

Real returns may continue to be tepid

Coming out of the global financial crisis hasn't been easy for investors, as most asset classes gave single-digit annualised returns. Four experts give their views on the next decade

GOLD ₹1 lakh in 2010 rose to ₹2.29 lakh (8.7% CAGR)

CHIRAG MEHTA

Senior Fund Manager - Alternative Investments, Quantum AMC

Depreciating rupee will continue to aid gold returns

Returns from gold for an Indian investor have been 8 per cent, almost equally contributed by the increase in international gold prices and runaway depreciation in the rupee, in the past decade. International gold prices scaled higher post the global financial crisis but after that remained subdued due to global central banks' enthusiasm to do whatever it takes to ignite risk appetite and leaving little room for chasing gold. The rupee, on the other hand, depreciated as a reflection of its ever-increasing fiscal and current account deficits, helping gold when denominated in rupees.

The outlook for the next decade reflects a lot more uncertainty towards global macroeconomic conditions, ranging from heightened political risks, massive increases in global debt, erroneous central bank and government policies. It is naive to think that easy money and higher asset prices can be a solution to current economic problems. Investors should be prepared for a new "normal" where central bankers seem to be trapped in a state of perpetual policy manipulation, causing the world economy to oscillate between easy money-led growth and painful slowdowns. This experimental central banking is likely to end badly due to the dislocations of capital it has caused through prolonged periods of negative rates. Given the economic backdrop, it is indeed logical for gold prices to increase in value. The rupee depreciation would also add some glitter to gold prices. Overvaluation of 11 per cent in real effective terms compared to the long-term average and structural imbalances in India's current account deficit will result in a gradual slide in the rupee and add to the appreciation in gold prices for investors.



SBI FD(1-Yr+) ₹1 lakh in 2010 rose to ₹2.08 lakh (7.6% CAGR)

MAHENDRA JAJOO

Head, Fixed Income, Mirae Asset Management

Real rates will be under pressure

In the last decade, India has emerged as one of the fastest-growing major economies. And even though there were a few shock years like 2013, 2016 and 2018, India largely sailed through smoothly and remained as a promising investment destination. The debt market during this decade developed tremendously, having widened and deepened significantly. The trading volumes grew multi-fold and participation became more diversified. Along with this, nominal interest rates have come down meaningfully. The benchmark 10-year yield at around 8.25 per cent at the start of the decade has eased out to a decadal low of 6.50 per cent now.



However, due to higher consumer price index inflation in the earlier years of 10-12 per cent, real interest rates were negative in the first half of the decade. In 2015, when the Reserve Bank of India was formally mandated an inflation-targeting monetary policy framework, it also followed a positive real rate policy. Since then, real rates have remained in 1-2.5 per cent band. Even the headline CPI inflation has fallen consistently and has settled in the 3-5 per cent band. As a result, real rates have turned positive now.

Positive real rates are leading to massive financialisation of savings with mutual funds. With improved financial market infrastructure, more and more savings are likely to move into financial assets in the coming decade. We expect an explosive growth outlook in financial markets, including debt markets in India for the next decade. This will not only further bring down nominal rates but also the real rates.

SENSEX ₹1 lakh rose to ₹2.37 lakh (9.3% CAGR)

SANKARAN NAREN

Executive Director and CIO, ICICI Prudential Mutual Fund

Focus on capital-intensive sectors

If there is one theme that defined the market in the last decade, it would unequivocally be consumption and consumption-related themes. Among the sectoral indices, consumer durables and FMCG were the top index gainers, gaining 21 per cent and 15 per cent per annum. Meanwhile, in the same time frame retail banks multiplied by over six times, creating wealth for its investors.

However, the next decade seems poised to see a return of capital expenditure intensive sectors such as metals, power and telecom to name a few. Each of these sectors have been laggards over the past decade, with its respective sectoral indices in red ranging from 1.5 per cent to 5 per cent.

Further, private capex which has been lagging for some time is likely to see some traction in the years ahead, as the demand in the economy revives. As a result, we believe over the next five years capital good companies which are capex heavy and have a sound balance sheet is likely to gain.

As an investor, it is important to remember that the current rally is very narrow in nature.

The Indian economy and the resultant market is more than the top 10 companies which currently seems to be shouldering the up move.

Historically, it has been seen that with time such concentrated rally moves to become broad based in a gradual manner. So, it is essential for investors to look beyond the overpriced quality names and over a period shift to value oriented names.



REAL ESTATE

ANSHUL JAIN

Country Head and MD, Cushman and Wakefield

Affordability remains key



We are at the end of a rather eventful decade for the Indian real estate markets. In 2010, the Indian office markets were just coming out of the post-global financial crisis slump, and the commercial office sector finally reversed itself and put itself on a slow, yet steady growth path. The residential sector, on the other hand, was the panacea. With commercial developers making a beeline for the residential sector in 2010, the pan-India residential launch activity recorded the highest annual launches in the decade with close to 300,000 units across the top eight cities. The sales momentum also reached a peak. Between 2010 and 2015, launches consistently outstripped the sales in the residential sector. However, the second half of the

decade was a struggle due to unfulfilled promises regarding project quality and a general breakdown of trust between the developer and buyer community.

Sweeping regulatory changes in 2016-2017 included demonetisation, Real Estate Regulation Act (Rera) and Goods and Services Tax (GST). In 2017, launches fell to a low of just around 100,000 units. Even sales dropped to below the 100,000 units mark - a first in the decade. While things improved in 2018 and 2019, the situation remains a concern due to the ongoing the NBFC crisis.

In the next decade, the sector shall improve its performance due to the reform push from Rera and IBC. However, it shall also be marked by the

technology revolution and changing business dynamics. Innovation in product offerings shall create separate sub-asset classes with affordable housing being a prime example. Rental housing, co-living and student housing are likely to get a boost.

Affordability remains a crucial point, and the government-level interventions shall surely give a positive push. The stressed fund set up by the government for completion of stalled projects will be essential for financial closure of such projects and handover to the affected buyers shall be a key ingredient to restore confidence in the residential segment. We are in for a rollicking ride in the next decade!

All rests on policy outcomes

As an investor, stay positive and believe eventually things will turn around



MARKET INSIGHT

DEVANGSHU DATTA

Sitting amidst the biggest public protests India has seen in decades, with economic indicators suggesting a further downturn, it is hard to be optimistic. But optimism is one key quality that every investor must possess.

Investors shouldn't ignore reality and build castles in the sky. But they must be prepared to believe that things will get better eventually, no matter how bad the current situation may look. If you don't possess this optimism, you will not possess the courage to invest and if you don't invest, you don't give yourself any chance to get wealthy.

So let's see what you can be optimistic about. It's not the current economic situation. Available indicators suggests things got worse in the past three or four months. Power consumption declined for instance. Automobile sales recovered slightly in October during the festive season, and fell again in November. In addition, the protests in December, along with the attendant net shutdowns, will have led to even more contraction in business activity.

The macro-economic data is likely to be poor and so are third-quarter results. Given GST collections that are much lower than estimated, plus the corporate tax cut, the Fiscal Deficit is likely to be well above targeted levels. All this makes India less attractive as an investment choice. At the same

time, the global economy is expected to grow, albeit slowly in 2020.

In 2019, almost every major stock market gave bumper returns. India was among the lowest-scoring markets, with the Sensex and Nifty rising 14-15 per cent. Meanwhile the EU's markets returned 25 per cent on average and the US returned 27 per cent (all local currency returns). Even China amid the trade war saw indices up by over 20 per cent and so did Japan. India is under the threat of downgrades in 2020 and it could go underweight in foreign portfolio investors' perceptions.

That leads us to one possible cause for optimism: There could finally be a deep correction that pulls stock valuations down to realistic levels. This would give investors a chance to get into the market at reasonable price levels.

Another cause for optimism is that, if gross domestic product (GDP) growth and tax collections are truly poor, the February 2020 Budget and projections may be more realistic. The government may make a serious attempt to trigger consumption and improve ease of doing business. That would improve growth prospects. The equations in the Goods and Services Tax Council have changed incidentally, because there are now many non-BJP states, which will insist on a vote for tax changes. It remains to be seen if this is a good or bad thing.

One positive signal is the improvement in non-performing assets of banks. This coincides however with a severe drop in commercial credit. Treasury yields have also reduced somewhat even though the full benefit of the

five policy rate cuts has not been passed on in the banking system. If the crisis in the banking system is finally under control, that's surely good news. The final takeover of Essar by Arcelor Mittal and Nippon Steel also indicates that the IBC is working, albeit slower than envisaged. This could mean that other big accounts will be resolved in the next year and that would definitely bring comfort to the banks and other lenders with NPA exposures.

There has already been a pullback where small caps and mid caps have corrected by about 30 per cent from their all-time peaks registered in early 2018. However, these stocks are still trading at pricey valuations of PE 35-plus. A further correction could help bring them to more reasonable levels. Where Sensex-Nifty giants are concerned, the price-to-earnings ratios are averaging out at 28-30 with the indices near their record highs (scored earlier this month). Again a correction is required for these to look attractive.

The next two months will be crucial in that it will determine the course of the next year. The street-level opposition to NPR/NRC and the CAA have undermined this government's authority, despite the large Lok Sabha majority. The upcoming Budget will be a vital policy document, and the Centre cannot guarantee that its writ runs without opposition in the GST Council, for example.

If the policy outcomes are unfavourable, the economy could tank for another year. But even if that happens, you as an investor must stay positive and believe eventually, things will turn around. Happy 2020 and happy investing!

The comeback of Vinyl records

LPs, as they were fondly called, have become hot commodities in recent times

NAMRATA KOHLI

Recently a rare seven-inch vinyl copy of The Beatles' 'Love Me Do' was sold for a staggering \$10,502 or ₹7.5 lakh online. While the deal was certainly on the higher side, it wasn't a one-off. In fact, many who spent their formative years soaking in on Santana or flipping on Jimi Hendrix's Fender Strat, are going back to the ubiquitous record player and LPs - long-play for the uninitiated - in a clear sign that vinyl is making a comeback. And how.

In 1982, when compact disks were invented, everyone predicted doomsday for vinyl and thought the era of records was over.

But in the last decade, LPs and turntables started making their way into drawing rooms again, and today prices of certain editions can be astronomical. Last year, global retailers such as Amazon, Urban Outfitters and Barnes & Noble, reported that the format continues to increase in sales as more new and classic albums are issued every year on vinyl.

