

THE MARKETS ON FRIDAY			Chg#
Sensex	41,945.4	▲	12.8
Nifty	12,352.3	▼	3.2
Nifty futures*	12,384.7	▲	32.3
Dollar	₹71.1		₹70.9**
Euro	₹79.0		₹79.2**
Brent crude (\$/bbl)**	64.8**		64.8**
Gold (10 gm)***	₹39,809.0	▲	₹69.0

* (Jan) Premium on Nifty Spot; ** Previous close; # Over previous close; ## At 9 pm IST; ### Market rate exclusive of VAT; Source: IBJA

PREDATORY PRICING UNSUSTAINABLE: IRDAI

Insurance Regulatory and Development Authority of India Chairman Subhash C Khuntia warned the insurance industry that it might meet the fate of the aviation and telecom sectors if product prices were kept low. "Insurance companies, intermediaries and policyholders need to unite to create a sustainable atmosphere," Khuntia said.

COMPANIES P2 Piramal sells healthcare analytics biz for \$950 mn

Piramal Enterprises (PEL) on Friday said it would sell its healthcare insights and analytics business, Decision Resources Group (DRG), to Clarivate Analytics for \$950 million. The company said it decided to sell as it saw good value for its shareholders.

Great Wall Motors to buy General Motors' plant

China's Great Wall Motors (GWM) has signed an agreement with General Motors (GM) for the purchase of the latter's Talegaon manufacturing facility, the companies said in a joint statement on Friday.



WEEKEND RUMINATIONS: Not the obvious solutions There may be better ways of using the taxpayer's money if the underlying reasons for lack of competitiveness were to be addressed, writes T N NINAN

NATIONAL INTEREST: Return of the Bharatiya 'Baniya' Party BJP under Modi-Shah is returning to its trader mindset with a vengeance, underlining that strong, full majority governments can also be more risk-averse. SHEKHAR GUPTA writes

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WEEKEND SEPARATE SECTION

DEEP DINING:OFFERING TASTE & INNOVATION ON A PLATTER

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119-PLUS BILLIONAIRES SET TO DESCEND ON DAVOS



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www.business-standard.com

Telcos brainstorm on paying up to 20% AGR dues now

Industry plans to again ask telecom dept for staggered payment option

SURAJEET DAS GUPTA New Delhi, 17 January

Telecom companies are discussing a possible plan to make an upfront part payment, which could be up to 20 per cent of their dues linked to the adjusted gross revenue (AGR). The total AGR dues, including licence fee and spectrum user charge along with penalties and interest, are estimated at ₹1.47 trillion for 15 telcos even as many of them have sold out or shut down their business.

The Supreme Court, in its order on October 24 last year, had asked telcos to pay up the AGR dues within 90 days. On Thursday, the court rejected a review petition by telcos, in a massive blow to the telecom industry, facing severe financial stress. Sources in telecom firms have said it wouldn't be possible to cough up the entire AGR dues in a week, and are looking at a staggered payment nod from the government. Vodafone Idea and Bharti are the

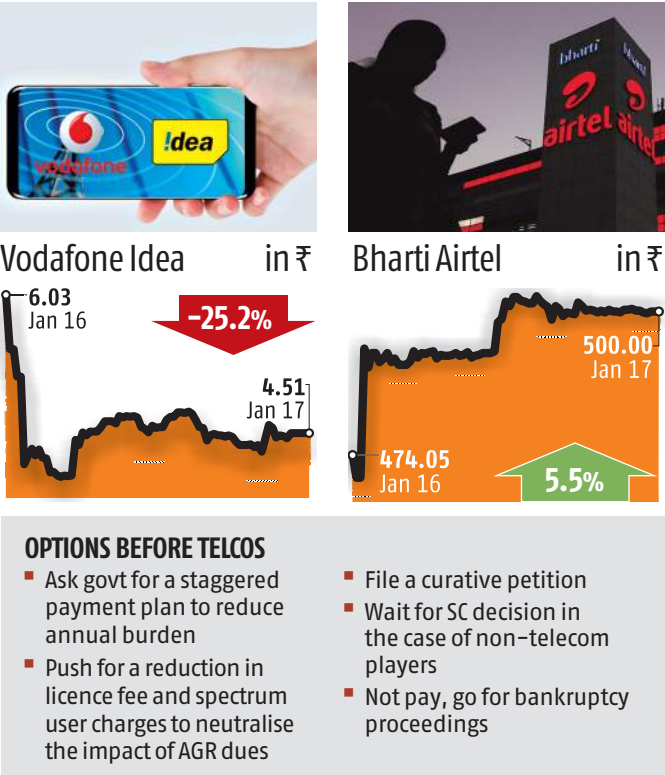
worst hit having to pay ₹53,038 crore and ₹35,586 crore, respectively, towards AGR dues.

Confirming the discussions among some of the telcos, Rajan Mathew, director general of the Cellular Operators Association of India (COAI), said they were deliberating on making a part payment of the total dues to the government. The industry is looking at making a part payment of up to 20 per cent or so before the court deadline. Also, the companies are making a request to the Department of Telecom (DoT) that they would like to work with the government to make staggered payments of the remaining liability over a period of time.

The COAI, in an earlier letter, had asked for a 10-year staggered payment scheme with a two-year moratorium from the government. COAI executives pointed out that as the licence fee and SUC payment is a contract between the DoT and telcos, the government can allow the industry to pay in a staggered manner.

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MIXED MARKET REACTION



RIL revenues dip; Jio, retail boost profit

AMRITHA PILLAY Mumbai, 17 January

Mukesh Ambani-controlled Reliance Industries' (RIL's) good performance in its new-age digital and retail businesses compared to the traditional oil and petrochemicals has started showing in its numbers with the group announcing a marginal 3.6 per cent year-on-year (YoY) increase in RIL's profit before tax at ₹14,962 crore for the December-ended quarter.

On the planned sale of 20 per cent in the oil-to-chemicals business to Saudi Aramco, officials refused to comment on the timeline for its definitive agreement. "It is not a deal that will get done by March. We cannot comment on the timelines of (definitive agreement)," said V Srikanth, joint chief financial officer, RIL.

The deal is valued at \$15 billion and expected to help reduce the company's debt. The segment profit (earnings before interest and tax, or EBIT) for the group's digital business increased by 63 per cent YoY to ₹3,857 crore while that of Reliance Retail Venture went up by 58 per cent at ₹2,389 crore. On the other hand, the petrochemicals segment, which contributes the most to profits, saw a 28.5 per cent decline in its EBIT to ₹5,880 crore and refining EBIT grew 12 per cent to ₹5,657 crore.

RIL's net revenues, too, were disappointing as they fell 2.5 per cent YoY to ₹1.53 trillion, while Reliance Jio's revenues increased 28 per cent and Reliance Retail's 27 per cent.

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Q3 REPORT CARD

NET REVENUE
₹1.52 trn (-2.5%)
PBDIT
₹26,088 cr (9.6%)
PROFIT BEFORE TAX
₹14,962 cr (3.6%)
NET PROFIT
₹11,640 cr (13.5%)

PBDIT: Profit before depreciation, interest, and taxes Consolidated figures ; YoY change in brackets; Source: Company results

RELIANCE JIO EBIT JUMPS 60%

Reliance Jio posted a 60.6 per cent increase in earnings before interest and tax to ₹3,805 crore, riding on 28.3 per cent jump in the operating revenues, which came in at ₹13,968 crore. The telco, however, saw 22 million subscribers leave its network thanks to the implementation of interconnect usage charges.

3

RELIANCE RETAIL PRE-TAX PROFIT ZOOMS OVER 62%

P3

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AGR VERDICT AFTERMATH

Market expects duopoly in telecom sector

Bharti Airtel's stock price touched a new high due to fresh buying by investors, while Vodafone Idea made a 52-week low as hordes of investors exited the counter. Bharti Airtel ended the day with gains of 5 per cent which pushed its market capitalisation to an all-time high of ₹2.57 trillion.

MFs, PFs brace for storm over Vodafone Idea debt

About 45 mutual fund (MF) schemes belonging to four fund houses and at least three provident and pension fund schemes have invested in debentures of the telco. MFs have already started to mark-down their debt exposure following the Supreme Court's decision on Thursday to reject the review plea.

Ball in govt court to salvage telecom players: Banks

Banks with heavy exposure to Vodafone Idea say that there is very little they can do, and there is no scope for reworking repayment obligations of telecom operators unless there is a default. Senior public sector bank executives said any relief to the sector must come from the government first.

Bezos promises one million jobs by 2025



PEERZADA ABRAR Bengaluru, 17 January

Amazon, the world's biggest online retailer, said on Friday it planned to create 1 million jobs in India by 2025 through continued investments in technology, infrastructure, and its logistics network.

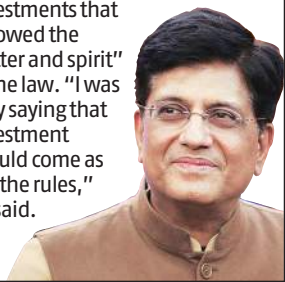
The jobs — created both directly and indirectly — will be across industries, including information technology, skill development, content creation, retail, logistics, and manufacturing, and will be in addition to the 700,000 jobs Amazon's investments have enabled over the past six years in India.

Jeff Bezos, the firm's founder and chief executive officer, who is visiting the country, announced on Wednesday that the company planned to invest \$1 billion to help bring 10 million traders and micro, small, and medium enterprises

Amazon CEO Jeff Bezos concluded his three-day India visit with a meeting with captains of Indian industry at a hotel in South Mumbai on Friday

INVESTMENTS THAT FOLLOW LAW ARE WELCOME: GOYAL

Union minister Piyush Goyal on Friday said the country welcomed all kinds of investments that followed the "letter and spirit" of the law. "I was only saying that investment should come as per the rules," he said.



(MSMEs) across India online, enabling \$10 billion in cumulative exports by 2025 and supporting India's economic diversification. However, on Thursday the firm was criticised by Union minister Piyush Goyal, who said the invest plan was "largely to finance losses", and "it is not as if they are doing a favour to

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Millennials go beyond London, NY for realty shopping

Young HNIs are buying properties in foreign locations like Malta, Madrid, and Budapest

PAVAN LALL Mumbai, 17 January

Luxury real estate developers may have seen a slowdown in recent years, but that doesn't mean big spenders aren't shelling out for prime property — except that they are doing it overseas. According to reports, while the usual suspects such as London remain the top choice for billionaire buyers like Flock CEO Bhavin Turakhia or actress Alia Bhatt, a newer crop of millennials prefers assets in markets that offer higher rental yields. Such locations include Spain, Portugal, and Malta, among others.

Amit Goyal, CEO of Sotheby's International Realty in India, says, "Millennials are much more mobile than their parents and grandparents and thus they would rather own properties across different geographies around the world where their family members may also be living."

"The fundamental driver," he adds, "is practicality that it's easier to maintain four apartments in Italy, London, Barcelona, and

Lisbon as opposed to one ₹200-crore property in Walkeshwar, Mumbai. It's also about building international social networks."

Real estate experts estimate that there are approximately 30,000 high net-worth millennials in the country. Of these, at least a third are women. A high net-worth individual (HNI) is defined as someone with \$5 million of investible surplus besides his or her first house and business assets.

Goyal says the Sindh community is keen on Miami, Spain, and Hong Kong. Big business houses with global operations prefer Malta and Cyprus to set up their holding companies for legitimate tax benefits. Miami sees huge interest because of the kind of lifestyle it offers, weather, and pricing compared to New York. Sotheby's transactions driven by millennials doubled last year compared to the year before. Other popular choices include Budapest and Moscow.

Anuj Puri, chairman, Anarock Property Consultants, says many investors choose to

TOP 5 INTERNATIONAL DESTINATIONS

Average size of property investment on offer

\$1.9-2.5mn London
\$2.5-3mn New York
\$760,000-1.5 mn Toronto
\$550,000-830,000 Lisbon
\$550,000-830,000 Madrid

Note: Properties include apartments, villas, houses Source: Sotheby's Realty

TOP 5 INCOME-YIELD MARKETS	% yield (rental)
Central Lisbon	4-5
Central Malta	5
Central London	2-3.5
Central New York	3-4
Central Madrid	4-5



buy a property in a certain country if its market sees a downturn and prices become attractive. "We had seen this happening during the US subprime crisis, and more lately during the Brexit angst in the UK. The slow-moving Indian real estate market has also pushed a not-inconsiderable number of Indians to consider property investment outside the country."

While Anarock doesn't have access to property purchase registrations abroad, the numbers will be fairly steady, with at least some increase year-on-year, Puri says. "The relaxed RBI norms for outward remittances also lure Indians to consider investing in properties abroad. In 2015, the RBI doubled the Liberalised Remittance Scheme (LRS) for resident individuals to \$250,000 annually."

While the average rental yield for residential properties in India rarely exceeds 3-3.5 per cent even in the prime areas, and London, Dubai, Singapore, and Australia have been more or less perennial favourites for Indians interested in buying real estate in foreign countries.

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DEBASIS MOHAPATRA & SHREEPAD AUTE

Bengaluru/Mumbai, 17 January

Information technology sector leader Tata Consultancy Services (TCS) on Friday reported a mixed bag of financial numbers for the quarter ended December 31, with the company posting its slowest revenue growth in eight quarters, though it improved profitability.

With softness seen in key verticals such as banking, financial services and insurance (BFSI), and retail, the company said the chances of posting double-digit growth in FY20 were remote. The Tata group firm also saw its headcount shrinking by around 4,000 people in the quarter, indicating a slower pace of hiring.

In the December quarter, TCS' profit before tax declined 1.32 per cent to ₹10,569 crore compared with the corresponding period of the previ-

ous year, though it showed a 0.4 per cent rise sequentially. The company posted a net profit of ₹8,118 crore, a marginal rise of 0.2 per cent over the same period of the last financial year, while it grew 1 per cent sequentially.

The Mumbai-headquartered firm reported revenues of ₹39,854 crore, a rise of 6.7 per cent year-on-year (YoY) and 2.2 per cent on a quarter-on-quarter basis (QoQ). Dollar revenues for the third quarter were \$5.59 billion, a rise of 6.4 per cent YoY and 1.3 per cent in sequential terms.

In constant currency terms, revenues increased 6.8 per cent YoY, making it the second consecutive quarter of single-digit growth in revenues. In sequential terms, growth was 0.3 per cent, which is the lowest in the last two years.

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HCL TECH REPORTS 16.3% RISE IN NET INCOME IN Q3

P3

IN BRIEF

Govt likely to issue Eol for Air India within 4 days: Official



The Centre is likely to issue the expression of interest (Eol) and the share purchase agreement (SPA) for debt-ridden Air

India's privatisation within the next three to four days, a senior government official said on Friday. The official said that "a group of ministers (GoM), headed by Union home minister (Amit Shah), had on January 7 approved the Eol and the SPA for the airline". "We will issue these within three to four days," the government official said. While Air India's net loss in 2018-19 was around ₹8,556 crore, its current total debt is around ₹80,000 crore. Dismissing rumours that the national carrier will shut down operations, Civil Aviation Minister Hardeep Singh Puri had said on December 31 that the national carrier, which is incurring a loss of ₹20 crore to ₹26 crore daily, will keep on operating till it is privatised. Air India chief Ashwani Lohani on January 4 had said that "rumours" of the disinvestment-bound airline's shutdown are "all baseless", weeks after he told the civil aviation ministry that the carrier's financial situation was "grossly untenable" for sustaining operations.

