

NEW INVESTMENTS: HOW STATES RANK

Share in	FY19	H1 FY20	(in %)
Maharashtra	21	16	
Andhra Pradesh	7	7	
Tamil Nadu	5	1	
Odisha	4	18	
Madhya Pradesh	4	2	
Gujarat	2	9	

Source: CMIE



FY20 as fresh investments slumped to a 15-year low. The private sector committed more investment projects in the period than the government. The manufacturing sector drove new investments, whereas services and electricity sectors witnessed a decline.

"There has been a sustained decline in the new projects undertaken in the past five years. Investments in new projects amounted to ₹11.9 trillion, the lowest in the past five years. New investments contracted for the fourth consecutive year by 10 per cent in FY19, lower than the 22 per cent contraction in the previous year. During H1 FY20, the aggregate new investments were the lowest in the corresponding period over the past 15 years at ₹1.9 trillion," the report by CARE Ratings said.

The overall investment climate is emblematic of a slowdown aligning with the relatively slow growth in consumption and surplus capacity of the industry in general. Funding continues to remain a key challenge to be negotiated unless the stress in banking and NBFC (non-banking financial services) is mitigated. A confluence of growth in new projects and reduction in stalled projects is needed to improve the investment climate, the report noted.

Non-telcos have more to worry about AGR bill

Non-telecom entities may have to fork out as much as ₹2.27 trillion

SURAJEET DAS GUPTA
New Delhi, 23 November

In its submission to the Supreme Court, seeking a review of its verdict on the payment of dues linked to adjusted gross revenue (AGR), Bharti Airtel has estimated that non-telecom companies including public sector units (PSUs) have to fork out as much as ₹2.27 trillion as a result of last month's court order that upheld the government definition of AGR.

Based on the calculations given in the petition, the AGR-related payout by non-telecom companies would far exceed the demand made on telcos including those who have either shut down or sold off. According to estimates, telcos will need to pay ₹1.47-trillion dues towards AGR and spectrum usage charges (SUC). The non-telecom companies, which have come

DISTRESS CALL

- Payouts related to AGR by non-telcos far exceed demand made on telecom operators, including those that have either shut down or sold off
- Entities likely to be hit are GAIL, Railtel, Power Grid Corporation, Oil India, Delhi Metro Rail Corporation, Bharat Broadband Network, and Software Technology Parks of India
- PSUs will have to pay to the tune of ₹2.2 trillion; 32 non-telecom private firms may see outgo of ₹9,571 crore



under the AGR net, were also signatories of the unified access service licence (UASL) agreement as well as others like the national and international long distance service licences, and the internet service provider (ISP) pact, the petition

has elaborated. Therefore, the definition of AGR will apply to the non-telcos as well, according to the SC order.

The companies likely to get impacted by the court judgment include PSUs like GAIL, Railtel, Power Grid

Corporation, Oil India Ltd, Delhi Metro Rail Corporation, Bharat Broadband Network and Software Technology Parks of India.

The PSUs, according to the calculations in the petition, will have to pay around ₹2.18 trillion, while an outgo of ₹9,571 crore has been estimated as dues from around 32 non-telecom private companies.

An email sent to Bharti Airtel did not elicit any response.

The estimates made in the submission by Bharti Airtel point out that GAIL, the largest state-owned natural gas processing and distribution company in India, will bear the biggest burden at ₹1.32 trillion. Power Grid will be next with a demand of ₹43,544 crore, followed by Oil India at ₹32,766

crore. Among the non-telecom private sector players, Den Networks and Hathway Cable & Datacom have to pay ₹1,798 crore and ₹1,742 crore, respectively.

Both these companies have been bought over by Mukesh Ambani's Reliance Industries.

Sicable, owned by the Essel group, has to fork out ₹1,397 crore. The others who have to pay smaller amounts include IndoInd Media, Verizon Communications and Quadrant

Televentures. The calculations in the submission have been made on the basis of the gross revenues of the companies reported in their annual reports. The final figures have been arrived at by adding the interest, penalty and interest on the penalty.

Non-telecom private sector players Den Networks and Hathway Cable & Datacom have to pay ₹1,798 crore and ₹1,742 crore