The love for "pure music" is what holds sway for vinyl music aficionados. "I find the quality of music is different, I wouldn't say better, but there is a certain warmth to the music which can never come in digital sound, which is too clean, almost antiseptic," says Mumbai-based Piyush Jha, avid vinyl collector, filmmaker and novelist. Digital is almost like a person who is just so perfect-looking that he or she becomes unrelatable.

"Music is performed in analogue, recorded in analogue, but it is the conversion where things change - from one format to another, actually analogue to digital," says Swarup Mohanty, chief executive officer, Mirae Asset Global Investments (India). This third-generation vinyl record collector loves to listen to 1980s retro music as well as Bollywood. He says he loves analogue music because it is music as it is produced, almost like a live performance.



THE BEST TURNTABLES

Brand (Vinyl record player)	Price (\$)	Price (₹)
AV Designhaus Derenville VPM 2010-1	600,000	4.27 crore
Golmund Reference II	214,500	1.52 crore
Audio Consulting R-evolution Meteor	169,000	1.20 crore
Basis Audio Work of Art	137,000	97 lakh
Transrotor Artus	137,000	97 lakh
OneDof One Degree	137,000	97 lakh
TechDas Air Force One	97,500	69 lakh
Condo and Shindo	28,087	20 lakh
Kuzma, Avid, Trams Rotor	11,234	8 lakh
REGA PLANAR 8 turntable	3,095	2.2 lakh
Audio-Technica AT-LP60-BT	850	60,610

The price: "There are different reasons for which people get into vinyl music - one is for old time's sake, the thing that retro is cool and we want to retain a part of history. This set would typically go for brands such as Crosley and Ion in candy colours," says Goa-based Buland Shukla, musician and director, Audiophile Sound Systems, adding that type-two consists of collectors who only like refurbished old brands such as Garrard 401, 301, Thorens KD124, Techniques SL 1200, Mark 2 Linn turntables.

"And Type three is the audiophile who doesn't care about money or whether its old or new - he is only concerned about the quality of music and would pay anything to get the best vinyl records in the market, the likes of Morphy, Analogue, Pure pleasure LPs. The third category is one that collects record for the sheer love of music," Shukla explains.

Gone are the times when they were available in the flea market for ₹100-200. Nothing is available cheap now. There is a perception

Mirae Asset Management CEO Swarup Mohanty plans to buy a Reganar Planar 8

that no analogue is recorded now. But there are certain production houses such as Amar Ras in Delhi which only do short-run analogue productions.

Where to access? vinyl record and players? There are lots of online stores which have all kinds of vinyl music available, the likes of Amazon. Then there are offline stores such as Gramophone House at Chandni Chowk. People even visit Poland and parts of Europe to get the records pressing done in Analogue. There is a big resale market, and between the cities of Mumbai, Kolkata, Chennai, there are networks of buyers and sellers which vinyl music aficionado is well aware of.

By and large, a vinyl purchase is driven by passion rather than commerce. "Whenever I travel, I pick up a new record, adds Mohanty, "And I don't travel to places where you have no vinyl." From Chorbazaar to Chandni Chowk, he says we find our sources. Next on his wish list, is a Rega Planar 8 and he has version 3 at this moment.



When AI tightens its grip...

Experts explain how data science applications and related technologies will impact professionals

BOARDROOMS

Question mark on safe harbour for directors from liabilities

Various facets of artificial intelligence (AI) application have been discussed for a decade. Recently, a biotech VC fund used AI to make investment decisions. The AI assessed 50 parameters, which were critical for assessing risk factors in the biotech industry. In light of this, let us examine why, how, and to what extent AI could enter the boardroom. The question is not "if" but "when".



GOWREE GOKHALE

The board plays an important role: Asking crucial questions to the management, providing guidance, and taking decisions. Considering fiduciary duties of directors and legal regime putting more onuses on directors, directors constantly need access to intelligent inputs. Inputs on the internal, external, and competitive environment - market, productivity, employee trends, etc., that too at the speed of thought. Considering recent unveiling of frauds

and corporate governance issues, identifying red-flags based on analysis of facts, such as related party transactions, use of funds, pace of growth, license approval history, contracts with restricted countries or agencies, is equally important.

Usually, executive management carries out background work and presents facts and figures to the board. Through the use of AI, the board could have access to independently assessed and analysed data. It may also enable directors to provide independent value-addition to board discussions. Especially, for independent directors, AI could be an effective tool, as they may have limited industry and technical knowledge.

Various issues arise for consideration, in this regard. If the board were to rely upon AI, in my view, it cannot be one-size-fits-all.



Each industry, sub-industry or each company may develop customised AI that, too, based on objectives sought to be achieved. It's a known fact that AI output will be as good or as bad as the data and

algorithms on which it is based. If AI is trained on wrong or inaccurate or inappropriate data, the output could be off the mark. Also, with a fast-changing world, some recent developments that have a significant impact on the decision

may completely get missed as part of the analysis. The question, therefore, will be who decides the choice of data and algorithms.

The next issue will be transparency about the data relied upon and algorithms applied. There already is a demand for bringing in transparency, especially in the context of bias.

Should the board rely upon AI output for its decision making, can that provide safe harbour to directors from liability? Or to claim safe harbour what additional due diligence would be expected from directors?

Witnessing how various regulators are requiring disclosures about AI and machine learning (ML) deployed by relevant industry, one wonders whether boards will have to make disclosures about their reliance on AI for their decision making.

Overall, it will be interesting to see how the liability and accountability landscape develops. I want to touch upon one other

aspect. Much has been discussed about possible jobs losses because of AI, ethical use of AI, intrusion on privacy because of AI, etc. Boards will have to take a decision on how businesses use AI for their day-to-day operations in an ethical manner.

I know, I have raised more questions that provided answers! At this stage, our endeavour should be -- do crystal ball gazing, and be prepared for the future that is not so distant.

I do not believe that we would want to have a world where individuals completely delegate their thinking abilities to machines. Human evolution may, in fact, stagnate if that were to happen. Hence, I feel there will evolve a world of co-existence where AI is used as a tool and there still will be room for "gut feel".

Professor Muhammad Yunus once observed: Whether and what extent we want to use AI is still our decision.

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COURTS

Why it may not work in India's courtrooms

If all the laws in the country are laid end to end, there will be no end. India has the longest constitution with 117,369 words (the US has only 4,543). There are 1,248 main Acts, though there is no exact count covering central and state laws. The Supreme Court judgments run into 16 printed volumes every year. Multiply the number for 24 high courts. Then there are procedural rules for each state. The mindboggling data can be mined only by artificial intelligence (AI), the new entrant into the legal field.



M J ANTONY

However, the Indian legal system is still struggling with basic digital literacy. The facility for e-filing petitions in the Supreme Court elicited poor response -- only a few hundred in

the past three years. It is rare to find a lawyer arguing with a laptop in front. The court recently expanded to multi-storied buildings in 12 acres nearby -- a clear sign that judiciary is not prepared for the advent of space-crunching AI. With less than 0.2 per cent in the Union Budget for the judiciary, this must be expected.

Earlier this month, Chief Justice S A Bobde declared that AI will not be allowed in the decision-making process. Still, he recognised the role of AI when he said that it can read 1 million words per second and answer questions where thousands of pages are involved as in the recent Ayodhya case.

Since the judiciary is still slow to adopt AI, it is natural that the legal profession is also sluggish in this field. There is little preparation in law colleges for the coming data revolution. The law faculties are stuck in old syllabi and they are not equipped to prepare future lawyers to use AI. The judges are also not digitally savvy and still struggle to emerge from the Dickensian era.

Though software for law and procedure is slowly becoming available in the market, only a few corporate law firms use them at present. Ordinary lawyers cannot afford them or know how to use them. Moreover, their clients will be impressed if they are called into a room where law books are

stacked up to the ceiling. They are more at ease with the current dystopian state of affairs and find it good for their business.

AI is useful mainly for research at present. This is now done by junior lawyers in law firms. This could be done more efficiently by AI. It is helpful in counselling corporate clients and providing due diligence before signing contracts. Its proficiency in repetitive, routine work is unparalleled. Surveys have found that it is more than 70 per cent accurate. If AI takes over, legal professionals have reason to fear that they will meet the same fate as horses when steam engine was invented.

The future of AI is inauspicious for lawyers in other ways too. It is feared that it can predict the outcome of a case once it is launched. It knows the law, precedents and judicial thinking better. Only the human factor is left out, like the attitude of judges while a lawyer filibusters. If cameras are allowed into the courtroom, AI will analyse the lines in the judge's brow better.

If AI becomes too common, clients will also start using the software to measure the chance of success of their cases. If they find their case weak, they would prefer to go in for arbitration or settlement instead -- a loss for legal business. Doctors have often been confounded by highly specialised questions their patients have picked up from Google. Lawyers might find themselves in a similar predicament.

Lastly, predictive AI would meet extra-legal challenges special to India. Astrologers who help win litigants lurk near lawyers' chambers. *Bhrigu Samhita* contains all knowledge about current and future events, as well as information about the future. Then there are at least two temples -- one in Kerala and another in Himachal -- where the deities specialise in bestowing sure victory to litigants.

AUDIT & ACCOUNTING

Time for auditors to upgrade

Artificial intelligence (AI) and the accounting professional are getting hyphenated. Without AI, machine learning (ML) and big data analytics (BDA), the profession cannot survive. The undercurrent is that external and internal data have to be juxtaposed to derive any valuable insight.

Consider the following example:

A company seeking to score the universe of corporates in India took a "trainer" set of 40,000 companies and put it through the paces of 55 variables obtained by "crawling" through public data. This "trainer" set was empowered by ML. A powerful, predictive model emerged! This model after a significant seasoning was used on another set of 20,000 companies. The model predicted defaults with a 77 per cent accuracy. Backtesting of a sample fully proved that the propensity to default was discernible. The application of these capabilities to various domains is left only to the imagination of a digitally oriented auditing and accounting professional (AAP).

Now stretch this logic further and consider how in the next 10 years the entire accounting and auditing activity may be disrupted. I can see productivity zooming.

A McKinsey Global Institute report suggests that AI is helping us approach an unparalleled expansion in productivity that will yield five times the increase introduced by the steam engine and about 1.5 times the improvements we've seen from robotics and computers combined.

The idea of AI is not new, but the pace of recent breakthroughs is. Three factors are driving this acceleration: ML algorithms have progressed in recent years, especially through the development of deep-learning and reinforcement-learning techniques based on neural networks.

Computing capacity has become available to train larger and more complex models much faster. Graphics processing units (GPUs), originally designed to render the computer graphics in video games, have been repurposed to execute the data and algorithm crunching required for ML at speeds many times faster than traditional processor chips. More silicon-

level advances beyond the current generation of GPUs are already emerging, such as tensor units. This compute capacity has been aggregated in hyper-scalable data centres and is accessible to users through the cloud. Massive amounts of data that can be used to train ML models are being generated, for example through daily creation of billions of images, online click streams, voice and video, mobile locations, and sensors embedded in the internet of things (IoT).