PTI

Alibaba-backed Zomato raises ₹353.58 crore

Food delivery and restaurant discovery firm Zomato has raised ₹353.58 crore from Antfin Singapore Holding, an existing shareholder in the company. The Gurugram-based firm allotted 11,777 class I compulsorily convertible preference shares for this funding, according to financial data accessed by business intelligence platform, Tofler. The money is expected to help the firm competes with players such as Swiggy, Uber Eats and Dunzo in the delivery space. **BS REPORTER**

Xiaomi India spins off POCO as independent brand

Smartphone maker Xiaomi on Friday said it is spinning off 'POCO' as a standalone brand. With this restructuring, POCO will run independent of Xiaomi, with its own team and go-to-market strategy, a statement said. "POCO started as a sub-brand of Xiaomi in 2018 with a small team. Its first smartphone, POCO F1, was incredibly successful and remains an extremely popular phone till date," it added.

PTI

Adani, Azure top bidders for SECI solar tender

Adani Green Energy and Azure Power have emerged as successful bidders in Solar Energy Corporation of India's first manufacturing-linked solar tender, a top government official said on Friday. Adani has bid for 1.5 GW solar cell manufacturing capacity and 6 GW generation capacity, MNRE Secretary Anand Kumar said on the sidelines of India Energy Forum-Renewable Energy Summit.

PTI

GMR pre-qualifies for 2 international airport projects

GMR Group, which is in race for two international airports in Montenegro, a southern European country, emerged as one of the qualified bidders, according to a notification issued by the Montenegrin Transport Ministry.

PTI

Hyundai rolls out online sales platform

Hyundai Motor India on Friday said it has launched an online sales platform in addition to its existing physical retail sales network. The company said its 'Click to Buy' is a first-of-its kind online sales platform with simple and transparent process for purchase of Hyundai cars.

PTI

Maruti drives in BS-VI version of multi-purpose Eeco

Maruti Suzuki India on Friday said it has launched BS-VI compliant version of its multi-purpose van Eeco, priced between ₹3.8 lakh and ₹6.84 lakh (ex-showroom Delhi/NCR). In rest of the country, the model would be priced between ₹3.9 lakh and ₹6.94 lakh.

PTI

PFC raises \$750 mn via overseas bonds

SHREYA JAI
New Delhi, 17 January

Power Finance Corporation (PFC) concluded the issuance of bonds worth \$750 million of tenor 10.25 years on Friday. The bonds have a fixed coupon of 3.95 per cent per annum and an yield of 4.066 per cent.

With this bonds issue, PFC becomes the first Indian public sector firm to issue senior unsecured dollar bonds with a tenor of more than 10 years, said the company in a public statement.

This is PFC's third international bond issuance in FY20 as well as the largest bond in a single tranche. The final order book amounted to more than \$2.2 billion, said the company. "The bond issuance attracted active and wider participation from investors across the US, European and Asian markets, with around 42 per cent participation from the US market," said PFC in its statement. The proceeds from the bonds issue will be utilised in accordance with the external commercial borrowing or ECB regulations of the Reserve Bank of India, including for lending to power sector utilities, it said.

Of the total borrowing programme of PFC (\$12 billion) for 2019-20, the total foreign currency raising now stands at around \$3 billion



This is PFC's third international bond issuance in FY20 as well as the largest bond in a single tranche

and the balance is domestic raising.

"I am happy that PFC's bond offer saw a strong demand in the international market and global investors have chosen to contribute to the development of the Indian power sector. The deal concluded at very attractive terms, which shows the high confidence of investors in PFC's business as well as its credit profile and the growth story of the power sector," said PFC chairman and managing director Rajeev Sharma.

DEAL STREET

Piramal sells subsidiary to Clarivate for \$950 mn

The value is roughly five times the annual sales of Decision Resources Group

SOHINI DAS
Mumbai, 17 January

Piramal Enterprises (PEL) on Friday said it would sell its healthcare insights and analytics business Decision Resources Group (DRG) to Nasdaq-listed Clarivate Analytics for \$950 million.

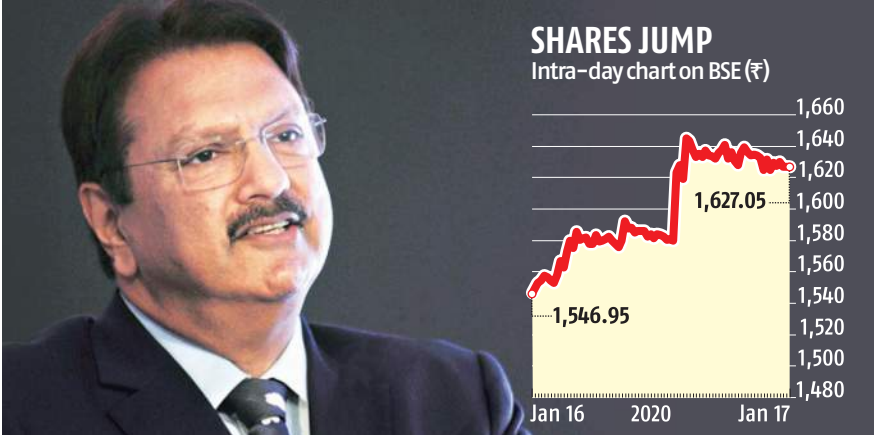
The company said this was a strategic investment for PEL and it decided to sell as it saw good value for its shareholders. The sale value is roughly five times DRG's annual sales.

Ajay Piramal, chairman of Piramal Group, said, "At PEL, we have always felt that we should do what is in the best interest of shareholders. When we got this valuation of 5x of sales we thought that it is a good valuation for our PEL shareholders."

Piramal said the firm got an attractive valuation at the time of selling its domestic formulation to Abbott, and that prompted the sale. "Same thing we did in Vodafone as well. Same here, we think it's a good valuation and PEL shareholders will benefit from this," Piramal said. He clarified that Piramal was not using DRG's analytics for its international pharma business.

PEL had initially invested \$650 million in 2012 to acquire DRG, of which \$260 million was infused as equity. It has realized 2.3-times its initial equity investment in rupee terms. PEL shares jumped around 5.5 per cent on the bourses on Friday after the deal announcement came in. PEL said, "As committed earlier, we are on track to bring in ₹10,000 crore of equity in PEL, along with the preferential allotment, where we raised capital from CDPQ and our ongoing rights issue." In the past year, the company has raised long-term capital of ₹24,000 crore to pare short-term liability.

It added that along with the ongoing equity



- Deal to strengthen balance sheet along with ongoing equity capital raising plans
- Co plans to raise around 20% equity capital in pharma biz where it is looking for inorganic opportunities
- AJAY PIRAMAL has been a savvy investor making huge returns from his investments in Vodafone, sale of domestic drug biz

capital raising exercise in PEL, this transaction not only strengthens the company's balance sheet but also marks another step towards significantly unlocking its value in future.

The firm is also splitting its pharma business into subsidiaries and working towards raising another 20 per cent equity capital in the pharma business to tap organic and inorganic growth opportunities.

Clarivate Analytics is a \$5 billion worth company, a leading provider of insights and analytics with nearly \$1 billion in revenues, 4,300 employees in 42 countries.

Jerre Stead, executive chairman and CEO, Clarivate Analytics, felt that this was a milestone acquisition, which doubles the size of Clarivate's life sciences business. With this acquisition, Clarivate will be well positioned in

the \$19 billion life sciences analytics market, which has seen double-digit growth, to support customers across the entire drug, device and medical technology lifecycle from research to outcome. Ajay Piramal has been an astute investor and savvy dealmaker that yielded him high returns over the years. When he sold his domestic formulation business to Abbott in 2010, the company was valued at more than nine times its sales. It was much more than the market benchmark valuations at that time.

Then again, in 2014, Piramal sold his 11 per cent stake in Vodafone India, reaping a windfall of 52 per cent return in just two years. PEL had sold the stake (comprising 45.4 million Vodafone shares) to Prime Metal, an indirect subsidiary of Vodafone, for ₹8,900 crore. Piramal had picked up the stake for ₹5,864 crore.

KLM to purchase Jet's aircraft

ANEESH PHADNIS
Mumbai, 17 January

Jet Airways is selling one of its six Boeing 777 aircraft to KLM to settle pending aircraft loan and meet insolvency resolution expenses in the Netherlands. A conditional agreement between the two airlines was signed on Monday and notified to the stock exchange on Friday.

As a part of the agreement, Dutch airline KLM will purchase a Jet Airways Boeing 777 aircraft, which was seized in Amsterdam last April, along with the grounded airline's marketing data and catering equipment. It has sought three slot pairs held by Jet Airways at Amsterdam airport and hopes to use them to increase services to India. The deal value has not been disclosed, but sources said could fetch the airline around \$23 million.

Jet Airways, which shut operations last April, is facing liquidation in the Netherlands.

Proceeds from the aircraft sale will be used for insolvency resolution and to settle US Exim Bank loan, giving the grounded airline ownership of the remaining five Boeing 777 planes. The transaction is beneficial to Indian lenders as it would help in releasing the Exim Bank's charge on the planes, said a person aware of the transaction. Jet Airways is undergoing insolvency in India since July.

Efforts to find a committed suitor have not yielded the desired result, and those that have shown interest have attached riders for investment. In its stock exchange notification, resolution professional Ashish Chhawchharia said various options are being explored for the airline's revival and maximising value for its stakeholders. "The proposed transaction under the conditional agreement, if completed, will only involve sale of a part of company's business activities and will not impact the shareholding pattern of the company in any manner," Chhawchharia said.

A SIGH OF RELIEF

- The deal will settle pending aircraft loan and meet insolvency resolution expenses in the Netherlands
- The aircraft was seized in Amsterdam last April along with the grounded airline's marketing data and catering equipment
- The deal value has not been disclosed, but sources said could fetch the airline around \$23 million



MNC chambers decry Goyal's statement on Amazon

NEHA ALAWADHI & SUBHAYAN CHAKRABORTY
New Delhi, 17 December

WHAT INDUSTRY SAYS

It has become difficult for foreign investors to argue their case, as the government increasingly reduces the space for discussions on policies

Centre may have its concerns on certain issues, but we need freedom to make our views known

His comments do not augur well for investors and suggests that "being the commerce minister he doesn't care about investments in the country"

The minister did not have to say what he said. The sentiment is certainly going to be anti investment now



"It has become difficult for foreign investors to argue their case, as the government increasingly reduces the space for discussions on policies like e-commerce, foreign direct investment (FDI) rules and arbitration. Centre may have its concerns on certain issues, but we need freedom to make our own concerns known," a senior functionary of a Washington DC-based bilateral trade body

said. He added that the ministry had refused to meet the body over the past two months.

"The minister did not have to say what he said. The sentiment is certainly going to be anti investment now. Of course, being in India, one understands he is catering to his political constituency, but it does not send a good message to the investor community," said a person who works closely with

a technology industry association.

However, he added that Amazon could also have managed Bezos' visit better. With rumours doing rounds that Amazon-owned *Washington Post's* stand on India's political climate irked the government, the tech giant could have ensured that the *Post* publish such perceived "anti India" pieces after Bezos' visit, the per-

son said. Case in point, it is learnt that the Prime Minister's Office (PMO) has turned down repeated requests from Amazon to meet with the PM.

An executive with a large social media firm, who did not wish to be named, said Goyal's comments do not augur well for investors and suggests that "being the Commerce Minister he doesn't care about investments in the country".

Another person, who works with a consultancy that works closely with several multinational firms across sectors, said the fact that the minister or any government representative did not have a discussion with Amazon at all was surprising, "especially at a time when market sentiment is not the best".

"However, investors know the minister and it may not necessarily dampen interest in India. But, things could have been handled more diplomatically," the person said.

Goyal's statements seem to

have affected Amazon, as well. On Thursday, the Amazon India website featured a letter by Amazon CEO Jeff Bezos saying the company would create 1 million additional jobs in India by 2025. "More than 60,000 businesses are exporting 'Made in India' products globally, with cumulative exports crossing \$ 1 Billion," Bezos said in the letter addressed to customers, sellers and partners. Amazon on Wednesday committed to exporting \$ 10 billion worth of India-made goods by 2025. At the company event in New Delhi, Bezos announced \$1 billion of additional investments to help small and medium businesses log in online.

Inbound foreign direct equity investments declined for the first time in six years in FY19, in line with overall weak economic conditions. Investments had reduced to \$44.36 billion, down by 1 per cent from \$44.85 billion last year.

Great Wall Motors to buy GM's plant

Deal estimated at ₹2,100 crore

SHALLY SETH MOHILE
Mumbai, 17 January

China's Great Wall Motors (GWM) has signed an agreement with General Motors (GM) for the purchase of latter's Talegaon manufacturing facility located in Maharashtra, the companies said in a joint statement issued on Friday.

The companies did not disclose the value of the transaction. However, some unconfirmed reports said GWM paid around \$300 million (₹2,100 crore) to GM.

GM will provide a separation package and transition support for impacted employees, and an orderly transition for partners. The transaction is expected to be closed in the second half of 2020.

The move marks the entry of GWM, one of the largest manufacturers of sport utility vehicles (SUVs) and pick-ups, into the Indian market and a complete exit for GM from the country, two years after it stopped selling cars here.

Liu Xiangshang, vice-president global strategy, GWM, said the transaction would underpin the company's plan to enter and invest in India.

"The Indian market has great potential, rapid economic growth and a good investment environment. Entering the Indian market is an important step for Great Wall Motors' global strategy," said Liu, adding that this was in line with the Indian government's "Make in India", "Digital India" and clean energy focus.

GWM said its investment will create direct and indirect employment opportunities, further enhancing the skill level in the auto industry. It would promote development of local supply chain, research and development and related industries, and contribute more profits and taxes to the exchequer at central and state levels.

The company, which has its headquarters in Baoding, Hebei, will officially debut its Haval brand and GWM EV (electric vehicle) at the Delhi Motor Show and launch its India market plan, it said.

"Since focusing the Talegaon plant on manufacturing for export markets in 2017, GM has been exploring strategic options for the better utilisation of the site," said Julian Blissett, vice-president, international operations, GM. The firm's decision to cease production at Talegaon is based on GM's global strategy and optimisation of its manufacturing footprint around the world, he added.

The Detroit-based automaker announced its exit from India, after years of struggle, in 2017. While it sold its Halol, Gujarat, plant to SAIC, it had retained the factory in Talegaon and continues to export cars to Latin America and a few other markets.

GWM'S DEBUT, GM'S EXIT

■ GWM buys GM's Talegaon plant for an estimated ₹2,100 crore

■ Deal to be completed by 2nd half of 2020

■ GWM to make its India debut with Haval brand and GWM EV to launch at AutoExpo

■ The deal marks GM's complete exit from India

■ GM to continue exports from India till year-end

Jack Dorsey asks Elon Musk how to fix Twitter

KURT WAGNER
17 January

Elon Musk's suggestion for how to fix Twitter? Identify the bots.

Musk, the SpaceX and Tesla chief executive officer, was asked Thursday by Twitter CEO Jack Dorsey how he would fix the social network, where

Musk has almost 31 million followers.

"Give us some direct feedback," said Dorsey, who spoke to Musk via a video call from a company meeting in Houston. Musk was projected onto a giant screen as thousands of Twitter employees watched the two executives chat. "If you were running Twitter," Dorsey continued, "what would you do?"

"I think it would be helpful to differentiate" between real and fake users, Musk replied, according to a video posted to Twitter by an employee. "Is this a real person or is

this a bot net or a sort of troll army or something like that?"

