

IN THE NEWS

Forensic audit found no fraud: Rel Home Fin

RELIANCE HOME Finance on Sunday said an independent forensic audit, mandated by lenders, has found no fraud, embezzlement or diversion and siphoning of funds in the company that is seeking debt resolution, reports PTI. In a statement, it said the audit made "no adverse findings" on the quantum and end-use of lending.

India to acquire 200 fighter jets for air force

THE GOVERNMENT is in the process of acquiring around 200 aircraft to cope with the depleting aerial inventories of the Indian Air Force, defence secretary Ajay Kumar said in Kolkata on Sunday, reports PTI. The contract for HAL-manufactured 83 LCA Tejas Mark 1 A advanced fighter jets are in the final stages, he said.

Four rockets hit Iraq base hosting US troops

FOUR ROCKETS slammed into an Iraqi airbase north of Baghdad where US troops are based, military sources told AFP on Sunday, with security forces saying four Iraqi airmen were wounded. A majority of US airmen at the Al-Balad airbase had already left.

FE SPECIALS



BRANDWAGON, P10

Screening in style

Multiplexes bet on luxury screens to bolster revenue, but scalability is in question

eFE, P8

AMD bets big on cloud gaming

With the coming of 5G, cloud gaming is a new trend among gamers as expensive hardware is not needed

PERSONAL FINANCE, P9

New ITR-1: Eligibility norms

CBDT has notified the new eligibility and disclosure norms for ITR-1 & ITR-4 for AY 2020-21

INFRASTRUCTURE, P11

NCL's equipped to grow

Having joined the 100-MT club in FY19, the Coal India subsidiary is targeting an output of 115 MT by FY24

SCIENCE & TECH, P12

Feasible, but undesirable?

China's CRISPR convictions have sparked debate on use cases for gene-editing. Again.

YEAR-ON-YEAR JUMP

Discoms owe gencos ₹81k cr; dues up 45%

Trend contradicts govt's claim that no new dues were created after Aug '19 decision making LCs must for purchases

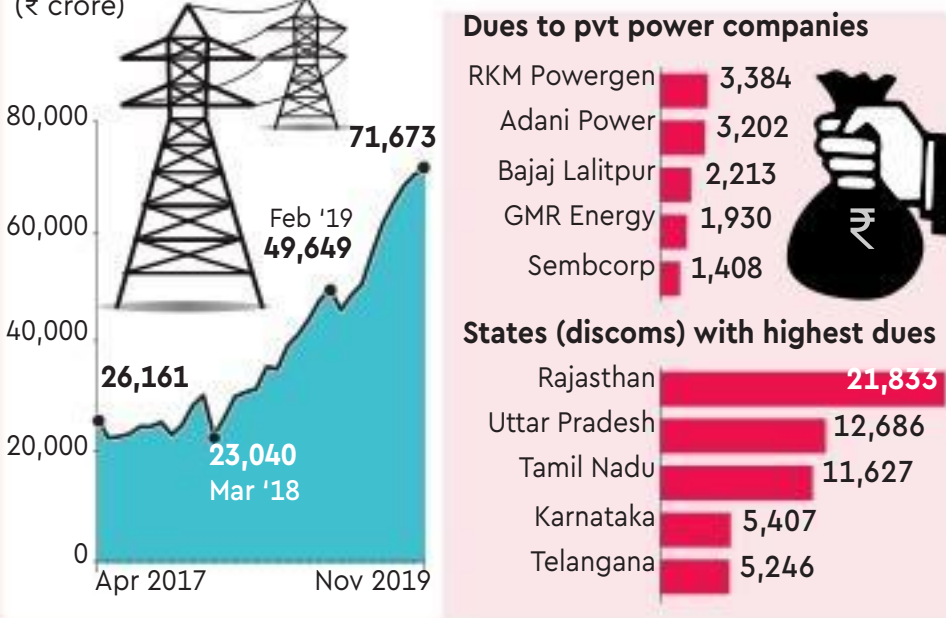
ANUPAM CHATTERJEE
New Delhi, January 12

STATE-RUN ELECTRICITY distribution companies' (discoms) dues to power producers stood at ₹80,930 crore at the end of November 2019, up 45% from a year earlier. About 89% of these (₹71,673 crore) were "over-dues" with payment default of 60 days or more.

The dues include those to independent power producers (about 30% of the total) and state-run utilities such as NTPC, DVC and NHPC.

The discoms' dues to power producers have been rising relentlessly over the past two years and this could've also made them cut purchases, a trend which has reflected on the use of generation capacity (PLF) as well as power consumption pattern, both of which have been sliding. The trend of rising dues to power plants continues despite the Union power ministry implementing the letter of

'Over-dues' of discoms to power producers



credit (LC) mechanism since August 2019 to compel discoms to become more disciplined in meeting payment obligations.

