

Uber looks to India as tech hub of the world for core functions

Indian engineers are working on maps, matching riders and data models used by Uber globally

YUVRAJ MALIK
Bengaluru, 22 December

Uber is prepping India as its main engineering hub outside its San Francisco headquarters, a move that may attract more investment in the country.

Several core technology functions, such as maps intelligence and algorithms to match riders and drivers — used at scale across the globe — are being developed at locations in Bengaluru and Hyderabad.

The cab aggregator plans to increase the technical staff, which includes product managers and designers, to 1,000, from about 600 now, said Apurva Dalal, director engineering, Uber India, and site lead for Bengaluru.

“By the end of 2020, we will be 1,000-plus and will be, between Hyderabad and Bengaluru, the biggest centre for Uber outside of headquarters in San Francisco,” said Dalal, who

joined Uber in 2016 to lead the Bengaluru centre.

The India technology leadership team includes Naga Kasu, the site director for the Hyderabad centre and Vidhya Duthaluru, who heads the ‘customer obsession’ team. Together, teams here work on riders, marketplace, maps, data analytics, payments, and customer obsession.

India’s importance as a key market, from both a business and technology point of view, is evident from the decision. It comes after Uber sold its business in Southeast Asia and China.

Uber Chief Executive Officer (CEO) Dara Khosrowshahi has come down twice over the last two years and the India unit received investment of ₹4,306 crore this year alone.

Uber’s business grew 31 per cent to \$345 million in Asia Pacific, the second-highest growth rate after the US and Canada. “Our CEO is bull-



The company plans to increase the technical staff, which includes product managers and designers, to 1,000, from about 600 now, said Apurva Dalal, director engineering, Uber India

ish behind us and we see India as a key leverage and part of the technical vision for Uber,” said Dalal.

He added that Khosrowshahi, who met other mobility start-ups, such as Yuli during his visit, had one question for him during his last visit. “He asked me ‘how can we grow faster? I want to move things faster and have a lot of research and development happening out of India’,” said Dalal. The plan to scale up India engineering comes at time of global reorganisation at Uber, following its

initial public offering in May.

In October, Uber made 350 employees redundant globally, including some in India, in what was the company’s third retrenchment exercise this year.

Uber had 26,799 employees globally as of June 2019 and the India headcount is estimated at 2,600. Uber also created a new India entity, Uber Systems, which is owned by Uber BV and Uber International BV, based in the Netherlands.

Uber has multiple service lines, including food delivery, rideshare, payments, and two-

wheeler taxis, all of which are supported by engineers in India. Just as cash payments were pioneered in India, Uber is looking at how more such innovations developed here can be used in other emerging markets.

The company recently launched a bus service in Cairo, Egypt, and it is exploring the viability of introducing a similar service in a densely populated market like India.

Several innovations around maps, which form the basis of Uber’s transportation service, are led out of India. For example, engineers here are working on artificial intelligence and machine learning algorithms models that can detect road blockages and doorstep locations for popular sites across the globe such as airports and museums, said Dalal.

He added that his team is also looking into the problem of drivers cancelling pick-ups for certain drop locations. “This is a complex problem and we use data to understand the propensity of a driver to go to that particular location, among several other data points, and then match the rider with the most suitable driver,” said Dalal.

IndiGo woes rise as govt steps up scrutiny of Airbus engines

ANURAG KOTOKY
22 December

The government has stepped up scrutiny of engines on Airbus SE’s A320neo jets, forcing the country’s biggest airline, IndiGo, to have to replace more than previously estimated, a move that could further delay the budget carrier’s expansion plans.

A “more intense boroscopic examination” of engines manufactured by Pratt & Whitney has identified more engines at risk of shutting down in midair, Arun Kumar, the head of India’s Directorate General of Civil Aviation, told *Bloomberg News* on Sunday. Out of roughly 200 engines in use, IndiGo will now have to replace at least 130. India’s Aviation Minister, Hardeep Singh Puri, had earlier put the figure at 110.

Kumar said the DGCA would decide in mid-January whether to grant IndiGo more time — beyond the current January 31 deadline — before it started ordering some planes be grounded. The affected planes have continued to fly while the work is being done, since they have two engines.

The increased scrutiny will add further pressure on IndiGo, which has been prohibited from



Out of roughly 200 engines in use, IndiGo will now have to replace at least 130

adding new routes or flights until it replaces all faulty engines. That could also add to pressure on Pratt, a unit of United Technologies, to direct more engines to IndiGo, the largest customer for Airbus’ best-selling A320neo series, at a time when demand for Airbus jets has soared.