"Basically, how do you tell if the feedback is real or someone trying to manipulate the system, or probably real, or probably trying to manipulate the system," Musk continued. "What do people actually want, what are people actually upset about versus manipulation of the system by various interest groups."

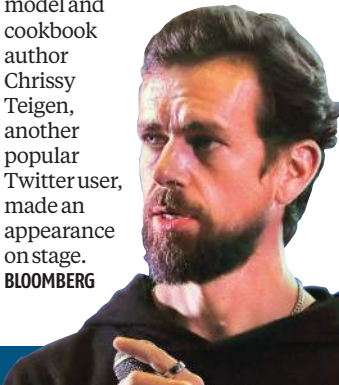
It's likely that at least one of the groups Musk had in mind was "TSLAQ," a loose collective of critics, skeptics and short sellers who often tweet using the TSLAQ hashtag. Musk faces relentless criticism from the group on Twitter.

Musk, while one of the site's most popular users, is also one of its most controversial. He called a British caver a "pedo guy" in 2018 and was later sued for defamation. Later that same year, he also tweeted that he was thinking of taking Tesla private, prompting a temporary halt on trading and a US Securities and Exchange Commission investigation.

Musk, one of many high-profile Twitter users to speak at the company event this week, also predicted that humans would send a tweet from Mars sometime in the

next five to nine years, according to videos posted by employees. After Dorsey and Musk finished chatting, model and cookbook author

Chrissy Teigen, another popular Twitter user, made an appearance on stage. **BLOOMBERG**



JACK DORSEY, Twitter CEO

ELON MUSK, Tesla CEO

Reliance Jio EBIT jumps 60%

However, telco sees 22 mn subscribers leave network due to IUC

SOHINI DAS
Mumbai, 17 January

Reliance Jio posted a 60.6 per cent earnings before interest and tax to ₹3,805 crore, riding on 28.3 per cent jump in the operating revenues, which came in at ₹13,968 crore. The telco, however, saw 22 million subscribers leave its network thanks to the implementation of interconnect usage charges (IUC) charges.

These were primarily voice customers. This along with the tariff hikes implemented during the quarter (around mid December) and the huge offtake for JioPhones led to a rise in the average revenue per user (ARPU) on a quarter-on-quarter (QoQ) basis to ₹128.4. On a year-on-year (YoY) basis, however, the ARPU is lower compared to ₹130 in the corresponding period a year ago. The reported ARPU in the September quarter was ₹120 and if adjusted for IUC charges it was ₹127 (on a like-to-like basis).

Jio's ARPU was slipping for seven consecutive quarters. This was the first improvement after many quarters.

Anshuman Thakur, strategy head for Reliance Jio, said the improvement in ARPU over the previous quarter was due to a combination of things.

"There was a tariff increase, but that impact was minimal (it was from mid-December) as most consumers are on three month plans. So, many of them are still on previous plans. There was some IUC revenue as well and we also had a very good quarter with JioPhone," he said.

Jio's subscriber base as on December 31 was 370 million, which shows a 32.1 per cent YoY growth. The telco added 37 million gross adds during the third quarter of financial year 2019-20, while its net adds stood at 14 million. In the September quarter, the net subscriber addition was 24 million. The rate of net additions was, thus, slowing down.

Thakur said, "We were aware of the implications of IUC tariffs and certain customers would be impacted". There has been a traf-



RELIANCE JIO Q3 NOS

	₹ (cr)	(%) Growth QoQ	YoY
Operating Revenue	13,968	6.4	28.3
Ebitda	5,601	8.4	38.2
Ebit	3,805	12.2	60.6
Net Profit	1,350	36.4	62.5

Source: Company

fic pattern change after the implementation of IUC — from 38 per cent inbound traffic to 53 per cent at present. Thakur said at the end of the quarter Jio was a net IUC gainer.

IUC basically refers to a charge paid by the call-originating telco to the destination operator. Jio wants the IUC to go (that will help it to lower costs), while incumbent telcos want IUC to stay and they are net revenue gainers from it.

Jio posted a net profit of ₹1,350 crore, up 62.5 per cent YoY, after exceptional items of ₹177 crore (on account of adjusted gross revenue or adjusted gross revenue dues) during the quarter.

The telco's wireless data traffic during the quarter was 12 billion GB, registering a 39.9 per cent YoY growth. Asked if there

was any plateau of data consumption, Thakur said, "We are still seeing growth in consumption. The base has become so much larger. On per user basis you may not see such a big number but the growth is still there".

Meanwhile, Jio claimed that it was on track to becoming a net debt free company. In October, it had announced the formation of a wholly-owned subsidiary for its digital initiatives Jio Platforms (JPL) with a total capital infusion of ₹1.73 trillion. Under this arrangement, around ₹1.08 trillion of Reliance Jio's liabilities will be transferred to Reliance Industries (RIL).

Thakur explained that the process of debt transfer to RIL is being done through a scheme of arrangement. Jio has filed the scheme with National Company Law Tribunal (NCLT), seeking approval for transfer of identified liabilities to RIL in December 2019. "In September, the debt was ₹1.04 trillion based on which we had filed the scheme. That has gone up marginally," Thakur said.

As for its fiber-to-the-home (FTTH) service, Jio already has 1 million consumers and is ramping up.

Reliance Retail pre-tax profit zooms over 62%

VIVEAT SUSAN PINTO
Mumbai, January 17

The retail arm of Reliance Industries (RIL) posted earnings before interest, tax, depreciation and amortisation (Ebitda) of ₹2,727 crore for the quarter ended December 31, 2019 (Q3), a year-on-year (YoY) growth of 62.3 per cent as it reaped benefits of scale during the period.

This is third straight quarter that Reliance Retail's Ebitda has crossed ₹2,000 crore.. Along with telecom venture Jio, Reliance Retail now contributes 37 per cent to RIL's Ebitda, the company said on Friday, adding that it plans to take this contribution to 50 per cent in the next few years.

However, the bigger surprise was on the revenue front. Reliance Retail's revenue grew 27.4 per cent YoY during the quarter to touch ₹45,327 crore, bucking the slowdown trend in the market.

The bulk of this growth, said Dinesh Thapar, group chief financial officer, Reliance Retail, was led by the company's core retail operations in consumer electronics, fashion and lifestyle, and food and grocery, which now contributes 60 per cent of its topline and 87 per cent of earnings.

Excluding petro retail and Jio sales points, which are clubbed with Reliance Retail, revenue from core retail operations grew about 36 per cent in Q3, Thapar said.

The company also added 456 stores in Q3, taking its total store count to around 11,400 across 7,000 towns and cities.

70 per cent of these stores, said Gaurav Jain, head, strategy and planning, Reliance Retail, were in tier-II, tier-III and tier-IV markets, with the company focusing on optimum value, segmentation and efficiency in sourcing to drive growth, he said.

In terms of retail area, the company covers 26.3 million sq ft in Q3, a growth of about 28 per cent from a year ago.

In a statement, RIL chairman Mukesh Ambani said Reliance Retail saw record footfalls led by a superior shopping experience, value and consistent same-store sales growth (SSG).

SSG for the quarter across the company's retail formats was in the region of 11-14 per cent, said Jain, at a time when overall market sentiment remained weak.

The statement acquires significance given that overall consumer goods and retail



QUARTERLY PERFORMANCE

Reliance Retail's quarterly performance

(Figures in ₹ cr)	Q1FY20	Q2FY20	Q3FY20
Revenue	38,196	41,202	45,327
EBITDA	2,049	2,322	2,727
EBIT	1,777	2,035	2,389
EBIT margin (%)	4.70	4.90	5.30

EBITDA stands for earnings before interest tax depreciation and amortisation; EBIT stands earnings before interest and tax
Source: Company results

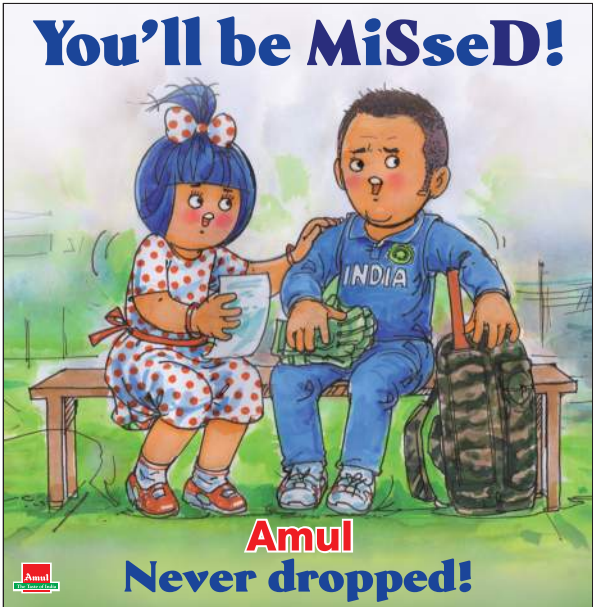
market growth has slipped to low single digits in Q3, market research agency Nielsen and sector experts said. Yet, the country's largest retailer continues to bet on aggressive store expansion, launching new brands and coming up with aggressive offers, they said. During the quarter, the grocery business saw the launch of a new store concept called 'Smart

Point', positioned as a neighbourhood shop offering fresh food, pharmacy and assisted e-commerce. In consumer electronics, the company opened its 400th store in Q3, while fashion and lifestyle touched its 2,000-store milestone, it said.

Jiomart, which is the company's new commerce venture, is currently being piloted in Navi Mumbai, Thane and Kalyan, Thapar said. He also said all options were open, as far as getting a strategic partner goes.

Rival Amazon has just committed \$1 billion to the India market, while Flipkart is investing in verticals such as grocery and food apart from electronics, fashion and lifestyle.

A recent Bank of America-Merrill Lynch (BoFA-ML) report had said that Reliance Retail would be key in driving up RIL's market value to \$200 billion in two years. On Friday, RIL touched ₹10.02 trillion in market capitalisation after its shares rose nearly 3 per cent during trading session.



Alphabet joins Apple, Microsoft in \$1 trn club

BLOOMBERG
17 January

Alphabet hit a milestone on Thursday, as a rally in the stock took it above a \$1 trillion valuation for the first time, solidifying the dominance of technology and internet stocks as the biggest titans of Wall Street.

Shares rallied in the last half hour of trading to close at \$1,450.16, up 0.8 per cent on the day.

With the gain, Alphabet became the newest member of an elite club to trade with the historic 13-digit market capitalisation. Only two other US names are past the threshold: Apple, valued at about \$1.38 trillion, and Microsoft, at \$1.27 trillion. Globally, the list is topped by Saudi Aramco, Saudi Arabia's national oil company, which went public last month and currently has a market cap of about \$1.8 trillion.

Amazon.com Inc. flirted with the level last year, but the e-commerce company would have to rise more than 7 per cent for its current val-

uation of \$931.1 billion to return above \$1 trillion.

These four companies are by far the largest on Wall Street, and their huge size gives them an outsized impact on overall market direction. Together, they represent more than 15 per cent of the weight of the S&P 500.

The rest of the market is, at best, hundreds of billions of dollars away from trillion-dollar valuations. The fifth-largest US stock by market cap, Facebook, currently has a valuation of \$632.9 billion. The biggest company outside the tech or internet sector is Berkshire Hathaway, in sixth place, valued around \$559 billion.

Alphabet's move above the level is just the latest step higher for the Google parent company. Shares are up about 40 per cent from a June low, with the rally largely fueled by optimism over its 2020 prospects, particularly with respect to ad revenue.

Alphabet will report fourth-quarter results on February 3.

HCL Technologies reports 16.3% rise in net income in Q3

STELLAR PERFORMANCE

Q3FY2020	₹crore	QoQ %	YoY %
Revenue	18,135	3.5	15.5
Selling, General and Administrative Expenses	2,155	5.7	13.4
EBIT	3,670	5.0	18.9
Net Income	3,037	14.6	16.3
Earnings per share (₹)	44.8	14.6	16.7
PBT	3,636	4.5	14.7

Source: Investor release

NEHA ALAWADHI
New Delhi, 17 January

HCL Technologies, the country's third-largest information technology services firm, reported a 16.3 per cent annual rise in net income in the quarter ended December 31, 2019, (Q3) of financial year 2019-20 (FY20) to ₹3,037 crore.

The company's profit before tax in the December-ended quarter was ₹2,991 crore.

The Noida-based company raised its full-year revenue forecast to a growth of 16.5-17 per cent from 15-17 per cent in constant currency range earlier.

"At the year-to-date mark, we are at about 17.8 per cent in terms of year to date, nine months cumulative organic growth year-on-year (YoY)," said Prateek Aggarwal, chief financial officer at HCL Technologies.

"We had earlier guided to a wider range of about 15-17%, but now that we have only one quarter to go and we have better visibility, we have narrowed down the range... it is coming from both sides... inorganic guideline was 5-6 per cent that is now at 6 per cent. In organic (business), which we had said would be 10-11 per cent, we are now revising to 10.5-11 per cent," he added.

On Friday, HCL Tech reported a 15.5 per cent rise in annual revenue in constant currency to ₹18,135 crore. On a sequential basis, revenue in Q3, rose 3.5 per cent while net income rose 14.6 per cent.

"I am pleased to announce

that this quarter we have crossed an annualised run rate of \$10 billion... on the back of good booking in H1 (first half), this quarter we experienced dip in booking as some client decisions have taken longer than expected. Our pipeline stands at an all-time high. We are expecting a higher conversion of this pipeline to booking in this quarter. This quarter we closed successful completion of Sankalp. This will give us a little more momentum in the semiconductor business," said HCL Technologies CEO C Vijayakumar.

He added that the longer decision cycles were not reflective of the larger demand environment.

"The best way we define demand environment is to look at our pipeline. Our pipeline is at historic peak so I am very optimistic about overall demand environment. There could be some verticals where there could be some kind of softness. The pipeline is fairly robust in US, Europe in line with our revenue contributions. So, overall, very positive about the overall demand environment," Vijayakumar added.

He further said the company was "cautiously optimistic" about the financial services business, in contrast to rival Wipro's commentary, which saw a dip in banking, financial services and insurance because of furloughs in Q3, but expects demand to pick up in the current quarter.

Barclays may cut 12 senior jobs in Asia

BLOOMBERG
17 January

Barclays is planning to cut about 100 senior jobs, mostly in trading roles across its corporate and investment bank. About a dozen positions in Asia have been hit, though the cuts won't result in a retreat from any business or market in the region, one of the people said. The bank has started trimming mainly managing director and director positions in London and Asian financial hubs, according to people familiar with the matter, who asked not to be identified as



the details aren't public.

A spokeswoman for Barclays in London declined to comment on the cuts, which are among the first to be implemented by a major investment bank in 2020. Last year saw several European lenders reshape their securities units, eliminating thousands of roles

amid increasing competition from US peers and a lackluster home market.

Jonathan Kitei, head of securitized product sales for Americas, Tim Johnston, head of EMEA cash high-touch trading and sales, and Anindya Das Gupta, head of treasury in India, are leaving the bank as part of the cuts, people familiar with the matter said. All three declined to comment.

About a dozen positions in Asia have been hit, though the cuts won't result in a retreat from any business or market in the region, one of the people said.