Auditing is ripe for a Kurzweil DPU. This will express itself in a few years to bring about the following scene:

- Aadhaar will connect all bank accounts, credit cards, internet activity, cell phones, and devices.
- Every human (C) engaged in society will have an internet profile and every business (B) will have a visible and well-understood model. All intense



interactions -- B to B, C to C, C to B and step interaction such as B to B to C or B to C to B will have traceability and an inter counter-party footprint. The ecosystem connections will be so strong that the value retained by each of the economic agents can be tracked and modelled. Value, cost, price, and surplus will become transparent throughout the system.

Auditing will be embedded in the ecosystem and will have largely a preventive role. Frauds, leakages unfair delays in payments, patterns or collusion will be prevented. The system will be self-learning and so will be able to detect any unusual arbitrage or rent-seeking activity. The simple detection and notification of such activities will automatically provide a natural incentive to reverse or not indulge in scammed upon transactions.

The ICAI and the Government of India will collaborate strongly to create the interfaces and the expertise to continually monitor the ecosystem. As consensus evolves along what activities to assign to auditors, how they should effectively conduct them, what may be done to attempted wrongdoings will follow and be AI-driven, ML-empowered growth path will make the ecosystem "SAFE".

2020 will augur a complete move over to auditing using AI, ML, BDA, and blockchain. The auditing and accounting professional will have to disrupt himself/herself to remain relevant. Welcome to the New World!

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FINANCE FUNCTIONS

To be future-ready, focus on risk, governance & compliance

Finance organisations are transforming, slowly but surely. This change has driven to a large extent by the disruption in the business environment, whether caused by emerging technologies, changing demographics, new business models, or convergence of industry sectors.



SAI VENKATESHWARAN

Future-ready finance functions have disrupted the finance operating model with the use of extreme automation, delivering new and better insights and analysis with a simpler organisation with skills and talent for the future, and all of these are built on a strong foundation of data management, quality and governance, and strong focus on risk, governance, compliance and controls.

Many of these emerging technologies are fast changing from "technologies to watch" to "technologies to deploy". We see eight disruptive technologies playing the biggest role; data management, cloud ERP and EPM, blockchain, robotic process automation, machine learning, cognitive technologies, natural language processing, and digital analytics and delivery. A well-architected use of these disruptors will enable extreme automation and allow the finance function to transcend its traditional role and take on a business partnering role that delivers

significant business value through insights generation and enhanced risk management, while significantly reducing costs.

Today, most finance functions spend time analysing historical information generating descriptive analysis (what happened) and diagnostic analysis (why did it happen). These activities can be fully automated, leaving finance teams with time and resources to focus on predictive analytics (what will happen) and prescriptive analytics (what should we do about it). For instance, as part of their planning process using predictive analytics, we can now help companies deliver accurate forecasts created automatically through machine learning (ML) and external signals. Leveraging thousands of external signals allows us to spot patterns and perform sensitivity analysis to understand key drivers for revenue, margin, and earnings. These models can significantly enhance accuracy while also being linked to real-time, updated data streams to enable rolling forecasts. As companies mature towards prescriptive analytics, they can start generating hypothesis for strategic scenario analysis of revenue and profitability, advanced customer and market analysis, and so on.



While companies see the "art of the possible" with this transformation, most struggle to succeed at implementing the most important, future-oriented initiatives. According to KPMG's Future Ready Finance 2019 survey, only 28 per cent of organisations see their current initiatives as a great success, with the two most important initiatives of using data and analytics and extreme automation having even lower success rates. It shows that the digital transformation of

the finance function is less about technology and more about data and people -- the two key components that can make or break it.

Dealing with the avalanche of data, both from internal and external sources, by fixing the fundamentals is the essential first step. According to this survey, data quality is the biggest challenge to improving analytics capabilities, followed by the ability to integrate analytics tools to legacy systems. Both are critical pre-requisites for

delivering predictive forecasting and advanced analytics. Once this is fixed, organisations can focus on the business problems they can address using these data and analytics capabilities.

Automation also needs to be accompanied by a transformation of skills and talent to enable the finance function to take on the more value-added activities. However, only a few organisations, according to this survey, have been able to adapt their skill bases to operate in this more automated workplace environment. Existing staff will require fundamentally different skills, including data and technology skills, new behavioural skills and process, and exception management skills in addition to stronger core finance skills.

In summary, finance organisations must develop a roadmap to be future-ready, focussing on (i) transcending the role to enabling business decision-making and driving enterprise performance; (ii) thinking like a venture capitalist enabling innovation and disruption; (iii) establishing a digitally-enabled service delivery model; (iv) driving the adoption of advanced analytics and automation technologies; and (v) taking a comprehensive and flexible approach to talent.

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Reflections as a roller-coaster decade passes by...

The most pronounced transformation has been India's accelerated adoption of the digital way



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A few days to close what has probably been one of the most dynamic and volatile economic periods in India, the 2010s. A decade where the GDP and private consumption doubled (compounded 7 per cent growth over 10 years) creating a wide range of opportunities, new forms of competition and lots of investor interest. India's demographic advantage has played well to the script — employment, the income pyramid and consumption per capita have largely kept pace with projections. Taking advantage of hindsight, here are a few of my reflections of the decade gone by many of which I think will show full might only in the next decade.

The most pronounced transformation of the past decade has been India's accelerated adoption of the "digital way". BCG's proprietary research shows that in India, digital behaviour is best predicted by your digital age (which is the time span since you picked your first device) and hence the wave will now be ridden by women, the not so young, and Bharat, than India residents. Consumers are actively influenced through digital & social platforms, purchase their desires online and fearlessly advocate likes and

dislikes to often an unknown world. Of the many interesting examples is the omni-channel community of cure.fit, which represents a large community (of over more than 500,000 & growing), and engages deeply on a passion centered on healthy living and fitness with many monetisation levers.

The buildup of retail data over the past years, has also thrown open the world of analytics-led insights to discover the next wave of relevant products and communication. Acing this new world of digital marketing and social commerce with real time assessments is a highly sought after capability.

The past decade has been the lifetime for India's e-commerce industry. The new standard of access, value and convenience set by the leading players has been nothing short of revolutionary. The industry can stake a rightful claim to a 2-3 per cent share of overall retail sales today, projected to cross 15 per cent in the next decade. The question is when will profitability be achieved, especially given the entry of another large player soon. Brands need to work with these platforms to drive penetration and in parallel, strengthen the core brand promise on owned channels through exclusive assortment, personalised services and loyalty moves. Adidas and Nike internationally do a fairly commendable job on striking the right

balance on this front.

In the recent years, affluence and consumption in India has gradually spread to a wider base of cities. Over a decade, the share of Tier 2, 3 and 4 cities in India's consumption is expected to grow from 27 per cent to 34 per cent. This is reflected in a steady adoption by consumers of organised sector products and brands. Locally relevant, correctly priced, well distributed products coupled with improving affordability has given a steady double digit growth to a wide range of categories in FMCG, small appliances and home. We believe this will continue to be a key source of growth in many categories such as hardware, basic electricals, staple foods, furnishings into the next decade.

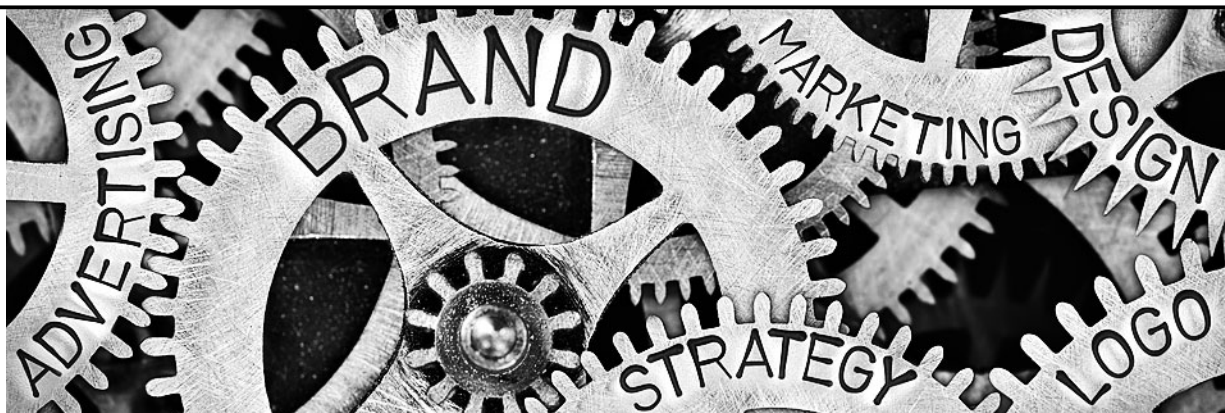
With economic and social maturity, we have also observed Indian consumers over time redefine what "value" truly means to them — the answer being quite category dependent. Consumers are happy to trade up where they see clear emotional and functional advantage but prefer low prices in undifferentiated areas. In recent times, "value" has often been associated with a unique experience or service (for example, a great restaurant or spa) and sometimes also with the non-cost of ownership (rental economy). The evergreen imperative hence is discovering the "value codes"



for your category and consumer using next generational "mind discovery" research techniques. The dividends for companies who continue on the journey of contemporary discovery of "brand codes" can be very handsome. HUL, who symbolise this way of working has added over ₹3 trillion of market cap over the last decade which is higher than all listed steel players valued today. Strong brands-led FMCG is by far the sector with the highest earnings multiples in recent times. Beyond the "value" quotient,

Indian consumers are now showing an association with brands which have stood for being authentic, original and responsible. More often than not, they encompass some Indian themes of Ayurveda, natural, vegetarian, healthy and humanly considerate. Contrary to my growing years, Indians today take pride in local brands and products and are way passed the notions of foreign quality. Brands such as FabIndia, Manyaavar, Patanjali and Indulekha have established in their metrics of

success how consumer trust is built on Indian ethos. In my experience, whenever global references are applied to India — the insights are only partially correct. We are different, our challenges unique, our pace of change is fast but our habits and behavioural change slow (ask Thums Up fans). The next decade is expected to be even more unpredictable and transformational, but one thing will not change — India will craft its own method and pace to adapt to the new world.



