



OPINION, P2

The unmaking of a budget

ACROSS THE AISLE, P CHIDAMBARAM



EXPRESS ADDA

'WE NEED ACCOUNTABILITY AND SUPERVISION; WE DON'T NEED SUSPICION'

Tata Sons Chairman N Chandrasekaran was the guest at the Express Adda in Mumbai last week **Page 4**

IDEA EXCHANGE

Sanjay Raut

'A fire has swept country against citizenship Act... will burn it down... Govt will have to take back decision' **Page 6**

WHAT'S INSIDE



■ **SPOTLIGHT, P7**

Just rent it

Rental economy is here to stay or so say the millennials and Generation Z, who are ready to let go ownership rights to embrace renting

■ **WORDS WORTH, P5**

Unholy faultlines

The deep divides of religion eating away society are brought forth through the paradox of a love story in Vassanji's new novel



HOPE FOR BANKS

‘NPA situation to get better by fiscal-end’

● **SBI chief nudges industry to borrow; says rates can’t be cut beyond a limit**

PRESS TRUST OF INDIA
New Delhi, December 21



SBI chairman Rajnish Kumar

SBI CHAIRMAN RAJNISH KUMAR on Saturday nudged industry leaders to enrich their borrowing capacity so as to boost investment in the economy, asserting there is no dearth of funds and most of the banks will be in a better position by March-end as far as stressed assets are concerned. He also said the State Bank of India (SBI) is underutilising its loan sanction limits as there is not enough credit demand from the industry.

“If India has to achieve its goal of a \$5-trillion economy, then it cannot happen unless there is investment in the economy. Today the outstanding banking credit is ₹96 lakh crore. So for a \$5-trillion economy, we would at least need to double it,” Kumar said at a FICCI event in the capital. He said it is

a very good business opportunity for the banks. The gross capital formation rate which is at about 30% at present also needs to go up to at least 37-38%, he added.

Stressing that there is an adequate availability of funds with the banking system, Kumar said: “I don’t find enough projects where investment is being sought. Our first indication is that we are the largest financier of projects, we have a very big team for project finance and currently it is under-utilised.” He said even if there are projects, those are mainly in solar, city gas projects and to

some extent in the roads sector.

“Last year, we did only two large-ticket financial closures. One was the HPCL refinery in Rajasthan where the project size is almost ₹50,000 crore and the other was Mumbai Nagpur Super Communication Expressway where the project size is again ₹50,000 crore, and half of the money has come from the bankers. Other than that, I don’t have a project where funding demand is more than ₹2,000 to ₹2,500 crore. So I want to ask you (industry), where are the projects?”

Jaypee loses Formula 1 circuit land

PRESS TRUST OF INDIA
Noida, December 21

THE YAMUNA EXPRESSWAY Authority on Saturday cancelled the allotment of 1,000 hectares of land to Jaypee group, on which India’s only Formula One motor racing circuit is built in Greater Noida, over non-payment of dues, officials said. The decision was taken by the Yamuna Expressway Industrial Development Authority (YEIDA) during its 66th Board meeting.

“A thousand hectare land was allotted to Jaypee Sports Limited, an affiliate of Jaypee group, in YEIDA’s special economic zone. Jaypee Sports Limited has been defaulting on payments to YEIDA and not completing projects promised to buyers,” YEIDA CEO Arunvir Singh said. The embattled business group defaulted on payments of over ₹500 crore, he added.

The Jaypee group had sub-leased plots to 11 builders on the allocated land and separately had taken around ₹2,000 crore from homebuyers in 10 projects but not delivered it, he said.

Power demand in country shows signs of revival

ANUPAM CHATTERJEE
New Delhi, December 21

AFTER RECORDING CONTINUOUS fall in electricity requirement for four and a half months, power demand in the country seems to be gathering steam in the second half of December. As per daily reports on power supply reviewed by FE, electricity demand has been more than in the corresponding days in FY19 since December 16 (see chart). Power demand growth turning positive can be seen as a green shoot for the economy, reviving slowly after a period of lull.