The Supreme Court delivered a huge blow to telcos by rejecting the review petition filed by Bharti Airtel, Vodafone Idea, and Tata Teleservices for relief against the AGR verdict. *Business Standard* analyses the impact it will have on various stakeholders

Ball now in govt's court to salvage telcos, say banks

No scope for reworking repayment obligations unless there is a default, they say

ABHIJIT LELE
Mumbai, 17 January

As concerns over Vodafone Idea's adjusted gross revenue-related (AGR-related) dues cloud the business environment, banks with heavy exposure to the group say there is little they can do, and there is no scope for reworking repayment obligations of telecom operators, unless there is a default. Senior public sector bank executives said any relief to the sector must come from the government first.

The outstanding debt of Vodafone Idea group is over ₹1.25 trillion as of March 2019. Goldman Sachs said in a report that Vodafone Idea would be potentially the most impacted if the government does not provide any support.

Vodafone Idea's debt excluding deferred payment liability is around ₹28,000 crore, with cash and cash equivalents of ₹15,400 crore as of September 2019, implying a net exposure of ₹13,000 crore, according to Goldman Sachs.

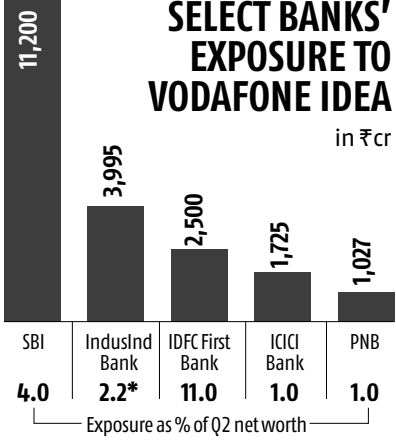
However, bankers maintained that the loans are standard assets, which means the company has never defaulted on repayment obligations.

The Reserve Bank of India had earlier flagged telecom as a sector that could potentially cause pain for the banking sector. The central bank had increased standard asset provisioning weights for exposure to the sector.

Bankers said RBI cannot now dilute its standards just because one company is under stress.



* = Q3 ended December 2019



Source: Goldman Sachs research report

Moreover, the asset recognition and provisioning norms will be like it is for other accounts.

A senior executive at a private bank said, "We expect the government to respond favourably to the curative petition that telecom companies may file. While the liability may not go away, we think the government will stagger the payment over seven years or so. This will take the burden off them."

About a fortnight back, Rajnish Kumar, State Bank of India (SBI) chairman, had told Business Standard that it was necessary to sort out the issue of past liabilities, such as AGR, of the telecom sector. Kumar said telecom is an important infrastructure segment, which needed huge investments, but the impact of AGR issue on telecom is a definite concern. Kumar had said that the concerns will persist till the issue is sorted

out, considering banks' substantial exposure.

To tide over their difficulties, telecom players have raised tariff and the government in November also gave them two years to pay off spectrum dues, providing some relief.

Deferment of spectrum auction installments, which will start only after 2021-22, will ease the cash outflow of the stressed telecom service providers and facilitate payment of statutory liabilities and interest on bank loans, the government had said.

Though the exposure to Vodafone Idea may just be 2 per cent of the overall Non-performing Assets (NPAs) in the banking system, Goldman Sachs noted that a bad debt of this size would impact investor confidence and lead to higher risk aversion among banks towards the telecom

players.

IDFC First Bank (IDFB), IndusInd Bank, and SBI are most exposed to Vodafone Idea's debt with net worth exposure of around 11 per cent for IDFB. However, a large part of IndusInd Bank's exposure is towards non-fund based liabilities in favor of the government, Goldman Sachs said.

Meanwhile, ratings agencies have also flagged likely pressure on the financial and credit profile of telecom operators. Annalisa Di Chiara, senior vice-president, Corporate Finance, Moody's Investors Service, said while it was a blow, the judgment was not a surprise and Bharti had already made provisions to help offset the impact on its balance sheet. Nevertheless, the impact on its credit profile will likely be significant, with both debt and leverage set to rise.

At the same time, the financial burden will likely further weaken Vodafone Idea's ability to compete in the Indian market, potentially providing an opportunity for competitors Bharti and Jio to gain market share, Chiara said.

Gaurav Dixit, group head, CARE Ratings, said the agency is watching developments closely and look for the government's decision on schedule for repayments (for AGR dues). In case there is some respite, the agency will have some comfort. Else, there will be pressure.

In November 2019, CARE had downgraded Vodafone Idea's long-term rating from "A-" to "BBB-" on significant erosion in the overall risk profile of the company.

MFs, PFs brace for storm over Vodafone Idea debt

JASH KRIPLANI & SACHIN P MAMPATTA
Mumbai, 17 January

Investors — small as well as institutional — are staring at huge losses on account of their indirect exposure to beleaguered Vodafone Idea, which is on the verge of a collapse over liabilities to the government and a heavy debt burden amid industry stress.

About 45 mutual fund (MF) schemes belonging to four fund houses and at least three provident and pension fund schemes have invested in debentures of the telco.

MFs have already started to mark-down their debt exposure following Supreme Court's decision on Thursday to reject review plea of the telecom companies on additional gross revenue (AGR) dues.

While Franklin Templeton MF and Nippon India MF have taken a 100 per cent mark down, other fund houses are yet to take a call on whether the asset needs to be re-valued ahead of a probable rating action.

On Thursday, Franklin Templeton MF, which has ₹2,073 crore in exposure to Vodafone Idea (as of December) in six of its schemes, marked down the exposure to zero as a prudential move to protect the interests of its existing shareholders.

This led to 4-7 per cent dip in the net asset values (NAVs) of the schemes exposed to the telecom company's debt instruments. Overall, Franklin Templeton MF's debt exposure to the company accounted for 61 per cent MF industry's exposure.

The fund house has also limited fresh inflows to its schemes to ₹200,000 per fund per investor to avoid giving arbitrage opportunities in schemes with mark-downs. Overall, the MF industry has debt exposure of ₹3,389 crore, spread

MINIMISING THE RISK

Schemes with large percentage of exposure that've marked down Vodafone Idea debt exposure to zero

Scheme name	Exposure (% of assets)	Exposure (₹ crore)	NAV chg (%) Jan 16, '20
Nippon India Hybrid Bond*	7.42	102.0	0.04
Franklin India Low Duration	6.33	292.9	-6.87
Franklin India Income Opportunities	4.92	152.5	-5.14
Franklin India Credit Risk	4.68	276.1	-4.91
Franklin India Short Term Income	4.32	473.7	-4.56
Franklin India Ultra Short Bond	4.27	721.4	-4.36
Franklin India Dynamic Accrual	4.08	157.1	-4.28
Nippon India Credit Risk	1.16	61.4	0.08
Nippon India Strategic Debt	0.7	16.0	0.14

Schemes with large percentage of exposure that are yet to take a call

Scheme name	Exposure (% of assets)	Exposure (₹ crore)	NAV chg (%) Jan 16, '20
UTI Credit Risk **	17.54	253.9	0.03
UTI Bond Fund	8.32	41.6	0.13
UTI Regular Savings Fund	5.57	115.1	0.25
Birla Regular Savings Fund	3.77	67.3	0.15
UTI Dynamic Bond Fund	3.76	16.9	0.08
Birla Equity Hybrid 95	3.29	345.8	0.26
UTI Medium Term Fund	1.46	3.4	0.04
Birla Medium Term Plan	1.39	67.1	0.06

* Franklin Templeton MF schemes took mark down on Thursday and Nippon India on Friday. The latter has 13 close-end FMPs exposed as well, ** UTI AMC has two close-end FMPs with exposure
Source: Value Research

across 45 schemes. Nippon India MF has also marked down its exposure to Vodafone Idea to zero.

Experts add that schemes, especially those with large allocation of their corpus to the firm, might see investors getting differently impacted than those that don't redeem in time. "Fund houses should ensure one set of investors doesn't get benefit over others in such situations," said Dharendra Kumar, founder and chief executive officer of Value Research.

Birla Sun Life MF and UTI AMC are yet to take a call. The latter has high percentage exposure to debt

paper of Vodafone Idea in its credit risk fund (7.32 per cent of assets), UTI Bond Fund (8.32 per cent) and UTI Regular Savings Fund (5.57 per cent). Overall, the fund house has exposure of ₹557 crore.

According to the regulatory filings by the company, National Pension Scheme, the Board of Trustees for Bokaro Steel Employees Provident Fund and MTNL Employees Provident Fund Trust are some retirement funds that have exposure to the telecom player. The current status of the investments for these funds was not immediately clear.

Street's reaction to SC's AGR verdict hints at duopoly

KRISHNA KANT
Mumbai, 17 January

The stock market on Friday gave contrasting opinion on the financial impact of the Supreme Court (SC) rejection of mobile operators' review plea on adjusted gross revenue (AGR) dues.

While Bharti Airtel stock price rose to a two-year-high due to fresh buying by investors, Vodafone Idea stock was down 25 per cent as hordes of investors exited the counter. Airtel ended the day with gains of 5 per cent that pushed its market capitalisation (m-cap) to an all-time high of ₹2.57 trillion. In contrast, Vodafone Idea's market capitalisation fell to ₹12,960 crore. At its intra-day low, Vodafone Idea was down nearly 50 per cent from its Thursday's closing price.

Analysts say the contrasting price movement suggests equity investors are increasingly losing faith in Vodafone Idea while Airtel is seen as a winner in the rapidly consolidating telecom market.

A Credit Suisse report said the SC decision pushes the sector closer to a two-private sector operator scenario. "We see a very low probability of success of mobile operators' curative plea. With the Aditya Birla and Vodafone groups unwilling to infuse equity in Vodafone Idea, we see a strong possibility of Vodafone Idea going for bankruptcy. Airtel should benefit from further consolidation," Varun Ahuja and Viral Shah wrote in the Credit Suisse report.

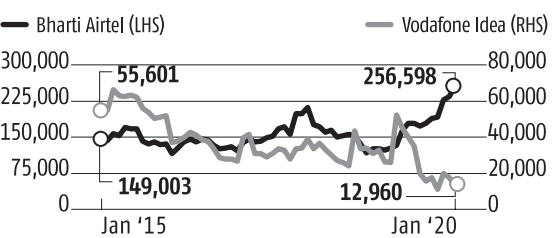
Credit Suisse said there is 65 per cent probability that only two private firms would be left in the market; 29 per cent probability of BSNL taking over Vodafone Idea or a weakened third operator emerging from bankruptcy; and only 15 per cent chance of Vodafone Idea's survival.

Analysts at New Street Research are equally pessimistic. "Vodafone Idea owes \$7 billion (around ₹50,000 crore) and Airtel owes \$5 bil-



MONEY MOVING TO BHARTI AIRTEL

Historical trend of Airtel's and Vodafone Idea's m-cap (₹ cr)



Compiled by BS Research Bureau

Source: Capitaline

lion (around ₹35,000 crore) payable by January 23. Since Vodafone Idea has no way to raise the amount, we are almost certainly headed towards a two-player market," the brokerage said.

Both brokerages have raised their target price on Airtel and suspended the rating of Vodafone Idea.

Airtel is now 20 times bigger than Vodafone Idea in terms of m-cap, even though the former is only around 30 per cent bigger than the latter in terms of fixed assets. In 2015, the m-cap of Vodafone Idea (Idea Cellular then) was just half that of Airtel.

Analysts say the sharp fall in Vodafone Idea's m-cap in the past one year has made it difficult for the firm to raise additional resources. "The situation is precarious for Vodafone Idea, given that liability is more than twice its current m-cap (its 13 per cent of m-cap for Airtel)," Saurabh Handa of Citi Research said.

"In the absence of government intervention, the market would turn into a duopoly. While Airtel will have to shell out around ₹34,000 crore, it would be net-positive since revenue would spike without

a concomitant addition of costs," analysts at Edelweiss Securities said.

Vodafone Idea saw a sharp deterioration in its balance sheet ratio after it posted corporate India's biggest loss during the September 2019 quarter. Its net debt to equity ratio jumped to a record level of 4.5x at the end of September against 1.24x at the end of June and 1.8x at the end of March.

At around ₹24,000 crore at end of September 2019, Vodafone Idea's net worth was down nearly 70 per cent compared to the numbers at the end of June.

In comparison, Airtel's net debt to equity ratio deteriorated by only around 40 basis points on a sequential basis to 1.7x at the end of September against 1.3x at the end of Q1FY19 and 1.65x at the end of March.

The provisioning for AGR dues led to a 23 per cent decline in Airtel's net worth on consolidated basis compared to the numbers at the end of June. But Airtel boosted its balance sheet and net worth by raising ₹40,000 crore worth of fresh equity in two tranches in FY20.

Curative petition last legal remedy, but it's rarely admitted, say experts

PRESS TRUST OF INDIA
New Delhi, 17 January

With just one week left for them to pay over ₹88,600 crore in past dues, Bharti Airtel and Vodafone Idea are left with a last legal remedy of filing a curative petition, but such petitions are rarely admitted by the Supreme Court, analysts said on Friday.

The Supreme Court on Thursday dismissed review petitions filed by telecom companies against its October 24, 2019 order that asked for inclusion of non-telecom revenues for calculating statutory dues such as license fee and spectrum usage charge.

Dues, which total to ₹1.47 trillion for 15 telecom companies including Airtel and Vodafone Idea, according to



the October order, have to be paid by January 23.

This January 23 deadline for payment may not apply to non-telecom companies which too have been asked to pay substantial amounts in past dues, Kotak Institutional Equities said in a note. "From a legal standpoint, the only option available

to the telcos now is a curative petition," it said. The rules around curative petition are fairly tight as the petitioner has to establish that there was a genuine violation of principles of natural justice, it said, adding the court can impose 'exemplary' costs to the petitioner if the plea lacks merit. "We note

Voda Idea closure could be a lose-lose deal

SURAJEET DAS GUPTA
New Delhi, 17 January

The closedown of Vodafone Idea, which is a possibility, leading to a duopoly among private operators, could have ominous consequences not only for consumers and employment generation but also for the exchequer.

It will have an adverse impact on foreign companies looking at investing in the country, say analysts.

To get a perspective, the two shareholders of Vodafone India — Vodafone plc and the Aditya Birla group — together with public shareholders, have invested more than ₹1.9 trillion, of which ₹1.65 trillion has been through foreign direct investment.

If borrowings from banks and deferred spectrum liabilities are added, the investment is a staggering ₹3 trillion. Yet the cumulative losses made by the company in the past 10 years were (till FY19) over ₹55,175 crore and on account of the Supreme Court order in October, it has taken in losses of ₹49,727 crore in the quarter of September FY20.

If it closes down, a large part of this investment value might have to be written off by the shareholders and banks.

This is over and above the substantial write-offs Vodafone plc had taken earlier on its books.



WHAT IF IT SHUTS SHOP?

- It will result in an adverse impact on future FDIIs
- Huge loss of revenue to the government of over ₹133,000 cr and ₹27,000 cr annually due to licence fee, SUC and other taxes
- Loss of 100,000 direct and indirect jobs
- About 200 million Voda Idea customers could face difficulty in porting to competing telcos

The government will be a huge loser. Vodafone Idea (the merged entity) has committed to pay with effect from 2010 ₹1.4 trillion for the spectrum it bought (individually before the merger) in auctions. Of this, the government stands to lose ₹89,180 crore. Vodafone Idea has to make this payment, including the interest accrued till FY34, as deferred payment for spectrum (it has paid ₹54,467 crore). That apart, the government will have to forgo ₹44,150 crore, which is Vodafone Idea's calculation of the payout it has to make due to the court order on adjusted gross revenue (AGR).

Also, the government will not get either the licence fees or spectrum-user charges (SUCs), which constitute 13 per cent of AGR — an

average of around ₹13,500 crore annually. And the government would, on average every year, lose over ₹13,600 crore as Vodafone India's taxes such as goods and services tax, customs duty, and direct taxes.