Discoms' over-dues to power plants have increased 73% annually at November end. Clearly, most state-run discoms aren't complying with the mechanism that mandates them to offer LCs to producers as payment security.

While Rajasthan alone accounts for about 31% of total over-dues of discoms across India, Tamil Nadu and Uttar Pradesh make up for another 16% and 18%, respectively. According to data available with the power ministry's 'praapti' portal, private power producers to which discoms owed the most as over-dues at November

end were RKM Powergen (₹3,384 crore), Adani Power (₹3,201.7 crore), Bajaj Lalitpur (₹2,213 crore), GMR Energy (₹1,930 crore) and Sembcorp Energy (₹1,408 crore).

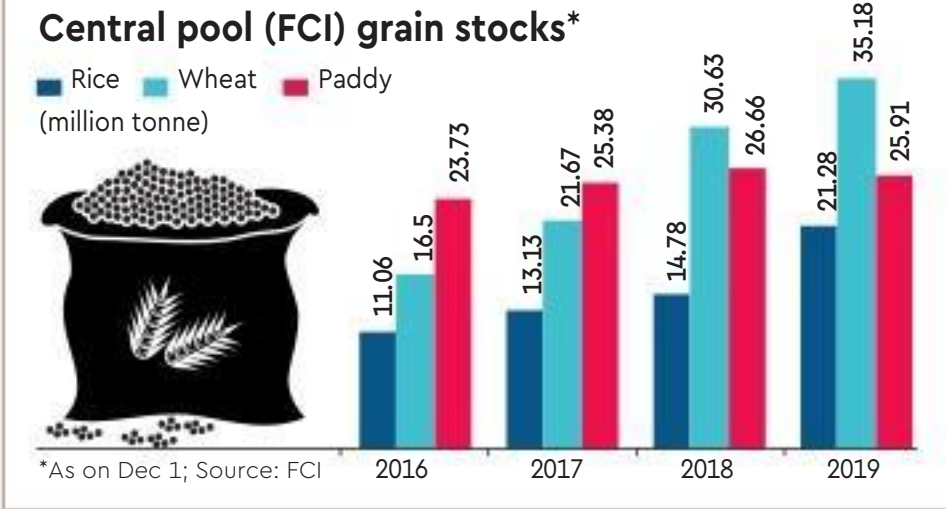
NTPC's invoices to discoms which remain not honoured as on November 30 totalled ₹12,352 crore. Among state-run power generators, Rajasthan Rajya Vidyut Utpadan Nigam has the highest dues from discoms of ₹19,592 crore.

Thanks partly to the Andhra Pradesh government's decision to review the tariffs for solar and wind power projects, the country's discoms' over-dues to renewable power plants surged 130% y-o-y to ₹5,867 crore.

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STORAGE CRISIS LOOMS

Debt-laden FCI yet to offload stocks



PRABHUDATTA MISHRA
New Delhi, January 12

THE FOOD CORPORATION OF India (FCI) is badly hamstrung: even as its ₹1.95-lakh-crore bills to the government remain unhonoured and a debt crisis is looming, it hasn't yet got the nod for liquidating its patently surplus grain stocks through massive open market operations (OMOs).

According to official sources, FCI's grain stocks (central pool stocks built up under a virtually open-ended procurement policy) is already close to its capacity of 76 million tonne (MT). Given the expected (low) pace of offtake under PDS and other government schemes, the requirement to shift the huge paddy stocks now lying with millers and the mandated rabhi wheat purchases effective April, it may face a serious storage

problem in a few weeks.

Even if the OMOs result in losses, it would still be a far better way for FCI to manage its operations as the realisations will ease its liquidity issues and enable it to retire part debt.

Over three years in a row, the fiscally stressed Centre has made FCI take National Small Savings Fund (NSSF) loans under sovereign guarantee to ensure the corporation's operations aren't disrupted. However, the Centre's dues to the FCI have now touched an all-time high and FCI is being made to borrow more from NSSF.

Sources said FCI had 56 MT of rice and wheat in its own and hired facilities and another 26 MT of paddy (rice equivalent of 17 MT) procured for the central pool lying with millers as of December 1.

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PM at Belur Math

Prime Minister Narendra Modi pays homage to Swami Vivekananda at Belur Math in Kolkata on Sunday

MORE TRANSPARENCY

Sebi likely to fine-tune disclosure norms soon

Market regulator said to be relooking regulations under 'Listing Obligations and Disclosure Requirements'

URVASHI VALECHA & CHIRAG MADIA
Mumbai, January 12

CAPITAL MARKET regulator Sebi is understood to be looking at better disclosures by companies after recent episodes where material information was not made available to exchanges and, in some instances, where developments reported to the bourses did not take place.