When marketing got real

Thanks to technology, the gap between the brand and consumer was bridged



SAGAR KOCHHAR

Global chief marketing officer
Rebel Foods

The advent of digital media and technology has changed the very fabric of the marketing industry globally. From Hyundai Elantra's virtual reality drive with Shah Rukh Khan, to the "Watch Now Buy Now" fashion show by FBB, brands are breaking with tradition in using technology-led marketing. In financial year 2018-19, digital advertising spends in India alone amounted to ₹16000 crore-plus — a clear sign of the fact that there is no technology-in-marketing anymore. Everything is MarTech.

While traditional marketing has relied primarily on people, modern marketing has used technology as a pivot to smart-target consumer touchpoints and for better outreach. The availability of big data combined with digital marketing channels today offers a gargantuan opportunity for marketers. Digital-first brands are the absolute rage. Concurrently, technology has increased cut-throat competition. In the race to reach consumers first, brands are deploying technology to automate the spine of behavioural research — that is, market research and data collation.

As much as this may be the future, marketing is made up of sentiment and numbers. Of the two, while numbers can be digitised, sentiment is sentient. Let me elucidate how.

Bridging the gap

According to a Gartner CMO survey, nearly one-third of marketing budgets in 2018 were allocated to MarTech. Among the many facets

of marketing, market research and media buying were and are the key beneficiaries of deep-tech.

It has become easier for brands to understand a consumer's behavioural patterns, using deep data. Interactive tech-led marketing brings us a lot closer to our consumers by helping brands engage with them more efficiently and personally. Omni-channel experiences for instance, are a classic example of brands trying to reach consumers across touchpoints, never missing a beat — anniversaries, birthdays or even weddings. Thus, technology ensures not just convenience for the consumer, but proximity for the brand.

Measurement is another aspect that technology has helped simplify for marketers. It helps marketers understand what worked, aka return on investment, what did not work, aka spillage, and what could have been done better, or learnings.

The opportunity, therefore, lies in the data brands collect from consumers and driving actionable insights thereon to make better marketing decisions. With the world as connected as it is today, the only way to encompass fundamentals and sentiments to make a consumer's heart skip a beat is no doubt technology.

Building digital brands

As social media advertising becomes more accessible and affordable, consumers have become more intelligent and aware; and intelligent consumers are fortunately, difficult to please. Netizens are supremely mindful of the content they consume and it is here that entire content strategies are formulated, based on keyword analytics. Personalisation has become the new mantra. Brands create atomic content strategies and use micro-influencers driven campaigns tailored to cohorts, in order to build communities, which in turn help

bolster the brand's persona. Big is small; and small is massive!

The essence of marketing, however, remains fundamentally resilient to change. This is due to the inherently customer-centric nature of an industry that relies heavily on subjective creativity. While technology may help understand behavioural patterns and insights that further help formulate brand strategy, ideas that make decacorns out of bootstrapped start-ups will come from the sandbox of creative folk, in turn continuing to enthral increasingly mindful audiences. Thus imaginers will continue to have as much clout as engineers in understanding an ever-evolving consumer and her needs.

Keeping it simple

Convincing contributors to bottom lines is no more about gimmicks. Brands understand that consumers aren't convinced by AR, VR, AI, flashy ads and highfalutin jargon anymore. This is especially true of a growing millennial audience — one whose attention most brands are vying for. Inversely, the audience today also understands that a lot of brands play on emotional content to drive home an average product. What matters to Gen Y is purpose-led marketing and the impact it has on the two Big Es — the environment and economy. For this discerning audience, no matter what wow factor MarTech brings to the table, there must be a personal connect that makes them feel things are real, and pushes them to buy into a brand's offerings.

Imperative for marketers, therefore, is to understand that while technology plays a crucial role and presents a significant opportunity for easy consumer outreach, nothing can replace sentiment, and nothing will catch the eye forever that isn't solving a need or a problem and therefore is impactful in the larger picture, and above all, real!

A matter of connections

Only the methods that get to the heart of the matter and look at long-term gains really stick the landing



SUNEIL CHAWLA

Co-founder
Social Beat

With new digital platforms mushrooming, brand communication has definitely evolved over the last decade. Having said that, there are certain aspects of communication that form the crux of it and have remained timeless essentials that work to build a brand. Here are three such trends:

Storytelling

The art of storytelling remains powerful and paramount in the world of marketing. Simply because stories serve as effective communication that consumers connect with. Things that move us, be it with humour, emotion, or anything else, leave an impact, and brands have been quick to grasp the many benefits of utilising this. Using storytelling captures attention and reels people in to see the story through to the end. This increases brand recall, awareness, and more importantly, a connection with a brand that consumers can identify with.

This is best understood through stories of how some brands used engaging narratives to set the stage to pack an emotional or meaningful punch. Be it the films that BMW launched in the early 2000s to showcase their cars or the recent Puma campaign on what it was to be a "proper" woman that used the stories of successful women such as Mary Kom, Dutee Chand, Anjali Lama, and others, to celebrate and give expression to individuality and women empowerment. The common aspect of both these campaigns is effective storytelling that got the audience's attention. This is an evergreen trend that will continue to be the most important aspect of marketing.

Influencer/word-of-mouth marketing

How many times have we tried a product just because a friend said it worked well for them? We all do this. Hearing from someone else that a certain product worked for them, or about an interesting ad that piqued their interest can do wonders for a brand. This is where influencer marketing comes into play and this type of word-of-mouth advertising

has remained a strong driver for customer engagement. Brands have employed influencers and celebrities alike to promote their products for them.

People follow these personalities as they can identify closely with them and want to be like them. Word of mouth creates an image of trust and reliability around the product and serves as first-hand product testimonials.

Case in point, Himalaya facial wipes, which focused solely on marketing through word of mouth, employed influencers from a range of different niches — from lifestyle to fashion. These influencers used facial wipes and created engaging content on both their blogs and social media handles. The content was eye-catching, tailored to the kind of followers each influencer had garnered. By exuding class through the product itself, and reliability through the firsthand nature of its marketing, their facial wipes were featured in images across the globe, helping them to amass a total impression of 1 million and a total engagement and clicks of 170,000.

Personalisation
As we mentioned before, people connect with brands more when they identify with them. One of the key ways to make that

happen is by personalisation. It is a crucial part of the customer journey and the experience itself. This is why brands incorporate personalisation with three relevant and significant elements in their marketing strategies — geographic, demographic and language. Personalisation, as a trend, has remained unchanged because of how fundamental it is in any campaign. Segmenting your audience and showing them customised messaging based on their likes and interests can positively influence any campaign and the brand connect.

With marketers having access to real-time data and AI coming into play, personalisation is going to become a lot more accurate, making the customer journey much more enjoyable if used the right way.

So while this decade saw some great new marketing trends come up, only the methods that get to the heart of the matter and look at long-term gains really stick their landing. As the world around us changes, these techniques also evolve and grow to accommodate newer inputs. With a whole new decade upon us, marketing will see new technologies unfurl and change the playing field, pulling brands to think out of the box.

QUIZ 646 Special

- In 2010, taking out the iconic orange straw caused this brand's sales to drop close to 20 per cent in the US markets. Name it.
- Connect The Philippines, Pakistan, Indonesia, Tunisia and arrive at an event that happened nine years ago which triggered a Werther effect across some countries and brought down the global oil prices.
- Connect Hong Kong, BBC and Microsoft's newly acquired entity GitHub and what do you arrived at?
- Ten years ago, this company known for its innovativeness inserted chips with an audio message in newspapers and used Heli-banners in Mumbai to attract people's attention. Name it
- Ten years ago, this brand moved from "Your potential our passion" to "What's next?". It seems to have abandoned this line too. Name it.
- Connect Alibaba, Facebook, General Motors and Uber technologies and rank them in the ascending order and what do arrive at looking back at the last 10 years.?
- This airlines' call sign in French means "Red". Name it

and its owner.

- Connect consumer tech brands Vertu, Jawbone, Pebble and Palm and what do you arrive at?
- Which company uses this phrase on its website while selling its services "Don't be business without it?"
- Connect the two logos and arrive at one of the most revolutionary companies to have been founded in the last 10 years.



COMPILED BY GAURAV SRI KRISHNA, www.facebook.com/gaurav.s.krishna

ANSWERS TO THE STRATEGIST QUIZ 645

- Facebook.
- They have all used their senior executives (employees) instead of celebrities in their respective ad campaigns.
- These cartoon characters are all part of the sequel to Government Employees Insurance Company's or GEICO's ad campaign. It is an insurance company owned by the conglomerate Berkshire Hathaway
- Jacob's Creek, the Australian wine brand.
- The Gold refining company Rajesh exports.
- The American Girl brand founded by Pleasant Rowland.
- Intel's self-learning neuromorphic chip, named Loihi (produced in the year 2017), is named after the Hawaiian seamount Loihi
- Pepsi, Salman Khan.
- The Satellite Phone company Iridium
- Evolv Ventures is a \$100m venture fund backed by Kraft Heinz to invest in early stage technology companies disrupting the food industry. The Blue and Red represent Kraft and Heinz respectively.

One lucky winner will receive a cheque for ₹2,000. Send your entries to strategist@bmail.in. All entries must carry the postal address of the contestant. Last date for receiving entries is December 31 till 8 pm. Previous winners and employees of Business Standard and their families are not eligible to participate. The winner is chosen on the basis of the first correct entry received.

There were two correct entries to Quiz number 645. The winner is M Ugandhara Rao from Bokaro Steel City

Youth hate instability and anarchy, says Modi

PRESS TRUST OF INDIA
New Delhi, 29 December

Prime Minister Narendra Modi on Sunday said the coming decade belongs to the youth as they will play a key role in modernising India and taking it to greater heights, and noted that they hate anarchy and disorder and believe in the system but question it when it does not respond properly.

In his last 'Mann ki Baat' radio address of 2019, the PM said the youth hate anarchy and disorder and dislike casteism, nepotism and favouritism, remarks that come in the backdrop of recent violent protests on various university campuses over the Citizenship Amendment Act and the proposed National Register of Citizens (NRC). "According to me, they appreciate the system. Not just that, they prefer to follow the system. And in the event of the system not responding properly, they get restless and even courageously question the system itself. I consider this attribute as a virtue."



"One can even say with certitude here, that the country's youth detests anarchy of any sort. They despise any element of lack of governance and instability; abhorring any shades of nepotism, casteism, favouritism or gender discrimination"

"One can even say with certitude here, that the country's youth detests anarchy of any sort. They despise any element of lack of governance and instability; abhorring any shades of nepotism, casteism, favouritism or gender discrimination," he said.

In his address, he talked about the role of self-help groups and alumni associations in shaping the

future of youth and poor as he called upon people to buy local-made products till 2022.