A closure would mean severe job losses — in a market where job creation is becoming an issue. According to Voda Idea's estimates, 100,000 direct and indirect jobs will go. During the merger, it pruned its employee count.

They are other challenges also. More than 300 million customers would have to port out to either Bharti Airtel or Reliance Jio and some to BSNL. For the 200 million 2G customers of Vodafone Idea, their choice is even more restricted

because Jio only has 4G service. Yet with both the networks working at full capacity (which is reflected in call drops), most experts say they will not have enough spectrum or network to absorb all the customers quickly. Even if one of the existing players were to bid in an insolvency process or a new player shows an interest, the process of acquisition could take 12-18 months.

Says a senior executive in a leading telecom equipment maker: "Knowing the additional capacity available I would be surprised if the three together can accommodate more than 100 million additional customers, especially with data use going through the roof. They will need more time, more spectrum, and more towers to handle the sudden closure. What will ensure is chaos."

Telcos say the solution lies with the government. The need is for a comprehensive change in policy to address the issues of high spectrum price, restrictions in mergers and acquisitions, the design of the auction, and high licence and SUCs.

Rajan Mathews, director general of the Cellular Operators Association of India, says it will appeal to the government for a staggered payment of AGR as well as reduction in licence fees and SUCs. "The government can bring it down (13 per cent) in such a way that it neutralises the impact of the court order on AGR, ensure the government does not lose revenue, and telcos are not overburdened."

IN BRIEF

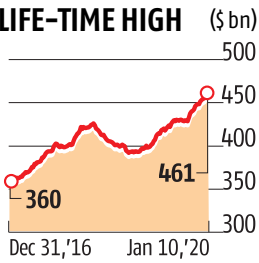
SC to hear plea in March on stalling bullet train project



The Supreme Court will hear a group of farmers seeking to halt land acquisition for India's maiden high-speed rail project, funded by Japan. A two-judge Bench headed by Justice Deepak Gupta issued a notice to the Centre on Friday seeking its view on the petitions. The apex court will hear the case on March 20. Meanwhile, Maharashtra Deputy Chief Minister Ajit Pawar said the state government will consider pursuing Hyperloop, a futuristic transport system, after it is shown to be practicable in other countries.

AGENCIES

Forex reserves rise to record high of \$461.21 billion



India's foreign exchange reserves rose by \$58 million to reach a life-time high of \$461.21 billion in the week to January 10, the RBI data showed. In the previous week, the reserves had increased by \$3.689 billion to \$461.15 billion.

Nirbhaya rape convicts may be hanged on Feb 1

A Delhi court on Friday issued fresh death warrants for February 1 against the 4 convicts in the Nirbhaya gang rape case. The court was hearing a plea by Mukesh Kumar Singh seeking postponement of the date of his execution (January 22).

Punjab Assembly adopts resolution against CAA

The Punjab Assembly on Friday adopted a resolution seeking immediate repeal of the Citizenship (Amendment) Act (CAA) and Chief Minister Amarinder Singh announced that the state will move the Supreme Court against it.

Reserve Bank should act as lender of last resort for NBFCs: SBI

PRESS TRUST OF INDIA
Mumbai, 17 January

With difficulties in NBFCs continuing, economists at State Bank of India (SBI) on Friday pitched for the Reserve Bank of India (RBI) playing its role as the lender of last resort, something the central bank has avoided since the start of troubles in 2018.

In its report on Budget expectations, the economists said the RBI should "seriously think" of providing liquidity to non-banking financial companies (NBFCs) against the assets held by the lenders.

"Given the crisis of confidence in the financial mar-

kets, it is imperative that central banks don't forget their primary function of being the lender of the last resort," they said.

The NBFC sector has been impacted since August 2018 after the collapse of Infrastructure Leasing and Financial Services (IL&FS).

So far, the RBI has refused to play its role as the lender of last resort, terming the problem at select NBFCs as one created because of asset-liability mismatches, where entities depended on short-term liabilities to fund long-term assets and found the going difficult with hike in rates.

Insurance may go telecom way: Irdai

Regulator warns firms against unfair competition and predatory pricing; says it will ensure industry runs sustainably

SOMESH JHA
New Delhi, 17 January

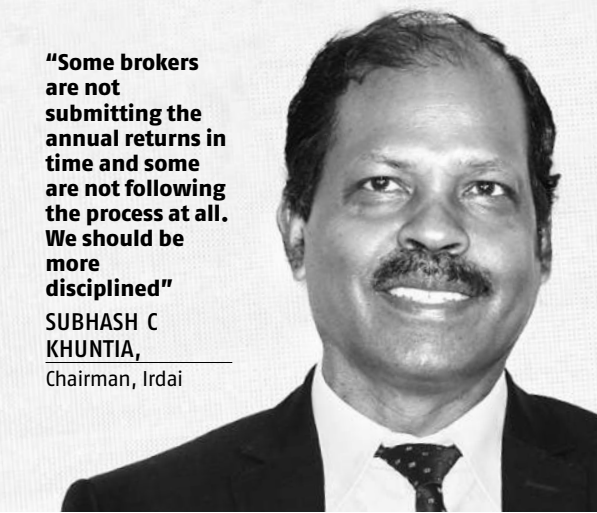
The insurance industry may meet the fate of aviation and telecom sectors if product prices are kept low, Insurance Regulatory and Development Authority of India (Irdai) Chairman Subhash C Khuntia warned on Friday.

Khuntia said insurance brokers account for around 43 per cent of the premium collected in the case of group health insurance products. "But, I need to give a word of caution here. Though the share is very high, the loss ratio is also high. It's not sustainable at present. Insurance companies, intermediaries and policyholders need to unite to create a sustainable atmosphere," Khuntia said in New Delhi at an event organised by the Insurance Brokers Association of India.

He said in the case of "unfair competition", other industries, particularly aviation and telecom, have suffered but their customers have not. "But we cannot afford such a situation in the insurance industry as it protects customers. If the insurance industry suffers, the clientele will also suffer and as a regulator, we would not like that to happen."

Aviation is a highly competitive sector where a low-fare regime has been a cause of concern for some airlines. The government has often termed it as "predatory pricing" and cautioned industry against keeping airfares too low in a bid to elbow out competition.

Similarly, the telecom industry is reeling under stress because of fierce competition, especially after Reliance Jio entered the market three years ago. Bharti



"Some brokers are not submitting the annual returns in time and some are not following the process at all. We should be more disciplined"

SUBHASH C KHUNTIA,
Chairman, Irdai

Airtel and Vodafone Idea posted their biggest losses ever recently.

Asked if companies are engaging in predatory pricing to raise their volume, Khuntia acknowledged it, saying "of

course, of course". "The regulator will have to ensure industry runs sustainably. There will be a host of actions, not one kind of action (to check predatory pricing) but we will ensure that the health

of insurance industry does not deteriorate," he said.

The regulator also told insurance brokers to be more disciplined in filing their returns and said it is working on consolidating regulations related to insurance intermediaries in a bid to do away with multiplicity of rules.

"I have told officers that there is multiplicity of regulations for intermediaries and there should be common norms to the extent possible and specific norms for different categories. We need to bring all intermediaries in one regulation," he said.

Irdai introduced a Business Analytics Project portal six years ago, automating the process of registration and other connected activities of insurers, brokers, among others. Khuntia said of the 459 brokers, 364, or about 80 per cent, filed return for the financial year 2018-19.

"Some brokers are not submitting the annual returns in time and some are not following the process at all. We should be more disciplined," he said.

Asked about his view on raising foreign investment in the insurance sector from the current 49 per cent, he said Irdai had sought opinions of stakeholders on raising foreign holding to 74 per cent and comments received have been forwarded to the government.

"Now, according to the Insurance Act, 49 per cent is the maximum limit for foreign direct investment. If it goes to 74 per cent, naturally, the Act has to be amended," he said. However, he was non-committal on ownership and control. No decision has been taken, he added.

With inputs from
Press Trust of India

Exporters want clarity on tax refunds, key schemes

SUBHAYAN CHAKRABORTY
New Delhi, 17 January

Exporters have said the Budget should look at the issue of slow disbursement of tax refunds and uncertainty over major promotional schemes, blaming these issues along with currency volatility for slowing growth.

In December, merchandise exports contracted for the fifth straight month as processed petroleum shipments saw lower receipts and a broad-based decline continued to plague all other major foreign exchange-earning sectors. Shrinking by 1.8 per cent as of December, outbound trade has reduced in six of the first nine months of the fiscal year 2019-20 (FY20).

"With exporters' claim for over five months still pending, liquidity has been wiped out and the process of finalising new contracts has been held up," said Sharad Kumar Saraf, president of the Federation of Indian Export Organisations (FIEO). Last month, the government said over 83,500 exporters have already been paid refund of Integrated Goods and Services Tax (IGST), amounting to over ₹1.12 trillion. It said refunds of only ₹3,604 crore are pending with the Central Board of Indirect Taxes and Customs (CBIC).

But FIEO has pointed out that the classification of major exporters as "risky" has further compounded the liquidity problem as their GST and drawback claims have also been held up. Risky exporters are those who are suspected to be claiming excessive input tax credit (ITC) based on fake invoices.

Saraf said in many instances actual payment of GST to the government is very low as compared to IGST refund since few goods are subject low GST, while many services used by exporters have high GST.

"Therefore, if a merchant exporter has taken goods at a



TOP EXPORTS

(Figures in \$ bn)	April-Dec ('18-19)	April-Dec ('19-20)	% change (YoY)
Engineering goods	61.0	59.7	-2.0
Petroleum products	36.6	33.5	-8.2
Gems & jewellery	29.7	27.8	-6.3
Chemicals (organic & inorganic)	16.4	16.9	2.7
Pharma	13.9	15.6	12.0
Apparel	11.3	11.4	0.8
All other forms of textiles	12.1	11.1	-8.2
Plastic	6.5	5.8	-9.5
Electronic goods	6.2	8.8	40.0
Marine products	5.4	5.4	0.8

Source : Commerce Department

rate of 5 per cent and services at 18 per cent, he has sufficient ITC to pay for 5 per cent IGST at the time of exports. He may either not pay IGST in cash or pay only a fraction of that while claiming complete refund of IGST," he added. FIEO wants the issue to be solved before the upcoming Budget.

A total of 6,421 exporters, constituting 34 per cent of the 185,000 registered exporters, have been identified as risky by the CBIC and, hence, red flagged. This includes eight "star exporters" as well who were not traceable at the addresses given by them. Star exporters are certified by the government on the basis of export performance and extended certain benefits, including customs clearance on

self-certification basis and exemption from furnishing bank guarantee under certain schemes.

Schemes awaited

Exporters also hope the Budget will clear the confusion around the old Merchandise Exports from India Scheme (MEIS), which has been discontinued by the government as well as the uncertainty over the awaited Remission of Duties or Taxes on Export Products (RoDTEP) scheme. Introduced in 2015 under the Foreign Trade Policy, the mega MEIS was created out of a merger of five existing reward schemes. It incentivises merchandise exports of more than 8,000 items now and is the biggest of its kind. Exporters earn duty credits at fixed rates of

2 per cent, 3 per cent, and 5 per cent, depending upon the product and country. Officials said the new RoDTEP would also be based on this method but the rates are yet to be decided.

The Confederation of Indian Textile Industry has said rates should be immediately announced as exporters would need time to factor in the same while finalising new orders and making their transition to the new scheme smooth. For the garment and made-ups sector, the government has withdrawn MEIS benefits retrospectively from March 7, 2019, dealing a deadly blow to cash-starved exporters.

Volatile times

Apart from a fluctuation in commodities prices and especially crude oil, a major constituent of India's exports, the currency volatility has also hit exports. While the value of the rupee has fallen, the depreciation was of a smaller magnitude of just 1 per cent, compared with 8 per cent last year during the same period, the data shows. This negatively affected Indian exports given the current environment of trade wars and the fact that most emerging market currencies also depreciated during this period, experts say.

"If rupee depreciation results from troubled geo-political situation in West Asia, it may not be of advantage; rather the trade disruption can be much more severe for shipments to the region," said Ravi Sehgal, chairman of the Engineering Export Promotion Council. "The currency advantage can occur if a persistent trend is maintained over a long period of time. However, that too has to combine with several other factors like cost of raw material and capital and the transaction cost."



Secondary metal firms seek duty cut on imports

DILIP KUMAR JHA
Mumbai, 17 January

Secondary metal producers have asked the government

to cut Customs duty on imported metallic scrap and curb cheap imports, arguing they need a level-playing field.

In a pre-Budget recommendation to Union Finance Minister Nirmala Sitharaman, Sanjay Mehta, president, Material Recycling Association of India (MRAI), said metal recycling should be treated as a priority sector.

The industry faces an inverse duty structure: it pays 2.5 per cent Customs duty on imported metallic scrap of aluminium and copper; and 5 per cent on zinc and lead.

However, finished products of these metals imported from countries that have free-trade agreements with India enjoy "nil" duty. Imported raw material, thus, are 2.5-5 per cent costlier than finished products, and processing them escalates costs, making Indian products cost uncompetitive in the world market.

"The usage of metal scrap the world over is promoted, as an environment-friendly

material. While the Indian government is levying basic Customs duty on metal scraps in the range of 2.5 to 5 per cent, it needs to be zero per cent to minimise the environment impact. This would provide a level-playing field and settle the issue of inverse duty stricture for the benefit of domestic secondary metal produces," said Mehta.

Scrap processing offers biggest benefits of energy saving versus virgin material — 74 per cent for iron and steel scrap, 95 per cent for aluminum scrap, 85 per cent for copper scrap, 76 per cent for zinc scrap and 65 per cent for lead scrap. Also, recycling of scrap has employed 8-10 million people across India directly and indirectly.

"Of India's scrap consumption, 35 per cent metal scrap is being generated by domestic collection and the balance 65 per cent is met through imports. But some of aluminium scrap grades are almost 90 per cent, depending on the imported source since such scrap grades are not generated in India."

It is largely because of the availability of good quality of scrap material, which is limited in India, because of a lack of proper scrap collection," said Mehta.

ED lens on profit sharing of Edelweiss firms

SHRIMI CHOUDHARY
New Delhi, 17 January

The Enforcement Directorate (ED) is examining the profit sharing structure within Edelweiss group companies, among other matters.

This is to check whether there is any forex regulation contravention, said a senior official at the federal agency.

This is apart from the Capstone Forex matter in which Edelweiss Group founder and chairman Rashesh Shah was questioned by the probe agency early this week.

However, Shah, in a press statement, rejected all the alleged violations of Foreign Exchange Management Act (FEMA), and also denied any relationship with Capstone.

Besides, the ED is looking into the alleged irregularities in import of pulses, and the role of Edelweiss firms in the merger of ICICI Bank with Bank of Rajasthan in 2010.

These are part of the income tax (I-T) department's findings that were shared with the enforcement agency.

The I-T department had seized several crucial documents about the bank's merger and profit sharing within group companies during its search operation on Edelweiss Commodities in 2015. This was in connection with a pulses import case. The I-T department has recommended further probe in the case.



Several other importers/trading houses were also searched by the tax department during that period for allegedly manipulating prices of different categories of pulses.

An email sent to the Edelweiss Group did not get any response.

However, sources in the financial services firm said, "These issues pertain to an old matter raised in 2015-16 for which the company had provided all the necessary material asked for by the relevant authorities.