A rival model made by Boeing has been grounded since March following two crashes that killed hundreds of people. “The not-so-good news is that it will take more time than envisaged owing to logistical challenges,” Kumar said. “About exact extension of time, we will be able to make a proper assessment sometime in the middle of January after taking a holistic view.” He added IndiGo has fully adopted

a revised take-off method that doesn’t apply full thrust on the engines, a practice the regulator had linked to repeated in-flight turbine failures.

IndiGo didn’t respond to a request for comment. “We continue to work closely with the DGCA as part of our ongoing engagement, to ensure that we keep to schedules,” Ashmita Sethi, Pratt’s newly appointed head for India, said in a text message. Airbus said it was “working closely with Pratt & Whitney and the DGCA to maintain the schedule for engine deliveries.”

IndiGo, operated by Inter-Globe Aviation, is the biggest budget carrier in Asia by market value, and has been adding jets at a breakneck pace of more than one a week. **BLOOMBERG**

DoT seeks ₹1.7 trillion in dues from GAIL

PRESS TRUST OF INDIA
New Delhi, 22 December

The Department of Telecommunications has sought ₹1.72 trillion in past statutory dues from the state-owned gas utility GAIL India following the Supreme Court’s ruling on revenues that need to be taken into consideration for payment of government dues.

Sources with direct knowledge of the development said DoT sent a letter to GAIL last month seeking ₹172,655 crore in dues on IP-1 and IP-2 licences as well as Internet Service Provider (ISP) licence.

In response, GAIL has told DoT that it owes nothing more than what it has already paid to the government.

The firm told the DoT that it had obtained ISP licence in 2002 for a period of 15 years, which expired in 2017. But GAIL never did any business under

the licence and since no revenue was generated it cannot pay any amount. On IP-1 and IP-2 licences, GAIL has told DoT that it generated ₹35 crore of revenue since 2001-02 and not ₹2,49,788 crore that has been considered for levying past dues, they said.

Sources said the dues being sought are more than three times the networth of GAIL and several times the actual revenue earned.

The Supreme Court had on October 24 ruled that non-telecom revenues earned by firms using spectrum or airwaves allocated by the government will be considered for calculating statutory dues. While telcos such as Bharti Airtel and Vodafone Idea may have had non-telecom revenues generated from using the government licence and spectrum, firms such as GAIL had no such revenue.

DoT is seeking ₹1.47 trillion from all telcos in past statutory dues. Besides GAIL, DoT is also seeking ₹1.25 trillion from PowerGrid, which had both a national long-distance as well as an internet licence.

PowerGrid says it has an adjusted gross revenue (AGR) of ₹3,566 crore since 2006-07 and after adding penalty it comes to ₹22,168 crore.

Infrastructure provider category-I (IP-I) are those infrastructure providers who provide assets such as dark fibre, right of way, duct space and towers to the licensees of telecom services. GAIL has a vast network of gas pipelines and it laid optic fibre along it to provide bandwidth to third parties. Issuance of IP-II licence was discontinued in December 2005.

Sources said DoT estimates that the telecom operators owe ₹55,054.51 crore as spectrum usage charges (SUC) as on October 31, 2019, while the figure for licence fees stands at ₹92,642 crore.

Puravankara to invest ₹850 crore to build three luxury housing projects

PRESS TRUST OF INDIA
New Delhi, 22 December

Realty firm Puravankara will invest around ₹850 crore over the next four years to develop three ultra luxury residential projects in Bengaluru, Chennai and Mumbai.

The Bengaluru-based company will develop these three ultra luxury residential projects under a new brand

‘WorldHome Collection’.

The company currently sells apartments under Puravankara brand and affordable homes under Provident brand.

In these three housing projects, Puravankara would develop a total of 1,460 units with a built up area of 2.2 million sq ft and an estimated cost of around ₹850 crore.

“We have launched a new residential line ‘WorldHome

Collection’ in the ultra luxury space. The new brand is targeted at a niche demographic to provide sustainable, futuristic and exclusive homes,” the company’s MD Ashish Puravankara said.

“The evolved home buyers in 2020 will be looking for homes with a holistic living experience. Luxury for today’s home buyers do not mean

marble floors or chandeliers on the ceiling,” he added.

Puravankara recently launched its first project ‘Purva Atmosphere’ in Bengaluru, comprising around 1,050 apartments.

The construction work on the second project ‘Somerset House’, comprising 180 units, has started in Chennai but sales have not been opened yet.

The third project, having

around 240 units, in Chembur, Mumbai is expected to be launched by March 2020.

The project in Bengaluru is under joint development, while those in Mumbai and Chennai would be company-owned.

The company would provide more green areas and state-of-the-art home technology under this brand. The price of an apartment would be above ₹1 crore.