The PM also lauded parliamentarians for breaking past records in making Parliament sessions productive. He also talked about promoting astronomy and the strides India has taken in the field. Modi hoped the "young India" will play a key role in building "modern India"

in the coming decade and cited Swami Vivekananda, who had said that young people who are full of energy and dynamism, possess the power to usher in change. "I am of the firm belief that for India, this decade will be, not only about development and progress of the youth; it will also prove to be about the country's progress, harnessing their collective might. This generation will play a major role in modernising India; I feel it beyond any doubt," he said.

Modi exhorted the youth to give a thought to this responsibility and take on this resolve on Vivekananda's birth anniversary. He also cited cases when the youth vociferously react whenever an incident of disorder takes place and make a video of it to make the culprit realise the consequence. "Thus, our new generation is an embodiment, a reflection of a new system, a new order, a new age, a new thought. Today, India eagerly awaits this generation expectantly. These are the very people who have to elevate the country to greater heights," he said.

NRC an internal affair: B'desh border guards

The process of creation of the National Register of Citizens (NRC) is completely an "internal affair" of the Indian government and the cooperation between the border guarding forces of the two countries is very good, the chief of Border Guards Bangladesh (BGB) said on Sunday.

The BGB will continue to work to prevent illegal crossings into India, its Director General Maj Gen Shafeenul Islam said at a press conference here.

A BGB delegation, led by Islam, is on a bilateral visit to India to hold DG-level border talks with their counterparts, the BSF said.

"This is completely an internal affair of the Indian government," he said when asked to comment on the NRC issue. When asked about the provisions of the CAA that seeks to grant Indian citizenship to persecuted non-Muslims from three countries, the DG said he would not like to make any comments. PTI

Priyanka manhandling charge false: Cops

The youth wing of the Congress on Sunday staged a demonstration near the Uttar Pradesh Bhawan in New Delhi against police "manhandling" party general secretary Priyanka Gandhi Vadra in Lucknow and demanded resignation of Chief Minister Yogi Adityanath. UP Police, however, has termed the allegations "false".

In Lucknow, Priyanka discussed with party office-bearers the political situation in Uttar Pradesh and the party's future programmes.

The UP traffic police has slapped a fine of Rs 6,300 on the owner of the two-wheeler on which Congress leader Priyanka Gandhi Vadra travelled to reach retired IPS officer SR Darapuri's residence in Lucknow as she and the driver rode the vehicle without helmet, a senior official said Sunday. PTI

BSP MLA suspended for supporting CAA Anti-CAA protests continue in Assam

BSP chief Mayawati on Sunday suspended party's MLA in Madhya Pradesh Rama Bai for supporting the CAA. The MLA later claimed that her statement had been "distorted by the media", and sought forgiveness. Rama Bai, who represents Patheriya seat, on Saturday supported the Act at a function in the presence of Union Minister Prahlad Patel. PTI

Thousands of people hit the streets of Assam on Sunday decrying the Citizenship (Amendment) Act and vowing to continue with the protests till the law is withdrawn. The opposition Congress, which kicked off a 800-km 'Padyatra' from Sadiya to Dhubri on December 22, reached Golaghat with thousands of people participating in it. PTI

Navy plans 24 submarines, 6 of them nuclear attack subs

PRESS TRUST OF INDIA
New Delhi, 29 December

To strengthen its underwater fleet, the Indian Navy plans to build 24 submarines, including six nuclear attack submarines, a parliamentary panel was told.

The Navy also told the panel that Medium Refit Life Certification (MRLC) of submarine Sindhuraj has been held up since the Russian side has not been able to submit bank guar-

antees and integrity pact due to sanctions imposed by the US.

In its report tabled this month, the Navy stated that there are presently 15 conventional submarines and two nuclear submarines in its fleet. The Indian Navy has two nuclear submarines INS Arihant and INS Chakra, with the latter being leased from Russia.

Majority of the conventional submarines are over 25 years

old. Thirteen submarines age between 17 and 32 years, it said.

"Eighteen (conventional) + six SSN (nuclear attack submarines) are planned..." it stated.

The Indian Ocean Region, the area of operations of the Indian Navy has witnessed rising activities of the Chinese Navy. On its part, the Indian Navy has been revamping its infrastructure, including procuring new ships.

CDS can serve up to maximum age of 65 yrs

The defence ministry has amended rules to allow the Chief of Defence Staff (CDS) to serve up to a maximum age limit of 65 years. The changes have been made in the services rules of the Army, Navy and the Indian Air Force for extension of

retirement age of the CDS to a maximum of 65 years if a service chief is appointed to the post. However, the tenure of the CDS is yet to be announced.

The CDS will act as the principal military adviser to the defence minister on all matters

relating to tri-services.

Now, the service chiefs can serve for a maximum period of three years or till attaining the age of 62, whichever is earlier. The CDS won't be eligible to hold any government post after demitting office. PTI

OPPOSITION'S SHOW OF STRENGTH AT SOREN'S OATH-TAKING CEREMONY



JMM leader Hemant Soren took oath as Jharkhand chief minister for a second time on Sunday in the presence of opposition leaders in a show of unity amid the uproar over the Citizenship Amendment Act. Among those in attendance were Congress leader Rahul Gandhi, TMC chief and West Bengal Chief Minister Mamata Banerjee, her Rajasthan and Chhattisgarh counterparts Ashok Gehlot and Bhupesh Baghel, CPI(M) general secretary Sitaram Yechury, CPI leader D Raja, DMK leader M K Stalin, his sister Kanimozhi, and RJD's Tejashwi Yadav

PHOTO: PTI



"As long as I am alive there will not be any detention centre in West Bengal"

MAMATA BANERJEE, West Bengal chief minister



"Whether NPR or NRC, it is a tax on poor people of the country. You understand demonetisation. It was a tax on poor people"

RAHUL GANDHI, Congress leader



"Rahul Gandhi is Joothon ka Sardar. The three detention centres were set up in Assam at the time when his party was in power"

SAMBIT PATRA, BJP spokesperson

Test of invincibility ahead for BJP

Year 2020 would test not only the party's ability to win votes in two Assembly polls, but whether it has the intellectual wherewithal to win the streets

ARCHIS MOHAN

Year 2019 was a roller coaster for the Bharatiya Janata Party (BJP). It lost a few electoral battles, but triumphed in the key one — the Lok Sabha polls. Legislatively, it delivered on its core agenda of scrapping Article 370.

Year 2020 would test not only the BJP's ability to win the ballot box in the couple of Assembly polls, but whether it has the intellectual wherewithal to win the streets.

It will test if the BJP has the ability to persuade the country's youth and minorities that it has their interests at heart, and the perspicacity to reach out to its increasingly upset allies.

Year 2020 will tell the country if the BJP's current leadership, and its governments at the Centre and in states, have the ability to accomplish this democratically and with minimal violence.

As the first week of the new year will show, the challenge for the BJP is not only from its ideological opponents in the Left, but also from within the Sangh Parivar.

The protests against the contentious Citizenship Amendment Act (CAA), National Population Register (NPR) and National Register of Citizens (NRC) are set to continue.

The youths cutting across religious lines have joined the protests, and that they protested not just the "discriminatory" law. They, the BJP's key support base since 2014, are also protesting the hopelessness triggered by a slowing economy and lack of job opportunities.

The central trade unions have decided to launch protests against privatisation and disinvestment in public sector undertakings (PSUs). They will also raise their voice against "increasing unemployment" and price rise — issues likely to appeal to the youth.

The Left parties have announced protests against disinvestment in PSUs like BPCL from January 1 to 7, which will culminate in the "all-India strike" by 10 central trade unions on January 8.

Such is the pressure from its own workers that the Bharatiya Mazdoor Sangh (BMS), the Rashtriya Swamasevak Sangh-affiliated (RSS-affiliated) trade union, has announced nationwide protests to "awaken the government" on January 3. Not just disinvestment, it will protest increasing digitisation as well.

The BJP leadership will be called on to fight the political battle on multiple fronts in 2020. It has asked its spokespersons to fan out across



The BJP has lost five states since December 2018. Jharkhand and Maharashtra are the latest, suggesting the narrative on nationalism has diminishing electoral returns

the country in the first week of the new year to drum up support for the CAA and NPR.

Party sources say it is nearly certain that Amit Shah will continue as BJP president for some more time, in contravention of the party's "one man one post" rule.

Two states are going to the polls in 2020. These are Delhi, by February, and Bihar, by October. Surveys by Lokniti-CSDS show the Delhi poll will be difficult for the BJP.

In Delhi, the survey has stated, the BJP does not have a leader to match the popularity of the Aam Aadmi Party chief and Delhi chief minister, Arvind Kejriwal.

Bihar could have been an easier battle for the BJP to win, particularly with Rashtriya Janata Dal chief Lalu Prasad in jail. But recent reverses in states and ally Janata Dal (United) unhappy with the CAA and NRC, after voting for the CAA in Parliament, is not good news for the alliance in Bihar.

The BJP-JD(U) alliance won 39 of the 40 Lok Sabha seats of Bihar in 2019. According to the Lokniti-CSDS post poll survey in the neighbouring Jharkhand, the Yadavs are grav-

itating away from the BJP in the state after having supported it in the Lok Sabha polls. The poll has noted the trend could influence the elections in Bihar.

The BJP has lost five states since December 2018. Jharkhand and Maharashtra are the latest, suggesting the narrative on nationalism has diminishing electoral returns when people face more urgent issues of livelihood.

Currently, the BJP is busy holding discussions on preparing the next Budget of the Modi government. Its general secretary (organisation), B.L Santhosh, the man responsible for coordination between the RSS and BJP, is leading the effort.

According to sources associated with the effort, the most urgent challenge is to reach out to the youth. In his 'Mann ki Baat' on Sunday, the PM tried. "In three days: A new year, a new decade. What is certain is that the coming decade will see those born in the 21st century playing a key role in national progress. During Mann Ki Baat today, I saluted India's youth for their energy, vibrancy," Modi tweeted Sunday evening.

Political analyst Suhas Palshikar believes year 2020 will test India's democracy. "Digital technology for NRC, CCTV for taking 'revenge' against protestors, drones and facial recognition technology to profile participants in protests, is a decisive turn away from democracy; something not just the BJP but other parties too are sure to use as strategies of governance," he says.

Yogi has a lot on his plate

VIRENDRA SINGH RAWAT

On December 17, when Uttar Pradesh Chief Minister Yogi Adityanath was canvassing for Bharatiya Janata Party (BJP) candidates in Jharkhand, more than 100 party legislators in his own state were protesting on the Vidhan Sabha precincts against the alleged high-handedness of police and district officials.