The company unequivocally continues to stand by the statement it had made on January 10 that it has absolutely no connection with Capstone which is allegedly linked to Sanjay Nathalal Shah. He had stepped down on Tuesday from the board of a few group companies.

The sources said Edelweiss has also written to

market regulator Securities and Exchange Board of India (Sebi) and requested investigation into possible price manipulation due to reports on Shah being summoned.

Further, the company is learnt to be in the process of a full-fledged investigation into this subterfuge and will take all steps to ensure the culprits are booked or exposed.

The probe agency is learnt to have ascertained facts about Capstone Forex, Sanjay N Shah and related matters during the questioning of Shah.

Sources say the probe agency may examine some more executives for certain other issues. All the issues may be consolidated, as different teams are handling it in Delhi and Mumbai.

Capstone Forex is learnt to have violated certain provisions of FEMA involving foreign exchange to the tune of ₹740 crore.

Meanwhile, the federal agency is learnt to have also sought inputs from regulatory bodies on the resignation of prime suspect Sanjay Nathalal Shah as Edelweiss board member.

On profit sharing, an internal source said Edelweiss followed an inorganic growth strategy and acquired many direct and indirect subsidiaries.

To simplify and streamline the structure, some firms were closed, sold and merged with other companies over the last few years.

The Edelweiss group exited international commodities trading business in 2016. As part of this exit strategy, many companies have been sold or reassigned within the group, said an internal source.

FinMin raises GST mop-up target

INDIVJAL DHASMANA
New Delhi, 17 January

Weeks ahead of the Budget, the finance ministry has revised its target for goods and services tax (GST) collection in January and February — to ₹1.15 trillion each, from the earlier ₹1.1 trillion. This would be achieved by detecting fraudulent input tax credit using data analytics.

At a meeting convened by the Department of Revenue, under the finance ministry, the target for March was retained at ₹1.25 trillion.

This means the government aims to collect ₹10,000 crore more than what was targeted earlier at a time when all months till December in the current financial year (FY20) yielded less than ₹1.1 trillion, except for April.

Last month, the target for December, January, February and March was set at ₹1.1 trillion each, with one of the months to yield ₹1.25 trillion. However, the December collection stood at ₹1.03 trillion. Four of nine months in FY20 have delivered less than ₹1 trillion.

Parag Mehta, partner at NA Shah Associates, said, "Considering the sluggish economy, it is an ambi-



EXPECTED COLLECTION

- ₹1.15 trillion/month new target
- ₹1.1 trillion/month earlier target
- ₹1.25 trillion target for March. It has not been changed
- ₹10,000 extra mop-up govt hopes to get in 2 months

tious target. Even during the festive period of Diwali, the collections could touch only ₹1 trillion."

The meeting, attended by senior officials of the Central Board of Indirect Taxes and Customs and the Central Board of Direct Taxes, highlighted that the GST authorities would look into the mismatch of supply and purchase invoices, failure of filing returns, and over-invoicing, among other things.

The authorities would also look at fake or excess refunds availed beyond the permissible limits, plugging tax leakages, fake or huge input tax credit (ITC) claims, and

data analytic review of all the refund under inverted duty structure, sources said.

Sources said SMSs and emails will be sent to those claiming fraudulent or excess ITC, defaulters, non-filers and those who provide mismatched information in their returns or over-invoice or who have been identified through data analytics for evading tax by duping the system via rogue modus operandi.

Taxpayers who have taken ITC wrongfully can repay an amount equal to inadmissible credit before verification and punitive action is taken against them, sources said.

The Kiwi role model



COUNTRY CODE
RAHUL JACOB

After a white supremacist went on a shooting rampage in two Christchurch mosques last March that resulted in the death of more than 50 people, New Zealand Prime Minister Jacinda Ardern led from the front with compassion rather than hot-headed rhetoric. She visited mosques of course, but also pushed through a law disallowing the ownership of military assault weapons within a week of the attack. (The contrast with the US on this issue was stark.) Ardern famously refused to refer to the terrorist by name, arguing that he desired notoriety. “I implore you: Speak the names of those who were lost, rather than the name of the man who took them,” she said in a speech that was Shakespearean in its use of language as it was statesmanlike.

As majoritarian populism takes an enormous toll on the pillars of democracy everywhere, from Donald Trump’s America to Boris Johnson’s Britain to Narendra Modi’s India, tiny New Zealand (population: 4.7 million) is an unlikely role model. It has problems, of course; housing prices have spiralled out of the reach of many. In a country much visited for its idyllic countryside, rural suicides are growing in the high teens. Yet, from climate change to dealing humanely with immigrants, New Zealand lives on the seismic faultlines of our zeitgeist. It is fashioning responses that do not evoke the anxiety attack that the once futuristic, even auspicious, year of 2020 has prompted from Washington DC to New Delhi. In our global dystopia, a country whose politics do not evoke unbridled pessimism seems a hopeful place. In neighbouring Australia, Prime Minister Scott Morrison, a staunch denialist of climate change, bumbled through the crisis of bush fires that by last weekend had claimed the lives of one billion native animals and more than 20 people.

One example of the Kiwi focus on the environment is the request to clean the soles of one’s shoes as you walk on paths in reserves in order to save the magnificent kauri tree which risks extinction from dieback disease. On a mostly deserted beach on Barrier Island that looked an idealised, photo-shopped vision of a perfect beach, my host fretted that some young men horsing around were running too close to a cluster of birds that are endangered; the fright could cause permanent stress.

The battle to preserve our environment — notably absent in the public consciousness in India on issues such as conserving water — is as urgent as the challenge of democracies managing diverse cultures. New Zealand is grappling with high net inflows of migrants of 1.5 per cent of the population annually, whereas most countries track well below 1 per cent. Every other Uber driver was from India and came to the country on a student visa, many studying at obscure technical institutes where diplomas became a track to citizenship. New Zealand’s population will pass 5 million this year, a jump that has taken 14 years rather than the 30 years that increasing from 3 million in 1976 to 4 million in 2006 did. Inevitably, there is a debate starting on the levels of immigration but little of the harsh rhetoric that one has heard against “immigrants” from India’s government over the past several months. While Australia herds illegal immigrants on a harsh, sweltering island that is expected to act as a deterrent to others, New Zealand has offered to give them shelter. The articulate cab driver taking me to Sydney airport Sunday said that while Aussies had patronisingly regarded New Zealand as “a kid brother”, nowadays it seemed the other way round. New Zealand is also richly bicultural in respecting its original Maori inhabitants and Maori heritage in ways that, for example, the US and Australia fall short. I was at the gay wedding of a Kiwi friend this month where the wedding dinner abounded with moments made more beautiful — the presentation of a feathered cape to a son getting married by his mother — because they were distinctively Maori. Watching the funeral of a Kiwi friend’s father a few years ago, I was struck by how many eulogies were in Maori.

Part of the country’s charm is how laidback it remains. A mecca of fitness for fitness lovers worldwide is Les Mills, founded in Auckland, now a global group fitness phenomenon unlike any other with its patented high-intensity classes taught in 16,000 gyms worldwide. Last week, an exercise class was a minute from starting when the owner of the company, Phillip Mills, gave up his spin bike to a member who had just walked into the full class. I tried to imagine this happening in India, but couldn’t. I have not only worked for a diverse Kiwi macroeconomic research firm, but am such a sycophant of Les Mills Kiwi instructors in Hong Kong that I retain a gym membership in a city I left six months ago. But the lessons from tiny New Zealand about mobilising to prevent an environment going up in flames around us and combating the feral WhatsApp politics of hatred are in many ways Gandhian — and global. We should all sign up.

One example of the Kiwi focus on the environment is the request to clean the soles of one’s shoes as you walk on paths in reserves to save the magnificent kauri tree from extinction

About public service and private profit

The BJP’s message is that since the past can’t be checked, it must be reinvented as creatively as imagination allows



WHERE MONEY TALKS
SUNANDA K. DATTA-RAY

Since West Bengal’s governor is a scholar with evidence of Ram’s historical existence, he may also have heard of Oscar Wilde. He may even be aware of the Wildean bon mot, “Imitation is the sincerest form of flattery” whose less-quoted conclusion is “that mediocrity can pay to greatness”. Not that Jagdeep Dhankhar would dream of demeaning himself as “mediocrity”. But, undoubtedly, he reveres Narendra Modi as “greatness” epitomised, and repeats – perhaps even tries to improve upon -- the Prime Minister’s brave assertions about the mythic achievements of ancient Hindus.

Bharatiya Janata Party (BJP) loyalists are most stridently devoted in states that — high-decibel propaganda notwithstanding — they don’t have a cat in hell’s chance of capturing.

When not using his professional suffix “Yogi”, Ajay Singh Bisht or Ajay Mohan Bisht (Google records both unfamiliar names), aka Adityanath, might say outrageous things and do worse. But does he really shoot critics “like dogs” (are even dogs indiscriminately shot?) and “drag them away”? When Dilip Ghosh, West Bengal’s BJP chief, says this is standard practice for BJP chief ministers, he is probably only fantasising about what he would like to do if ever his soaring ambition lands him in Writers’ Building. Or, perhaps, he is savouring what should be done to “a female demon, a Lankini”, as another BJP legislator, Surendra Singh, calls Mamata Banerjee. If Assam’s chief minister, Sarbananda Sonowal, whom Mr Ghosh also mentioned, is guilty of such criminal murderousness, it must be attributed to his difficulty in reconciling the Citizenship (Amendment) Act with a lifetime of hostility to Bengalis, especially from East Bengal.

Little does Mr Ghosh realise that his reckless utterances confirm that with friends like him, the BJP needs no enemies in West Bengal. He has also warned the centre (inadvertently of course) that if it at all wishes to earn the country’s respect for responsible governance and upholding the law, it must invoke Article 356 in Uttar Pradesh, Assam and wherever else saffron rule permits men and women to indulge

in such murderousness.

Indian politics being the art of the impossible, West Bengal’s governor is heir to several such conflicting and contradictory traditions. He has travelled a long way, possibly longer than the road from the Vадnagar tea stall in Gujarat’s Mehsana district to the newly-renamed 7 Lok Kalyan Marg. Starting out from Kithana village in Rajasthan, Mr Dhankar finds himself in the grandeur of a palace built for British viceroys modelled on Kedleston Hall in Derbyshire, stately seat of the Curzon family, where liveried lackeys disregard Jawaharlal Nehru’s advice and call governors “Excellency” and their spouse “lady governor” or even “governess”.

Anyone who scales such dizzy heights must keep eyes and ears open for every rustle of change in how the wind blows, trimming sails and turning coats accordingly. Mr Modi’s announcement in Kolkata’s Old Currency Building the other day that nation-building means “preserving” India’s heritage and history sent aspiring listeners scuttling around to demonstrate their inventive zeal by renaming Calcutta Port Trust after the Jana Sangh founder and proclaiming Mr Modi the new Chhatrapati Shivaji Maharaj.

His further complaint that shallow post-Independence historians overlook important aspects of the past was a clear reminder that

it’s not enough to be content with the stem-cells and plastic surgery to which he himself famously drew attention, ignoring the mirth of realists. The BJP’s message is that since the past can’t be checked, it must be reinvented as creatively as imagination allows.

Rising manfully to the challenge, Mr Dhankhar first trotted out that ancient Hindus piloted their own *uran khatola* or flying machines. When listeners murmured this was old hat like Ganesh’s transplanted head, he broke new ground (as he thought) with Arjun’s nuclear-tipped arrows. That should earn Mr Modi’s gratitude. He can now demand that instead of being harassed with NPTs and CTBTs, India, as the nuclear pioneer, should be the sole inter-galactic authority for licensing nuclear weapons.

Bengal grantees like Maharajahdhiraja Bahadur Sir Bijay Chand Mahtab of Burdwan and Nawab Sir Khwaja Salimullah Bahadur of Dacca who sniffed that Marwari stood for “more-worry” would have been impressed by Mr Dhankar’s virtuosity. Having prostrated themselves before the British Crown to be appointed Knight Grand Commander of The Most Eminent Order of the Indian Empire and Knight Commander of The Most Exalted Order of the Star of India they knew all about public service and private profit. Then as now, political life bristles with careerists who may start out to do good but stay on to do well.

LUNCH WITH BS ▶ ABHA ADAMS | EDUCATIONIST

The unconventional

Abha Adams tells Anjali Bhargava how she unintentionally ended up becoming a brand

Abha Adams, 66, has an abiding memory of her own school days. Standing with her two think plaits among a long line of cherubic girls as Mother Superior’s voice looms loud: “Girls, I want you to be like limpid water in a crystalline vase”. And she thinks to herself: “Wow, what wouldn’t I give to be limpid water in a crystal vase”, even though she didn’t know what it really meant.

The strongly moralistic values and sense of duty that were ingrained in her through her convent school days in Delhi led her to envision her future as a nun. “I was a disgusting goody two shoes through most of my school years”, she says, a quality she found hard to shed even in later life. So much so that when she first met Bill, who she would marry later, he asked her “what’s with this should and ought”, the only two words she appeared to have in her vocabulary. When he advised she should just “follow her heart”, it sounded like blasphemy to her.

We are meeting for a hurriedly fixed lunch at The China Kitchen at Hyatt in New Delhi, with time at a premium for us both. She orders a stir-fried sole fish and Udon noodles and I opt for some stir-fried vegetables with fried rice that she agrees to try.

As we wait for our food, she tells me a bit about her childhood, a phase that many of former students and parents can’t even imagine. “Abha was once a school girl! Can’t even imagine that!” is how one reacted when I mention my meeting with her to a few people who know her. Most of them swear by her... her charm to be precise. In fact, many say she is “charm personified”.

Adams learnt her p’s and q’s in a highly Anglicised atmosphere in her Kolkata home from one Mrs Robinson who used to turn up in her starched black dress with white cuffs and spent hours perfecting Adams’ handwriting under her watchful gaze. Adams’ mother — a school principal and a stoic nationalist who imbibed many British customs nonetheless — took the young girl regularly to the national library in Kolkata and let her loose, a delightful memory for the avid reader.

In the 1970s when she was 10, Adams moved from the rich, cultural ethos of Kolkata to Delhi that seemed like a “large, electrified village”. After lapping up “duty, convention and morality” in the first few years at school, Adams began to find herself dabbling in the performing arts, expressing herself more freely and going on to become the head girl at Carmel Convent at some stage. The spirit imbued in her by Sister Candice,

one of the nuns at her school, began to come to the surface, much to the chagrin of her conventional-minded father.

The seeds of rebellion had been sown in the young girl, who would soon be attracted to most things forbidden and nun-hood would be jettisoned. Indeed, Adams has never been one to conform. Even today she attempts to be politically correct but prod her a bit and she spills the beans, laughing with gay abandon.

Real rebellion kicked in during college with her joining Barry John’s Theater Action Group — that her father derisively referred to as “*nautanki*” — with the likes of Siddhartha Basu and Lilette Dubey. Much to her father’s horror, she also experimented with radio and appeared in a television show, Around the World. At 21, she started teaching English at Lady Shri Ram College for Women in Delhi after securing her master’s degree.

After she lost her father around that time, her mother’s plans to arrange a match or her went haywire, thanks to the rebellious streak that had started raising its head. Young Adams had no intention of getting tied down at that stage but agreed to go out for a coffee with a prospective match. After she was seated comfortably, she asked the waiter for an ashtray and lit a cigarette. Needless to say, the wedding bells failed to ring.