Electricity demand gathering pace should help coal-based power plants, where utilisation levels remained muted in November with average plant load factor (PLF) being only at 51.4%, against 60.5% in the corresponding month last year. Falling electricity use had pushed PLFs to an all-time low of 48.9% in October. Power generators find it difficult to service loans when PLFs run below 60%. As per available data, the lowest annual average thermal PLF was recorded at 52.4% in FY86.

As first reported by FE, electricity consumption in the

RAY OF LIGHT

Power demand (% y-o-y)

August 2019	-2.9
September	-3.7
October	-12.5
November	-5.5
December (first 15 days)	-3.2
December 16	0.3
December 17	1.6
December 18	2.5
December 19	1.9



country recorded a steep 12.5% decline in October. While the government had never cited industrial slowdown as one of the causes of falling power demand, electricity consumption has been falling in Maharashtra, Tamil Nadu and Odisha, where industrial and commercial users usually account for around 40% of electricity usage.


Quick Picks

Maha CM announces loan waiver of up to ₹2L for farmers

THE MAHARASHTRA government on Saturday announced a loan waiver of up to ₹2 lakh for farmers, with a cut-off date of September 30, 2019, reports PTI. CM Uddhav Thackeray made the announcement in the legislative assembly on the last day of the legislature’s winter session. “Crop loans outstanding till September 30, 2019, will be waived by my government. The upper ceiling for the amount is ₹2 lakh. The scheme will be called Mahatma Jyotirao Phule loan waiver scheme,” Thackeray said. **P3**

ODD & EVEN

ROHNIT PHORE



LETTER TO DoT

BSNL seeks extension for its 2G licence

KIRAN RATHEE
New Delhi, December 21

STATE-RUN BSNL IS seeking an extension of two-three years for its 2G licence, for which it has spectrum worth around ₹35,000 crore. The licence is scheduled to expire on February 28, 2020. As per sources, the state-run company has already written a letter to the department of telecommunications (DoT) a few months back, urging it to revise the effective date of issue of its cellular mobile telephone service (CMTS) licence to May 28, 2002 or March 21, 2003. Once the government accepts this request, the licence period would automatically get extended.

Earlier this year, the government had extended MTNL’s licence by two years.

As per the current agreement, BSNL’s licence is effective from February 2000. The company has spectrum ranging from 6.2 MHz to 10 MHz in 900 MHz and 1800 MHz bands across all its 20 circles for which it is offering 2G services to its customers. According to the price in the last round of auctions, the spectrum could be worth ₹35,000 crore and the government has to take a call if an extension can be provided or not. Apart from that, the company also has 3G spectrum, which it acquired in 2010 and whose validity remains till 2030.

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RISHI RANJAN KALA
New Delhi, December 21


THE MINISTRY OF electronics and IT (MeitY) is working on a project to develop a platform that will act as a repository of all publicly shareable data, information, tools, literature, etc. It will leverage artificial intelligence (AI) and machine learning (ML) to aid individuals, industry and academia to conduct studies, training or research for developing commercial and non-commercial solutions devoted to socio-economic well being.

Sources said the IT ministry is deliberating on creating a platform — National Artificial Intelligence Resource Platform (NAIRP) — that will have the potential to develop into a central repository of various components of an AI ecosystem, making it a knowledge integration and dissemination base.

“It will catalyse the development of a partnership or collaboration or contribution or a participation model for sharing knowledge and data, meta-data structure, annotation, API framework, IP creation, innovation, value-added AI services, government adoption and human interactions,” said a source.

The need for creating such a platform has been recommended by the committee on platforms and data for AI, which was chaired by professor PP Chakraborty from IIT Kharagpur. The panel was set up by the government in February 2018 to focus on building models, frameworks and platforms for collaborative work on AI and ML. The panel submitted its draft report earlier this month.

KNOWLEDGE BANK



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■ National Artificial Intelligence Resource Platform will have the potential to develop into a central repository of various components of AI ecosystem, making it a knowledge integration and dissemination base