While attempts by senior UP ministers failed to assuage frayed tempers, what added insult to injury was the display of solidarity by Opposition Samajwadi Party (SP) benches with their protesting brethren and the camaraderie that the contentious issue generated beyond party affiliations.

Upon his return, Adityanath resorted to quick damage control by meeting BJP MLAs. But, the widespread violence and arson during the anti-Citizenship Amendment Act (CAA) protest in the state capital two days later (on December 19) put a big question mark on the efficiency of law enforcement and intelligence under his stewardship.

The Adityanath dispensation, which had been soaking in self-acclaimed glory of maintaining peace in the aftermath of the Supreme Court verdict in the vexed Ayodhya case on November 9, was suddenly dealing with a spiral of violent protests across the state, including in major cities of Varanasi, Gorakhpur, Prayagraj, Ghaziabad, and Rampur.

Several people were killed in these incidents and scores of others, including policemen, were injured. The violence made big headlines in the national media, putting the party leadership on the back foot.

Nonetheless, the twin incidents of BJP legislators protesting against police and the much-publicised deterioration in the law and order situation took the wind out of the smooth sails of Adityanath towards the end of 2019.

These developments not only



Faced with massive anti-CAA protests, discontent among BJP MLAs and an aggressive Opposition, the going will be tough for Uttar Pradesh chief minister in new year

prompted critics to raise pertinent questions about the leadership style of Adityanath but augured the ushering in of 2020 with a platter of challenges for him as the BJP prepares for the 2022 Assembly election.

"Yogi Adityanath is reckoned for his iron fist rule with regard to maintaining law and order. However, the incidents of violence in Lucknow and other cities have dented that image. These also indicate the CM needs to rein in the state executive, which is perceptibly not functioning according to the wishes of the ruling dispensation," political commentator Pramod Goswami said.

He further noted that the rather rebellious stance taken by BJP MLAs in the state legislature was unprecedented in UP and was understandably the outburst of the legislators at the state leadership and the government failing to strike a balance between governance and party organisation.

"Since officials have been told to

go strictly by the rule book, it sometimes leads to friction at the local level with people's representatives finding themselves helpless to air their valid grievances. At the same time, it also breaks the conventional system of maintaining checks and balances between the government and the ruling party organisation," he opined.

Besides, the talk of rivalry between Adityanath and some of his senior Cabinet colleagues, including Deputy CM Keshav Prasad Maurya, keeps doing the rounds in the corridors of power. This is reckoned as a major contributing factor to the CM failing to get the required cooperation from all wings of government and party structure.

Although Adityanath got the CM's post on a platter post the stupendous victory of the BJP in the 2017 UP polls, he led the party in the 2019 Lok Sabha polls to trump anti-incumbency and the formidable SP-Bahujan Samaj Party (BSP) alliance in UP, helping the national party scoop 62 of the 80 parliamentary seats in the state.

However, in the backdrop of the Opposition closing ranks on the CAA issue and the BJP faring poorly in several state elections recently, the 2022 battle is unlikely to be a cakewalk for the party. In his address after unveiling a 25-foot bronze statue of former Prime Minister Atal Bihari Vajpayee in Lucknow on Wednesday (December 25), Prime Minister Narendra Modi had lauded Adityanath and his "team" for their good work in the fields of sanitation and health care. While it was seen as an endorsement of Adityanath and to dispel any notion of his replacement, political pundits regarded the PM's statement as an implicit underscoring of the imperative of keeping law and order intact in the state.

With the Congress adopting an aggressive strategy against the Adityanath government under the party's general secretary in charge of UP, Priyanka Gandhi Vadra, who stages sit-ins or meets the victims of various crimes, the BJP has the task cut out for 2020.

More on business-standard.com



The protests against the contentious CAA, NPR and NRC are set to continue. The youths cutting across religious lines have joined the protests, and that they protested not just the "discriminatory" law. They, the BJP's key support base since 2014, are also protesting the hopelessness triggered by a slowing economy and lack of job opportunities

STORY IN NUMBER

PARLIAMENT REMAINED A BUSY HOUSE IN FIRST TWO SESSIONS OF 17TH LOK SABHA

It was a grand opening for the Modi 2.0 government in Parliament. The first session of the 17th Lok Sabha saw more than two dozen Bills being introduced by the government, most of which were passed. This was the best performance by any government in the opening and Budget sessions in the last 15 years.

The story was no different in the Rajya Sabha. Productivity was high and during the just-concluded Winter session, the House celebrated its 250th session.

The data compiled by PRS Legislative shows the 14th Lok Sabha in 2004 to the 16th Lok Sabha in 2014, the first session had no legislative business. In the opening Budget session of 2004, only six Bills were passed.

In the first Budget session of the 15th Lok Sabha, only eight Bills were passed. And, in the opening Budget session of the 16th Lok Sabha, 12 Bills were passed.

In the Rajya Sabha, even as the Opposition complained that legislation was not being referred to standing and select committees, productivity remained outstanding.

PRODUCTIVITY LOK SABHA		RAJYA SABHA	
Budget Session	135%	Budget Session	100%
Winter Session	110%	Winter Session	92%

BUDGET SESSION		
Time spent (in hours)		
	Lok Sabha	Rajya Sabha
Questions	23.8	16.3
Legislative	130.2	100.2
Non-legislative	55.3	56.3
Financial	55.4	13.8
Other	16.0	9.0

WINTER SESSION		
Time spent (in hours)		
	Lok Sabha	Rajya Sabha
Questions	16.7	14.4
Legislative	56.6	55.4
Non-legislative	48.6	30.8
Financial	5.0	0
Other	4.0	6.3

Source: PRS



NEWSMAKER / SARYU ROY

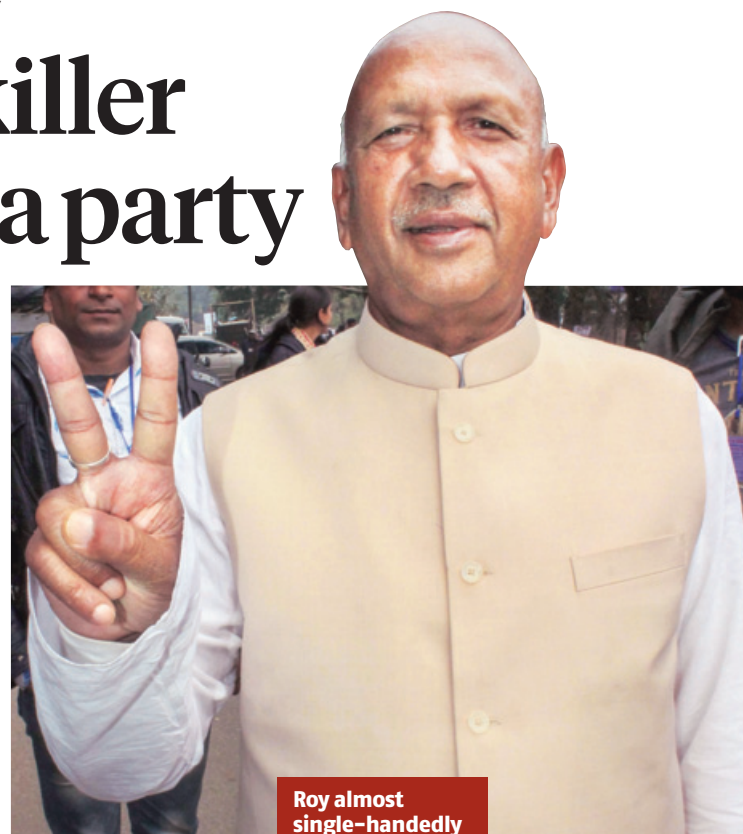
A giant killer without a party

SHIKHA SHALINI

It is unusual for a chief minister to lose his own assembly seat along with his party's majority. It's even rarer when it happens to a chief minister who's kept that seat in five successive elections. And it's unheard of when the giant killer is not supported by the winning combination of parties but contested on an independent platform.

Yet, all this happened last week in Jharkhand to Raghubar Das, who'd steered the state administration for a full five-year term, with full backing from the leadership of the Bharatiya Janata Party (BJP). He'd won from his home seat of Jharkhand East in 2014 with two-thirds of the vote; this time, there was a 30 per cent vote swing against him. All engineered in barely three weeks.

Saryu Roy, 68, the man who did all this almost single-handed, was in fact his cabinet colleague for the past five years. In a formal sense he'd begun speaking out — publicly — against the working style of Das for the past two years. Appeals to the apex leadership to intervene had no effect; the leaders trusted Das, who also controlled ticket distribution at the time of election. Denied ticket from his nearby constituency, Roy declared he'd make good the insult. He didn't do the time-honoured trick of defecting to the rival combine — he said he'd contest as an independent at the chief minister's home turf. Nor did he play safe in campaigning — he frontally attacked the politically



Roy almost single-handedly engineered electoral defeat of Raghubar Das. He is also credited with derailing political careers of Lalu Prasad and Madhu Koda

formidable duo of Prime Minister Narendra Modi and his lieutenant, Union Home Minister Amit Shah, for protecting Das.

"The Raghubar daag won't be saved by either Modi detergent or Amit Shah laundry," he proclaimed. It happened exactly that way.

Just who is this man? Interestingly, someone who's come from within the same party ranks, right from the student days (he's a postgraduate in physics) of the late 1960s and early 1970s, when he was a functionary in the undivided Bihar unit of the Akhil Bharatiya Vidyarthi Parishad, part of the legendary JP movement. There's an old story on him from those days,

recounted to this reporter by former RSS ideologue Govindacharya, on a secret meeting of movement organisers (including Lalu Prasad), "The police raided the Khadi Ashram, where we were meeting," says Govindacharya, "and there was a general rush to escape immediately. But not Roy — he said he wouldn't go without his footwear, first searched for it, put it on, and only then got going, unlike the others."

Clearly, he's someone not easily cowed by sudden adversity. He went on to join the Janata Party with the rest of the Jana Sangh, and then the Janata Dal and BJP. In due course, goes the story vouched

for by reliable sources, a team of Saryu Roy, Sushil Modi (now deputy chief minister of Bihar), and Ravi Shankar Prasad (Union cabinet minister) was formed to research on issues the party could raise. Modi handled political issues, Prasad the legal ones, and Roy had responsibility for public relations and the media. And, he was assigned, among other things, to check reported irregularities in the state's animal husbandry department.

One consequence was the massive fodder scam, which derailed Lalu Prasad's political career. Saryu Roy went on to nab another scalp — he is generally credited with keeping the spotlight on the irregularities in mine allotments after Jharkhand was formed — it duly ended in the jailing of Madhu Koda, once chief minister.