After teaching for six years, Adams felt the need to move on and applied for a second master’s degree in theatre arts from the University of Leeds, UK. Thereafter, she left on a scholarship for a year-long course in practical theatre, enrolling for an MPhil in the subject, one she never finished. Upon leaving the Indian shores, she felt the need to rediscover the “Indian” in her and started working on dance and theatre performances with the Indian community in the UK. She began working with artists and theatre personalities and doing ballets like Ramayana, operas like Savitri and productions like Dularibai.

There she also met Bill, her to-be-husband, who she found “radically different from the average Indian male” she had encountered. “He had no hang-ups, no ego and made me laugh.” He could deal with her confidence, encouraged her to break every norm and live life to the fullest.

In 1984, she landed a job with the BBC, learned to broadcast from the best in the business, presented a prime time show in current affairs and became education producer for Broadcasting House, Leeds. She then joined the Great Britain Arts Council in London which was



ILLUSTRATION: BINAY SINHA

setting up a development agency, Aditi, for South Asian performing arts. For two years, she worked to bring together dancers, artists and performers of South Asian origin and “learnt like never before” while helping with advocacy, promotion and training.

In early 1992, when he was only 44, her husband developed a serious heart condition and was told he didn’t have much longer to live (Bill is 73 today). The upshot of it all was a decision to return to India, something she fought at that time.

With the main course over, we order a chocolate bruele (a poor cousin of cr me variety) and decide to share it.

Later the same year, Adams found herself back in India, unsure of what she was really qualified to do. Instead of looking for a job — nei-

ther had a job at that point — the two bought a 17-year old Ambassador car and drove across the Himalayas, discovering parts of the country they didn’t know existed. The car died on them on the way back!

With all their savings spent, Adams first approached Doordarshan for a job since broadcasting was what she knew best. But it was like “entering Dante’s Inferno without the fires burning”. The dusty office with spools of tape resembled “*baba adam ka zamana*” and she quickly retreated. She then decided to go back to teach at LSR and found the place totally unchanged while she had grown by leaps and bounds.

That’s when someone mentioned that the Delhi-based Shiram group was setting up a new, experimental and very out-of-the-box school. She joined the group to set up the senior school and began what she describes as the “best phase of her life”. The founding team — she reels off the list and I know many of them personally — put their “heart and soul” into what they saw as their “baby”, several of them with no background in academics or education but “personalities” nonetheless. Fourteen years flew by, in a whirlwind of activity, led by Adam’s own spontaneity and infectious energy. She gives full credit to Manju Bharat Ram — the founder of The Shri Ram School — who she describes as a true “visionary” in the education space. The Shri Ram School became a brand under the leadership of Adams and Ram.

After 14 years, it was time again to move on. After Adams resigned, she began to get calls from all and sundry asking her to lend her name to their new school ventures. Some offered to pay absurd sums of money for just her name, suggesting that she needn’t even come to the school. That’s when she realised she’d become a “brand” like TSRS! It was a once-in-a-lifetime opportunity to earn a tonne of money for doing very little but her conscience didn’t allow her to go ahead. Finally, it was Ritu Suri’s offer to set up Step by Step in Noida in 2006 that resonated with her. That’s where she spent the next 12 years of her life, building almost an equally formidable name in another part of the city.

At some stage, however, Adams felt her work there was done and she quit in 2018, deciding to end her affair with the high-end schools of the national capital region and spend more time on Ahvaan, a teacher training and mentoring NGO that works in the government schools space. She’s writing a book on the (mainly) negative fallout of the increasingly digital- and social media-led world on today’s children. Students in elite schools “are self-harming in large numbers”, she tells me. She starts recounting some related stories when we realise we need to wrap up as time is running out.

On this somber note, Adams breezes out, leaving me to absorb the dull Abha-less environment. Try meeting her once and you’ll understand why she’s the brand that she is.

NPR anyone?



PEOPLE LIKE THEM
KEYA SARKAR

With not much to watch on television and there being only one movie hall in the whole of Santiniketan I find myself watching a lot of news. Of course, with the CAA and NRC protests my time in front of the screen has gone up in the recent past. In any case, for a long time now I have been a great watcher of news on TV. My friends often joke about my daily need for a “Mamata-fix” but I am a pretty serious follower of her daily public appearances.

Not that I agree with all that she or her party prescribes but I am totally in awe of her personal stamina. From district level meetings where she pulls up officials to her presence in the control room in times of natural disasters, the way she charms protesting university

students to her ability to out-walk her security and her party men in her by now famous protest walks, all point to a level of energy which I admire.

I had been observing of late that in all her meetings to protest the CAA and NRC she has been advising all those who come for the rallies to do her one favour: “Please update your voter card,” she says repeatedly. “You must do me this favour,” and “I will protect you with my life,” she promises.

Having heard this many times on television I urged my husband to check our details on the National Voters’ Service Portal. He was reluctant to make an effort. Primarily because my existing voter card was fine and secondly because only recently a surveyor had come home to update our details for the voter card. Since this was a few months before the NCR/NPR debate there was no reason to view him with suspicion. And as it happens in small places everyone knows everyone else.

So Somenath who we knew (from a nearby village) fed in our data and confirmed that our details were correct. He stayed on for tea and apprised us of how many people had died in our area since the last elections and how the number of voters had shrunk.

So reposing immense faith in Somenath, my husband thought the need to check the voters list quite superfluous. However he

must have had a rethink. One day just as we were going to sit down for dinner he announced that he had checked the list. “Mine is fine,” he said but your name has been changed. “To what?” I asked in alarm. To “Keya Nilmoni”, he said. “It is fine in Bengali. It reads Keya Sarkar. But in English it is Keya Nilmoni. Your father’s name is also Amiya Kumar Nilmoni,” he said with what I thought was a hint of glee.

I would have laughed too if I wasn’t concerned about having it corrected. Thankfully we had Somenath’s number. We called him and asked how this could have happened. He, of course, blamed it on “technical error”. An error which he said had changed all “Sarkars” of the locality to “Nilmoni”. Since I know no other Sarkar in the neighbourhood I had to take his word for it.

He helpfully informed us that we could correct the error online. While I sent in a request for the change online my husband and I were wondering how any data input person could create such a strange mistake. Our logical minds were trying to find a plausible explanation. And then it struck us. Actually before we had been introduced to Somenath who used to teach in a school for tribal children run by some friends of ours we used to know his father. He was called Nilmoni!

NPR anyone?



PEOPLE LIKE US
KISHORE SINGH

Thirty-four years, one month and nine days after we were married, my wife finally made a vat of orange marmalade at home. It was not at my persuasion, dear reader, the illusion that she would pander to my tastes having being shattered 12,449 days ago. Having a fondness for bitter rinds in the conserve, and finding local brands in the stores sickeningly sweet, I might have expressed the hope that tiny mandarins from the garden be turned into confiture. My wife wasn’t one for such ministrations. “If you want homemade marmalade,” she told me in no uncertain terms, “you can ask your mother to make it — or your sister,” and just to make sure no family members were left out, added, “or sister-in-law.”

An ode to marmalade

I’m not one to complain, but in those years of socialist austerity when fewer things were available at the neighbourhood grocer’s, each of us guarded our hoard of imported goodies with selfish zeal — whether chocolates, cheeses, or jams and jellies. Given my wife’s sweet tooth, you’d expect her to raid the fridge for puddings, but she took a liking for marmalade instead, slathering her toast from edge to edge with greed rather than good sense. She might not make it at home, but she could certainly eat it. Waging battle over a jar of marmalade seemed petty beyond belief so I simply lost my craving for the preserve.

Not that my wife was averse to cooking up a storm in the kitchen when she chose. Two years and a few odd days after our marriage, she decided to make tomato sauce in somewhat alarming quantities. Kilos of tomatoes were deseeded, pulped, cooked and poured into empty bottles purloined from friends — but, alas, she’d forgotten to add sodium benzoate, resulting in the spoilage of 39 bottles of homemade ketchup. Over the years, that list grew — 18 miscellaneous sized jars of chilli pickle, a few dozen pitchers of guava jam, 21 (or was it 22?) pots of mango chutney, failed attempts at baking our own bread and making our own ice-

cream. Through it all, my wife was only resolute in one thing — she would not make marmalade.

Over time that expectation faded. I now bought back armloads of marmalade from my travels, soaked in whisky in Scotland, steeply priced from Fortnum & Mason, artisanal varieties from Switzerland, in jars large and small — so many that they remained untasted past their use-by dates. By now I’d renounced my morning toast in pursuit of a diet, so it was my wife who ate her way through the stock, generous dollops over her now market-bought bread and croissants.

So it was a surprise to see her stirring up a treachy mix from a recipe borrowed from a friend’s friend’s mother, coaxing me to “just taste it” and waiting for the pronouncement. “It’s perfect,” I assured her, “just as it ought to be — sweet enough, but bitter too. I love it.” The enthusiasm wasn’t feigned though it might have been better to moderate it because my wife decided that sharing was her way of caring. “I might give some to my kitchen garden ladies,” she announced. More portions were packaged into handy containers and sent off to acquaintances. This morning, when we sat down to our 12.450th breakfast together, she suggested toast with orange marmalade — store bought, naturally.

Not the obvious solutions

One of the lessons which the Modi government has yet to learn is that the solutions to economic problems can be counter-intuitive. In other words, not the first thing that strikes your mind. As we saw with demonetisation, the solution to black money is not necessarily to attack cash holdings, since most of the old notes came back to the Reserve Bank. Similarly, the solution to a tax shortfall is not necessarily to raise tax rates—a suggestion aired briefly in the context of the goods and services tax—any more than the solution to a trade deficit is to put up the shutters to imports. As the 1991 experience showed, the solution to a large trade deficit may be to open up the economy, not putting up protective walls; and encouraging exports could be done more effectively by scrapping export subsidies and adjusting the external value of the rupee instead.

These and similar lessons don't seem to have been learnt, if recent experience is anything to go by. Thus, the response to pharmaceutical price increases has been to impose price ceilings, just as the response last September to a domestic shortage of onions was to impose an export ban. As critics of Donald Trump's trade policies have pointed out, imposing additional import duties on goods from China has raised the cost of supplies domestically (JP Morgan calculates the impact on a family budget to be \$1,000 in a year). Someone should do a similar exercise in India to work out the cumulative costs of the additional duties imposed on steel imports, the cost of tariff hikes and export subsidies on offer in the effort to make India a manufacturing hub for things like mobile phones, the potential impact of additional duties on imports in the "others" category, the likely cost to the consumer of banning palm oil imports from Malaysia and petroleum from Turkey, and so on.

Then we have the snarky response to Jeff Bezos and Amazon. Given how much of world trade is intra-firm, and how important it is to become a part of global supply chains, Mr Bezos's promise of additional exports of \$10 billion should have encouraged the government to welcome the announcement, or at least to hold its peace. Instead, the response was far from friendly—influenced, no doubt, by the fact that Mr Bezos owns a newspaper that is critical of the Modi government, and by lobby pressure from small traders who fear unfair competition from a company with deep pockets. But the Competition Commission was created to deal with such problems, even if it does not always move when it should (such as in the Jio case). The larger point is that small store owners do not have the ability to create large supply chains that feed into international markets, nor to create a manufacturing base that generates quality jobs. Once again, the tactical response has been the wrong one.

A particularly striking example is offered by Jharkhand, which gives employers a subsidy of ₹5,000 per month for every employee taken on board in the garment industry. Surely, this is a measure of the lack of competitiveness of the country's garment industry—bear in mind that labour cost cannot be the most important reason for lack of competitiveness because China is by far the world's leading garment exporter despite having much higher labour costs. Although the subsidy seems to be generating a positive response from industry, there has to be doubt about whether this really is a "good news" story.

Any industry will invest if it is given a large enough incentive, but there may be better ways of using the taxpayer's money if the underlying reasons for lack of competitiveness were to be addressed—like a bloated currency that prices India out of world markets. It might be argued that sometimes the best can be the enemy of the good, especially if the former is hard to deliver. But too many such lazy compromises are what create a high-cost economy of the kind that we have lived with for long, and from which we had been moving away until recently.

Moral considerations and profit maximisation



VIEWPOINT
DEVANGSHU DATTA

In March 1971, about a 100 employees of Polaroid demonstrated in front of their corporate headquarters. They ceremonially burnt several cameras. This group called itself the Polaroid Revolutionary Workers Movement (PRWM). It was led by two black American employees. The PRWM had a three point agenda: It wanted Polaroid to exit South Africa completely; it wanted the company to issue a statement that condemned apartheid; it wanted Polaroid's profits from its South African operations to be donated to support African liberation movements.

At that point of time, the

American multinational corporation (MNC) possessed cutting edge photographic technology that made it a world leader. Its technology was integral to the South African Passbook system. The Passbook was an internal passport that every non-white had to carry. It carried all sorts of details about the individual, which had to be endorsed by the police and his or her employer. Anybody caught without a Passbook risked a jail sentence and was subjected to brutal interrogation at the minimum. Anybody in a whites only area, carrying a Passbook which did not authorise him or her to be that place was also liable to a jail sentence.

Polaroid sacked the two employees. It also sent a mixed race team to investigate the South Africa situation. It issued a statement saying it abhorred apartheid. It made a partial pull out, stating that it would stop servicing government contracts, but it would continue to operate in South Africa. It committed to equalising salaries and supporting various organisations working for people of colour. Much later, it was learnt that Polaroid equipment was

still being sold to the South African government through various local distribution channels.

Ambiguous or wholly evil? Many corporates have done much worse. Polaroid was, as it happens, the first major multinational to exit South Africa. Most stayed right in there for sound economic reasons.

White South Africa was first world in terms of per capita income, and it had a vast pool of skilled, cheap, coloured labour. The profit margins were approximately twice that of other First World countries as a result of these factors.

By the mid-1980s, moral pressure had built up on corporates operating there. Although Margaret Thatcher chortled that really "teeny sanctions" were being imposed (her son Mark had business interests), corporates had started feeling the heat. Oddly enough, it was

another camera company, Eastman Kodak, which genuinely exited. Kodak quit South Africa cold, refusing to allow its products to be sold there. Other MNCs tried the effect of officially pulling out while allowing the distribution of their products. McKinsey pulled out of South Africa when an up and coming Rajat Gupta stated he felt uncomfortable with that nation's colour bar.

Corporates tend to stay with undemocratic regimes and to enable them if there's profit to be made. Polaroid enabled the South African colour bar with its technology. In an earlier era, IBM helped Hitler set up the enumeration system in concentration camps. Once America ended up at war with the Axis Powers, Big Blue doubled up by using its punch card technology to set up the internment camps for Japanese American citizens. Larsen &

Toubro built the notorious bridge on the River Kwai using prisoners of war. Siemens used slave labour sourced from German concentration camps during the war.

There are countless other examples of corporates supporting horrible regimes. United Fruit, Shell, Rio Tinto are some of the better known cases. In recent times, there's Cambridge Analytica and, arguably, Facebook. Then there are all the companies working in face recognition, AI-driven autonomous weaponry and other technologies that enable evil regimes.

Corporates are supposed to maximise profits. But how far will they go in that endeavour? It's a question Indian corporates need to ask themselves. Starting with Aadhaar, there's a raftload of government schemes, which will generate profits, if moral considerations are ignored. Construction companies will make money building detention centres. Information technology companies will make money on the enumeration of the CAA, NRC and NPR. Being evil pays. Does it pay enough?

gets an insight into what sort of research the RBI is encouraging.

This publication is also something that Dr Patra needs to take in hand and raise it to international standards. The objective must be to make non-RBI researchers also vie to publish in it.

There's so much ferment out there which we are not capturing on an institutional basis. Much of this has now been relegated to the scatter-shot mercies of the twitterati.