The regulator is believed to be taking a relook at the regulations under the 'Listing Obligations and Disclosure Requirements' and is understood to be working on guidelines that clearly define material and non-material events.

There is a debate about what to disclose because any person can write anything. If you don't disclose it's a problem, if you disclose it's even more of a problem. Because of social media, you tend to have consequences which are unintended.

—ASHISHKUMAR CHAUHAN, MD & CEO, BSE



BSE MD & CEO Ashish Kumar Chauhan confirmed to FE that discussions were on at various levels between the regulator, the government and the exchanges on the proposed nature, timing and the mode of disclosures. "There is a debate about what to disclose because any person can write anything. If you don't disclose it's a problem, if you disclose it's even more of a problem. Because of social media, you tend to have consequences which are unintended," he said.

Discussions between Securities and Exchange Board of

India (Sebi) and the exchanges began shortly after Infosys last year did not disclose to exchanges that it had received whistleblower complaints. In response to queries from the exchanges, Infosys had said: "Before conclusion of the investigation of the generalised allegations in the complaints, a disclosure under Regulation 30 of LODR Regulations was not required. The disclosure made on October 22, 2019, was to respond to multiple media inquiries and reports".

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PMAY-Urban

Only a third of sanctioned units completed so far

Under the Pradhan Mantri Awas Yojana-Urban, launched in June 2015, close to 32 lakh affordable housing units have been completed across the country by 2019 end. The target is to construct around 1.12 crore homes by 2022. The government has spent a total of ₹64,000 crore for the scheme so far.

Plats in lakh units	Sanctioned	...of which	
		Under-construction	Completed
Andhra Pradesh	20.05	7.54	3.23
Uttar Pradesh	15.71	9.68	4.29
Maharashtra	11.67	4.58	2.68
Madhya Pradesh	7.83	5.62	3.13
Tamil Nadu	7.66	5.69	2.87
Karnataka	6.49	3.53	1.62
Gujarat	6.38	5.32	3.69
West Bengal	4.09	3.12	1.86
All India*	103	60	32

*Including other states/UTs
Source: MoHUA (Dec 27, 2019), ANAROCK Property Consultants



RISHI RANJAN KALA

Quick Picks

BOT model: Norms likely to be eased

TO REVIVE investor interest in the moribund build-operate-transfer (BOT-toll) model, the ministry of road transport and highways has come out with a draft revised model concession agreement that, among other things, allows foreclosure of contracts with mutual consent and mandate the National Highways authority of India (NHAI) to award projects only after 90% land acquisition compared with 80% earlier, reports Surya Sarathi Ray in New Delhi. PAGE 2

'Pak's religious persecution laid bare'

MOUNTING A strong defence of the new citizenship law, Prime Minister Narendra Modi on Sunday said the dispute that has arisen over CAA has made the world aware of persecution of religious minorities in Pakistan, reports PTI. He added that a section of the youth was being "misguided" over the Citizenship (Amendment) Act, which is "aimed at giving and not taking away anybody's citizenship". He was speaking at at Belur Math, the headquarters of Ramakrishna Mission.

NO FAIR PLAY?

Women cricketers gain popularity but still on sticky wicket with brands

DEVIKA SINGH
New Delhi, January 12

THE INDIAN WOMEN'S cricket team has witnessed a surge in popularity in recent years after its commendable on-field performance. However, industry analysts point to a hard fact: female players still trail their male counterparts when it comes to brand endorsements.

Some of the top players in the team — Mithali Raj, Smriti Mandhana and Harmanpreet Kaur — have recently landed several brands in their



endorsement kitty, but when compared to the kind India's male cricketers bag, they fall largely short.

Consider this: the captain of the women's cricket team (test and ODIs), Mithali Raj, charges ₹40 lakh a year as

endorsement fee, while T20 captain Harmanpreet Kaur charges a fee of ₹50-60 lakh. On the other hand, Virat

Kohli, the captain of the men's cricket team, alone, who endorsed as many as 24 brands in 2018, reportedly charges a fee of ₹6 crore annually.

Similarly, while openers like Rohit Sharma and Shikhar Dhawan command an annual fee of ₹1.5-2 crore for brand endorsements, women cricket team opener Smriti Mandhana charges ₹60 lakh a year.

"Brands often find women cricketers lacking in popularity in comparison to their men counterparts," says brand expert Harish Bijoor. "Some

brands look at the 10th player of the Indian cricket men's team and say he is popular by five times over the captain of the women's cricket team and therefore rope him in."

The discrepancy is glaringly obvious on-field too. Despite a revision in salaries by The Board of Control for Cricket in India (BCCI) in 2018, the highest graded players in men's team get paid ₹7 crore, while the highest graded players in women's team receive only ₹50 lakh.

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