How he joined the BJP is somehow another story. He had a close friends' group in Patna. A source said in a closed-door meeting, a few leaders of the Janata Dal were discussing the probable candidate who could be placed in the BJP for coordination and who could be easily assimilated in that party. And this candidate of course was Roy.

A political analyst says that All Jharkhand Students' Union chief Sudesh Mahto helped in mobilising "Kurmi" voters in Roy's support. He says many RSS volunteers and members of the Swadeshi Jagaran Manch also helped Roy in campaigning and arranging funds.

What lies ahead? "I'm going to follow up on all the issues I had raised against Das" is Roy's statement in an interview with Business Standard.

Formally, he's a man without a party, on his own. His record, however, shows the new rulers of Jharkhand would be wise to not underestimate the man.

WORLD DEMOCRACY REDEFINED



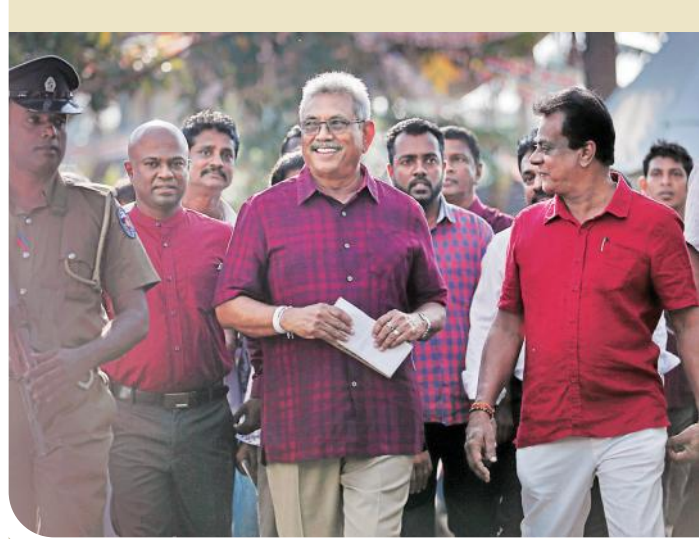
After a Brexit withdrawal agreement that was defeated multiple times in Parliament and the deadline to leave the EU was extended twice, Boris Johnson, the maverick politician who succeeded Theresa May as PM, called a general election which the Conservatives won by a massive 80-seat majority. This makes the UK exit from the EU on the January 31, 2020, more of a certainty, but the deadline for a new deal with the EU still looks challenging.

13
December



18
December

Donald Trump becomes only the third US president to be impeached by the House of Representatives. The process followed a whistle-blower complaint that he sought to withhold Congressionally-approved money from the Ukrainian President in return for research on 2020 Democrat presidential opponent Joe Biden. Trump's removal from office is contingent on a trial presided over by the Chief Justice in the Republican-dominated Senate, which is likely to vote in his favour. The latter process is at an impasse as the Democrats and Republicans argue over the format of the trial.



16
November

Former defence minister Gotabaya Rajapaksa, member of a powerful family clan and ruthless architect of the defeat of the Liberation Tigers of Tamil Eelam, wins the presidential election raising new challenges for the island-nation's Tamil and Muslim minorities. His early step was to appoint his brothers to an interim cabinet.



31
October

After nearly 18 months of tariffs and counter-tariffs that affected businesses in both the world's largest and second-largest economies, the Trump administration announced a draft agreement that included, among other things, a commitment for China to buy more American agri-products and for the US to lower duties on Chinese imports. The terms are under scrutiny but neither side has signed on yet. 2020 could be a watershed year.



5
December

Two years after Crown Prince Mohammad Bin Salman announced it and three months after aerial attacks that damaged its key facilities, Saudi Aramco, the world's largest oil producer, launched its initial public offering (IPO) to raise \$25.6 billion, the biggest IPO in history. The share was listed on the Saudi securities exchange on December 11.



1
January

An extreme right wing, former military officer, Jair Messias Bolsonaro, assumed office as President of Brazil. Among his many controversial political views, such as those on gays and women, is his agenda to turn over the Amazonian rainforests, the major global carbon sink, and tribal lands to agri-business.



23
September

Teenage climate activist Greta Thunberg addressed the UN Climate Action Summit in New York, sharply criticising world leaders for neglecting climate change. She was trolled by the US President and climate-change denier in chief Donald Trump.

13
October

In a controversial move, President Trump ordered the withdrawal of American forces from northern Syria, a decision that will effectively cede control of the area to the Syrian government and Russia, and could allow a resurgence of the Islamic State.



4
December

Larry Page and Sergei Brin, the Stanford graduate students who founded Google over two decades ago, announced they would step down from executive roles at Google's parent, Alphabet. India-born Sundar Pichai (right), Google's chief executive, will become the chief of both Google and Alphabet.



23
October

After four months of sustained protests which saw military intervention from Beijing, the Hong Kong administration withdrew a controversial extradition Bill but demands for more democracy kept protests on the boil and a landslide win for a pro-democracy party in local elections in November has presented the Chinese regime with a major headache.



TELECOM 2010-2019

Best of times for customers, worst for telcos

The decade has seen customers benefiting from rock-bottom telephony and internet tariffs but this led to many bruised companies fleeing the field

SURAJEET DAS GUPTA
New Delhi, 29 December

For customers, it's been a dream run. At the beginning of the decade, active subscribers paid an average of 50 paise a minute for a voice call and a monthly bill of ₹140 a month. At the end of the decade, voice is virtually free, their monthly bills are 20 per cent lower at ₹113, and they enjoy huge amounts of data to watch movies, sports, and TV channels.

For the telcos, it's been more like a bout of ethnic cleansing. In 2010, six of them, including big foreign players, had jumped in, thanks to new licences issued by the government. They kicked off a price war as they jostled for share in what was considered the great Indian growth market for mobile telephony services.

As the decade ends, the bloodbath in the market has forced consolidation and closures. The number of players has shrunk from a peak of 15 to four. With the writing on the wall for Vodafone Idea, whose promoters are unwilling to pump in more money, the four could reduce to three even though the number of subscribers has doubled to 1,100 million.

A market once based primarily on voice has dramatically shifted to data in just a decade, thanks to the entry of Reliance Jio. The company rewrote the rules of the game when, in 2016, it offered data at rock-bottom prices on an only 4G network with high speed. As a result, usage has gone up by more than 100 times.

The other fundamental change it kicked off was to push convergence-making mobile devices as the alternative platform to TVs for viewing video, movies, sports,

and entertainment for consumers. Suddenly, for many homes, the mobile became the second personal television set and 300 million active customers are now glued to OTT (over-the-top) platforms for entertainment and news.

These changes were all to the good for customers but foreign telcos, which included Vodafone, Telenor, Maxis, Sistema, and Etisalat and had invested in the country, lost their shirt. They were unable to negotiate the regulatory changes, cut-throat competition, the tax authorities, or the courts. Some, like Telenor and MTS (which tried a second time to come back), lost miserably. Most of them quit or sold their assets for a song. The result was that foreign telcos lost or wrote off over \$25 billion.

Vodafone has also said it might have to shut shop. Even those who survived saw their debt go through the roof from having to fund the expensive spectrum cost, whose base price was kept artificially high for the government to rake in the moolah.

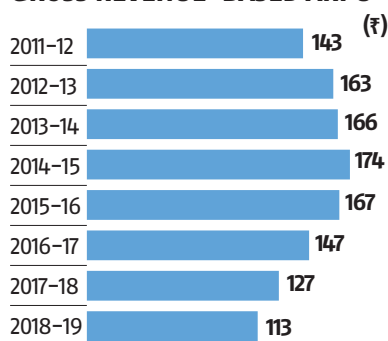
That is why, from a mere ₹1.2 trillion of industry indebtedness in 2010, it has ballooned seven-fold to more than ₹7 trillion at the end of the decade, forcing Reliance Communications and Aircel to go to insolvency court.

The seriousness of the problem can be gauged from the fact that the industry's interest burden as a percentage of Ebitda (earnings before interest, taxation, depreciation, and amortisation) has doubled from 41 per cent in Q3 FY18 to 80 per cent in Q4 2019.

To be sure, the government was, like customers, a key beneficiary. The contribution of the industry to the exchequer peaked at ₹5,100 crore in Q1 2017 but dra-

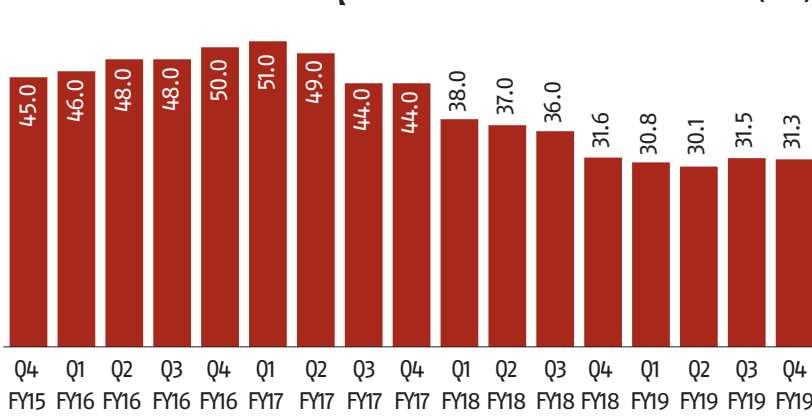


GROSS REVENUE-BASED ARPU



Formula used: GR based ARPU = GR/Net Subscribers/72. Includes both landline and Mobile subscribers TSPs may exclude non Revenue generating Subscribers, while calculating the ARPU
Source: COAI

CONTRIBUTION TO EXCHEQUER



matically fell to ₹3,100 crore in Q4 2019, as revenues fell, the interest burden soared, and profits glided.

Rewinding to the past, two decisions taken by A Raja as communications minis-

ter (in the United Progressive Alliance government) were to shape the beginning of the tumultuous decade. By limiting the amount of 3G spectrum to 5 MHz (globally it was 20 MHz) in the first big auction at the

end of 2009, Raja ensured fierce competition. Telcos shelled out ₹67,000 crore. Despite that, players like Airtel, who bid aggressively, were not able to win pan-Indian spectrum.

The decision did three things: It forced telcos to borrow more to finance spectrum and triggered a debt cycle, which never ended; kept 3G tariffs high, making data unattractive; and slowed the roll-out of mobile services. Raja's second decision had a catastrophic impact. He changed the rules to allow granting licences to new operators on a first-come-first-served basis, allegedly to help his friends. With four to five new players entering the field, what ensued was fierce competition as ARPU (average revenue per user) fell below ₹100 in June 2011, when 15 players slugged it out for market share by dropping tariffs.

But the worst happened when, taking cognizance of a Comptroller and Auditor General (CAG) report that the exchequer had lost ₹1.76 trillion by giving away licence and spectrum free, the Supreme Court cancelled 122 licences, which included those of Telenor, Sistema, and Etisalat. Raja went to jail. For those who survived, there was some relief that with the number of players coming down after the cancellation, they were able to marginally increase tariffs and improve realisation per minute without losing customers.

But it was clear that all spectrum would be auctioned by the government, and with the introduction of the UASL licence, spectrum would be de-linked from services so that telcos could use any spectrum for any service — 2G, 3G or 4G.

The auctions that followed in 2015 saw a massacre, especially in the 900 MHz band (the licence for this band was expiring for incumbents but it was a popular band for 4G), and prices went up by three to five

times. The telcos spent more on spectrum — ₹1.75 trillion in just two years, 2015 and 2016 — than what they had done since they launched services (₹1.5 trillion). Their debt shot up. Another challenge came with the commercial launch of Jio. It offered voice free and data prices that were 95 per cent cheaper than competitors. Data usage shot up by eight times in just a year.

The regulator also lent a helping hand by allowing Jio to offer free services to customers for six months, adversely impacting incumbent operators. The incumbents had no choice but to match tariffs and increase investments to catch up quickly with Jio in building their 4G reach.

While Airtel was able to maintain its revenue share even though it also lost money, Vodafone Idea, immersed in a merger process, has been losing customers as well as revenue share and sinking deeper into debt. Then came the proverbial straw.

Towards the end of the year, the Supreme Court directed the telcos to pay a staggering ₹1.44 trillion as AGR (adjusted gross revenues). Vodafone Idea has made it clear that if the government does not provide relief on payments, it will pack up. Airtel, in a far better position, is raising \$3 billion through debt and equity to pay its dues. Both are waiting for their review petitions to be heard by the courts. While the telcos have hiked tariffs between 15 per cent and 40 per cent, they won't be enough to absorb the AGR hit.

The future play in the market is contingent on two things. If Vodafone Idea goes under, Reliance Jio and Airtel can grab its more than 300 million customers. This in turn hinges on whether the Supreme Court gives a favourable decision on the review petitions and whether the government follows it up by allowing staggered payments for AGR dues.

Jewar airport has potential to transform Noida's realty

Issues like farmers' agitation, delay in construction need to be addressed

ARNAB DUTTA
Jewar (UP), 29 December

About a kilometre from the Yamuna Expressway, on the two-lane connector near Jewar, a bunch of young men in high-visibility orange vests were busy collecting data from all vehicles coming and going. When our car stopped near a small, make-shift structure that housed their supervisor, we were welcomed with a broad smile. Prakash Kumar, the surveyor in charge of the programme, mistook us for state government representatives, arriving for their protection.

Kumar, in his early 30s, is a junior surveyor at a private agency the Uttar Pradesh government has hired to map the traffic flow on the road that connects the expressway and the Jewar airport site. While the survey was on course, Kumar was weary of the rising compensation-related agitation in nearby villages against the authorities.

Nandu Gautam, a contractual worker hired for the survey and resident of Sabota village, was taking down all required details — the frequency of vehicles, their type and load — diligently. Sabota is scheduled to be acquired for the project in the second phase but Gautam and his family are clueless about the resettlement package that they expect to be offered.

The scenario is not much different in Rohi village — a major settlement in the region about 5 kilometres from the survey site, going interior. Unlike Kumar, local residents like Puran Prakash Sharma and Nepal Singh were not happy to see us initially, when they had presumed us to be Airports Authority of India functionaries.

But, with their initial resistance melting, they opened up. Localities were mostly satisfied with the amount offered to them against the acquired land, they said. But it is the non-committal attitude of the district administration when it comes to compensating the villagers against their loss of land to feed livestock, electricity connections, and farm-gardens that has kept issues boiling. According to Singh, despite several representations to the district magistrate, they could secure only verbal assurance on a resettlement scheme and jobs.

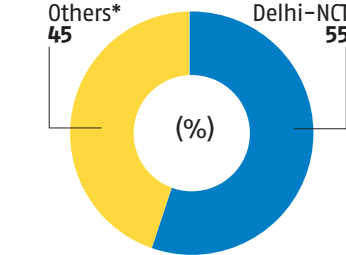
The local pradhan estimates about 18 per cent of the land-owners are yet to accept the proposed compensation of ₹20 lakh per bigha (about 4,900 square yards). Two pieces of litigation have been filed at the Allahabad High Court and the Supreme Court because no written agreement has been offered to the villagers on resettlement and other issues.

"We have been told that every family will be given 50 square yards to set up houses near Jewar. But that is too small a parcel per family, compared to what we are giving up," said Sharma, citing the Land Acquisition Act, 2013, which mandates a compensation of four times



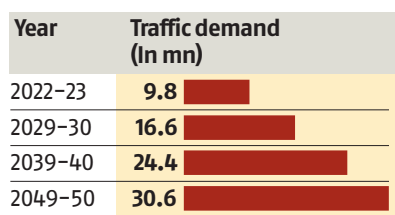
No construction has begun in the region. The only physical evidence of the airport project is a range of green metal boards standing on the barren fields, placed by the Yamuna Expressway Industrial Development Authority

SHARE OF PASSENGER TRAFFIC AT IGI AIRPORT

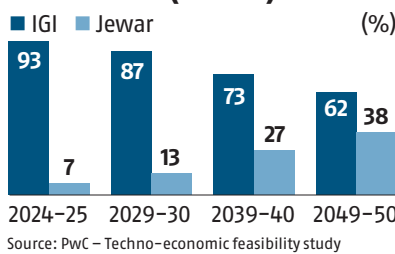


*Includes Gurugram, Agra, Haridwar, Mathura, etc

PROJECTION OF PASSENGER TRAFFIC DEMAND AT JEWAR



DOMESTIC AIR TRAFFIC MOVEMENT (CARGO)



Source: PwC — Techno-economic feasibility study

the price of land that will be acquired in rural areas.

No construction has begun in the region. The only physical evidence of the airport project is a range of green metal boards standing on the barren fields, placed by the Yamuna Expressway Industrial Development Authority (Yeida).

Meanwhile, real-estate developers operating in the Noida extension region and beside the Yamuna expressway are

hoping for a massive transformation of the region. To be built in four phases, the Jewar airport is estimated to be the largest in the country.

According to the techno-economic feasibility study by PwC, it would require ₹15,754 crore to build the facility on 1,337 hectares (147 million square feet). The first phase, scheduled to be completed by March 2023, will alone require ₹3,745 crore of capex.

Indira Gandhi International (IGI) Airport, which currently handles 30 per cent of the cargo in the country, gets half of it from regions like Gautam Budh Nagar and Ghaziabad. Once operational, this entire load is expected to be diverted to Jewar, which is much closer and is better-connected by road.

According to its estimates, by 2027-28 the airport will be handling more than 1.1 million tonnes of cargo per year — more than the 1 million tonnes of cargo that IGI now handles. Interestingly, unlike IGI, nearly 90 per cent of Jewar's cargo will be for international destinations.

Moreover, its proximity to popular tourist destinations like Agra, which attracts 45 per cent of the international passenger traffic at IGI, could be diverted to Jewar. Consequently, by the end of the decade (2029-30) it is expected to attract some 17 million passengers annually.

Manoj Gaur, managing director of Gaur Group, a major realty player in the Noida extension region, is counting on the opportunities. The group has finished a township on the expressway, some 25 km from the site. And it is now waiting for new land parcels to come into the market. According to Gaur, the more than 5,000 acres (217 million square feet) held by the Jaypee Group and under liquidation will be placed for bidding.

"The airport has the potential to extend the National Capital Region towards Jewar," he said. According to Ashish Bhutani, chief executive officer of Bhutani Group, which has key interests in commercial projects in the Noida extension region, better infrastructure and planned implementation in the region have now opened it up as a major corporate hub, in competition to Gurugram.

DICGC sees ₹14,100-cr claims amid PMC crisis

The Deposit Insurance and Credit Guarantee Corporation (DICGC) has received a total claim of about ₹14,100 crore in case of defaulting co-operative banks amid massive scam at the now-crippled Punjab & Maharashtra Cooperative Bank, according to the RBI.

However, the regulator, in the Financial Stability Report, added that all the claims may not materialise at the same time and some may even revive.

The extent of devolvement on the (DICGC in the event of all the banks "under direction" or weak banks going into liquidation or ordered to be wound up, would be ₹14,098 crore as of September-end, said the RBI's Financial Stability Report released recently. Cooperative banks have been under stress for long and the ongoing PMC Bank crisis, which involves a scam of ₹6,500 crore that is 73 per cent of its total assets of around ₹9,000 crore, is related to a single entity, the bankrupt HDIL, which has been gaming the bank since 2008.

The scam came out in September after an insider whistleblower approached the Reserve Bank of India (RBI) forcing it to supersede the bank's management and put it under an administrator.

Cold spell to end soon in Delhi: Met

There was slight relief for Delhiites on Sunday after reeling under the longest cold spell of the last 22 years due to a change in wind direction, the Met department said, "As expected, change in wind direction from north-westerly to easterly has started and reduction in cold day and cold wave started from today (Sunday).

This is reflected in maximum and minimum temperature." The frigid temperatures, high humidity and low wind speed allowed accumulation of pollutants leading further deterioration in the national capital's air quality on Sunday. The overall air quality index stood at 437 at 4 pm. Since December 14, the national capital has been experiencing "severe cold days" with the average minimum temperature on Sunday morning being recorded at 3.4 degrees Celsius.

Amitabh Bachchan gets Dadasaheb Phalke Award

President Ram Nath Kovind on Sunday presented megastar Amitabh Bachchan with the Dadasaheb Phalke Award, Indian cinema's highest honour, in a special ceremony at the Rashtrapati.

Bachchan was earlier supposed to receive the honour at the National Film Awards ceremony last Monday, but the

actor was unable to attend the event due to ill health.

Information & Broadcasting Minister Prakash Javadekar had announced at the awards that the Hindi cinema veteran will be bestowed with the honour in a special ceremony hosted by the President on Sunday.

The award, named after

Dhundiraj Govind Phalke who is revered as the Father of Indian cinema, was instituted in 1969, the year Bachchan made his debut in Hindi film industry with "Saath Hindustani". The Dadasaheb Phalke Award comprises a Swarna Kamal (Golden Lotus) medallion, a shawl, and a cash prize of ₹10,00,000. PTI