In particular, I would urge him to associate economists from the Indian Economic Service (IES) in the effort. They may not have PhDs from foreign universities but they understand the Indian economy's dynamics better.

Over the years, the IES has become a sort of a subordinate service which gets virtually no encouragement, not least because their head, the chief economic adviser, has no time for it. Kaushik Basu was the sole exception to this tendency.

I am sure Dr Patra will get the fullest cooperation from the finance minister, who needs workhorses, not prima donnas constantly looking to improve their CVs.

Return of the Bharatiya 'Baniya' Party

BJP under Modi-Shah is returning to its trader mindset with a vengeance, underlining that strong, full majority governments can also be more risk-averse

Commerce and Industry Minister Piyush Goyal has been quick to clarify his remark on Amazon founder Jeff Bezos not doing India a favour by investing here. He now says all investment is welcome as long as it complies with India's regulations. You can't argue with that.

Although, if read with the fact that the monopoly watchdog Competition Commission of India had hauled up Amazon earlier this week for "unfair" trade practices, a move hailed breathlessly by Swadeshi Jagaran Manch and trader/retailers' associations, you wouldn't make such a benign interpretation. It won't be some diabolical conspiracy either. It's only pure politics. It will underline the BJP's inevitable return to its basic instinct: Mercantilism.

This needs explanation. For decades, until the Congress-Left, post-Rajiv Gandhi, began describing the BJP as a Hindu party, Indira Gandhi had avoided doing precisely that. In an earlier National Interest, I had quoted from a conversation with Seshadri Chari, former editor of RSS mouthpiece Organiser, that she only described the BJP as a *baniya* (trader caste) party. The BJP has shown signs lately of proving Indira Gandhi right and returning to its trader mindset.

This is where the philosophical impulse of swadeshi also comes from. If someone has to profit from trade and entrepreneurship, it had better be one of our own. And even if we let an outsider come and do so, he'd better be grateful to us rather than the other way around. Several strong emotions get meshed in this: Nationalism, protectionism, mercantilism, and arrogance. Who the hell are you to walk all over my market, out-compete my native businessmen, and then expect me to say thank-you?

Foreign direct investment (FDI) had first started becoming fashionable in 1990-91, just as the Cold War ended. It was also a time when a deep economic crisis was building up in India. Madhu Dandavate was finance minister in V P Singh government.

Addressing one of those industry chamber gatherings, he famously — or infamously — said something like, "I am not against FDI. But I won't go looking for it." Since he was a dyed-in-the-red old socialist, even this reluctant acceptance of FDI was



NATIONAL INTEREST
SHEKHAR GUPTA

seen as something to celebrate. But no foreign investor was impressed.

The reform of 1991 changed things. But attitudes deep down didn't. India had already had four decades of "socialist, protectionist, swadeshi, import-substitution; exports are good/imports bad" toxification across the political spectrum. The only force of the economic Right, the once-powerful Swatantra Party, had been destroyed and entombed under Indira Gandhi's populism. Even the Jana Sangh by this time was singing the same socialist song, only fortified by its own economic nationalism. Atal Bihari Vajpayee, the only truly reformist BJP leader in a modern free-market sense, ran with the baton of reform. He had too little time.

Old ideologies, and we say this in a purely non-partisan sense (as in Left or Right, Congress or BJP), are extremely obstinate. Like the proverbial dog's tail, you can't straighten or bend these even in a dozen years. Some individual leaders can make a difference: P V Narasimha Rao and Manmohan Singh for the Congress, Vajpayee for the BJP. Under others, the "tail" goes back to the way it always was.

Over the past five and a half years, we have seen the protectionist, anti-MNC, technophobic old notions return with a vengeance. This government now gives a 20 per cent advantage to capital goods made in India over imports, signalling a return to the old regime.

All it meant was that now a foreign company could ship its kits to India and assemble, for example, metro coaches in a "joint venture" with an Indian minority partner or, even directly, and sell the same coach at a price much higher than an import. In Budget after Budget, we've seen tariffs go up, sectoral protections extended — steel is only the most visible example — and all kinds of government agencies, from regulators to quasi-policing organisations, go after foreign investors, especially in retail. After the last Budget and the BJP discourse around it, that happily forgotten old, Indira-esque expression "import substitution" staged a comeback.

That is the reason global business has seen its romance with Narendra Modi's India fade. No one would say so in public, especially those that already

have investments in India or employees and other interests. Who wants "*panga*" with a strong government? Even the mighty Vodafone CEO has to retreat after saying in agony that he will have to leave India, although he still might do that, after writing off a couple of tens of billions because of regulatory and taxation shocks and unpredictability.

Want more evidence? See how Jeff Bezos's previous visit to India went in 2014, when he was feted by Mr Modi and others, and his peremptory dismissal now. The explanation also sounds like Dandavate of 1990: I am not against FDI but...

You still want to know where this sentiment or push comes from? Play back the part of RSS chief Mohan Bhagwat's Dussehra speech last year, when he lays out his economic doctrine. We can describe it in one word out of these: Protectionist, xenophobic, swadeshi. Or, it could also be stated as, "We are not against FDI, but only in sectors where we need it, as long as it doesn't hurt Indian business, and control remains with Indians".

The most fascinating aspect of Mr Modi in his sixth year with a big majority is how compliant his government has been with Nagpur. It has delivered on all of its big concerns: Cow, Article 370, the Citizenship Amendment Act, triple talaq, anti-Pakistanism, and so on. Yet, it has reversed two decades of reform on trade, FDI in retail, and technology to harmonise itself with the RSS, not defy it like Vajpayee did.

In 2014, and again in 2019, India elected a "strong" government and prime minister because it was fed up with a "weak" one for a decade under Dr Singh. It has been stronger and more decisive in many areas, from retaliation for terror attacks to Article 370 to anti-corruption activism. But not on the economy. Besides goods and services tax, however flawed, and the Insolvency and Bankruptcy Code, it is difficult to find one big, bold reform although I recently listed 10 bits of good news even in gloomy times for the economy.

Think about it. A government as weak as Dr Singh's had the courage to deliver the India-US nuclear deal, thereby fundamentally shifting India's geostrategic posture. Mr Modi's strong government, meanwhile, is struggling even to seal a tiny, partial trade deal with the US, even as it celebrates this "strategic partnership" co-founded by Dr Singh and George Bush/Barack Obama. Vajpayee's weak government ushered in the cotton revolution by permitting genetically modified seeds. Mr Modi's strong government is pussyfooting about on agricultural biotechnology, more respectful of Swadeshi Luddites than a Vajpayee would bother to be.

This takes us to our old argument: Are strong, full-majority governments necessarily good, or do they have a problem? More to lose, no excuses to put off ideological demands and compulsions, and a constant need to save face? Are weak governments actually more decisive and less risk-averse because they have greater flexibility and humility? It is a particularly contrarian and provocative point, which, indeed, is what it was intended to be.

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Le Carré's moral compass

EYE CULTURE

SUHIT K. SEN

In 2011, one of the most formidable living novelists in the English language was nominated for the Man Booker International Prize, awarded every two years for lifetime contribution to fiction. John Le Carré, whose real name is David Cornwell, issued a statement saying, "I am enormously flattered to be named as a finalist of the 2011 Man Booker International prize. However, I do not compete for literary prizes and have therefore asked for my name to be withdrawn."

But Le Carré's finally got his award. He's been given the Olof Palme Prize, instituted in 1987, which is given for outstanding achievements "in any of the areas of anti-racism, human rights, international understanding, peace and common security". Le Carré is the 33rd recipient of the award, but only the fourth writer to get it. The three writers to get the award before him were playwright and political dissident Václav Havel (1989), who went on to become president of Czechoslovakia, Danish novelist Carsten Jensen (2009) and the Italian journalist and author of Gomorrah, Roberto Saviano (2011).

That Le Carré is one of the greatest living British novelists ought not to be in doubt. Over a writing career spanning almost four decades, he has written 25 novels, beginning with *A Call for the Dead* (1961) and running up to *Agent Running in the Field* (2019). In between, he's written short stories and non-fiction collections, the latest of which is *The Pigeon Tunnel: Stories from My Life* (2016). Almost all of Le Carré's novels are in the espionage fiction genre, save his second novel, *A Murder of Quality* (1962), which was a crime novel, and his sixth, *The Naive and Sentimental Lover* (1971), which defies classification.

If you're looking to pigeonhole, Le Carré was primarily an espionage novelist. He made his reputation with his third novel, *The Spy Who Came in From the Cold* (1963). Le Carré's early novels were set against the backdrop of the Cold War — from *Call for the Dead* to *The Secret Pilgrim* (1990), his 13th novel. If anyone had even remotely feared that with the collapse of the Soviet bloc and the end of the Cold War, Le Carré would run out of themes and issues to engage him, they could not have been more in error. Le Carré began his post-Cold War career with a stunning debut, *The Night Manager* (1993), the story of an undercover intelligence agent infiltrating the inner circle of an arms dealer to eventually destroy him.

Since then Le Carré has taken on the pharmaceutical industry in *The Constant Gardener* (2001); the devastation of the Congo by big finance in *The Mission Song* (2006); the war against and destruction of Chechnya in *Our Game* (1995); and the horrors of the "War on Terror" in *A Most Wanted*

Man (2008). In all, Le Carré has written 12 novels since the end of the Cold War, though he returns to that era in 24th novel, *A Legacy of Spies* (2017).

Many concerns and engagements interweave in Le Carré's work. Two of the important concerns are exploring moral ambiguities using espionage almost as a metaphor. These moral ambiguities play out in arenas ranging from patriotism, an individual's relationship with the imagined community we call a "people", or 'nation', to an individual's relationship with other individuals. This concern is embedded in a search, I believe, for a bedrock of humanism in which to anchor human existence.

The character Le Carré has chosen to be the vessel of both these themes is George Smiley, the master spy who is unlike any spy in popular imagining or fiction — a seemingly lost, utterly nondescript and donnish man. But Smiley, the protagonist of the classic Smiley trilogy — *Tinker, Tailor, Soldier, Spy*; *The Honourable Schoolboy*; and *Smiley's People* — has a moral compass that rarely betrays him even as he goes about his business without compunction.

The perfect metaphor for the moral ambiguities that Le Carré explores is caught in Smiley's relationship with his wife, Lady Anne, who is serially adulterous, leaving him often and returning equally often, though fleetingly. But Lady Anne's adulterous betrayals never shake Smiley's belief in her, not even when she has a relationship with his colleague Bill Haydon, who, as part of a coterie within the "Circus", the British Secret Service, works towards and succeeds in supplanting Smiley as number two in the service.

It is during Haydon's time in charge that the service discovers it has been infiltrated by a "mole" — a double agent. Smiley, out of favour by then, nevertheless relentlessly pursues the mole, who turns out to be Haydon himself. Just as Smiley refuses to judge his wife, he refuses to judge the flamboyant Haydon, at one time a close friend, though he spares no effort to run him down to earth. Le Carré's superimposition of these two betrayals and Smiley's reaction to them seem to betoken the author's own refusal to be drawn too easily into judgments.

In his Cold War novels, especially, Le Carré gestures at moral equivalences between the East and West in terms of betrayals and belonging that make it difficult for us to hold on to conventional positions predicated on ideas of patriotisms and us-and-them identities. It is here, perhaps, that he has contributed immeasurably to "international understanding, peace and common security".

Every week, Eye Culture features writers with an entertaining critical take on art, music, dance, film and sport

Foreign brokerages see higher returns

Despite economic slowdown, BNP Paribas, Morgan Stanley, Nomura and Credit Suisse are optimistic

SACHIN P MAMPATTA & SAMIE MODAK
Mumbai, 17 January

Foreign brokerages are betting big on 2020, hopeful of a turnaround in fundamentals. This is set to give a further fillip to market indices, which are already at all-time highs.

Separate reports issued by a number of foreign brokerages, including BNP Paribas, Morgan Stanley, Nomura and Credit Suisse have turned bullish for this year. BNP Paribas has set a target of 44,500 for the Sensex, which had breached the 42,000-mark for the first time during intra-day trade on Thursday.

The France-headquartered investment bank, in a note, said that consensus earnings growth for benchmark Indian companies is currently at 11 per cent for the financial year 2019-20 (FY20), for companies with positive earnings growth. It is 19 per cent for FY21.

“We think even though India’s earnings remain lacklustre, improved sentiment could spur select stocks, especially those that best satisfy our requirements on quality, growth, and valuation, including those in the mid-and small-cap areas,” said a January 2020 ‘Inside India’ report.

The report was authored by Abhiram Eleswarapu, head of India



WHO HOLDS WHAT

Brokerage	Key stock picks
Nomura	ICICI Bank, Axis Bank, L&T, KEC International, Dr Reddy's
BNP Paribas	HDFC Bank, Kotak Bank, ITC, HDFC Life, Bharti Airtel
Morgan Stanley	HDFC, ICICI Bank, NTPC, M&M, DLF, Interglobe
Credit Suisse	SBI, ICICI, ICICI Pru Life, Power Grid, Tata Steel

Source: Research reports

equity research at BNP Paribas Securities India.

Morgan Stanley India is also betting on higher growth on the back of policy action, including tax cuts and cash transfers, in its January 15 Indian Equity Strategy report authored by equity strategists Ridham Desai and

Sheela Rathi.

“While earnings growth is set for improvement, we still believe that policy action cannot rest to ensure that both growth and stock prices sustain into 2020,” it said. Japan-headquartered Nomura has set a Nifty target of 13,070 for December 2020, implying a

Sensex set for gain as risk appetite returns

The benchmark equity index is set for its best weekly gain in a month, helped by a revived appetite for risk among investors, amid a mixed start to the October–December company earnings season. The Sensex climbed about 1 per cent this week and is set for its best such gain since the period ended December 20.

The Sensex and Nifty ended on a mixed note after a volatile session on Friday, with gains in Reliance Industries offsetting losses in other heavyweights HDFC, ICICI Bank and TCS. After hitting a record intra-day high of 42,063.93, the 30-share BSE Sensex settled 12.81 points, or 0.03 per cent, higher at 41,945.37. The broader NSE Nifty, ended 3.15 points, or 0.03 per cent, down at 12,352.35. **PTI**

six per cent upside from the current levels. The 50-share bluechip index closed at 12,352 on Friday.

“We expect a gradual recovery through 2020 with a lagged positive impact of monetary stimulus and a policy thrust driving the investment cycle. Our recovery thesis assumes a support-

ive external environment with benign oil prices and supportive foreign fund flows,” Saion Mukherjee, head, equity research, Nomura, wrote in a note titled ‘cautiously constructive’.

Earlier, Credit Suisse, in a note, had said the markets could continue to make positive strides despite red flags on the economic front.

“Despite continuing economic weakness in the Indian economy, Credit Suisse expects headline indices to continue to stay elevated. They will be driven by steady fund inflows and earnings growth of firms that are not directly hurt by domestic macroeconomic weakness. They benefit from factors such as rising penetration of products and market share gains,” it had said in a release. The Swiss investment bank says market performance could be lopsided and investors should opt for “safety and quality” in 2020.

“We expect the narrow market performance to continue for now, as economic uncertainty continues to push funds into the “safe” stocks, resulting in higher market concentration.

Market performance in the coming year would be affected by how FY22 earnings move. We expect this to settle at a low-to-mid-teens growth on reduced FY21 base,” wrote Neelkanth Mishra, Asia Pacific and India equity strategist at Credit Suisse.

THE COMPASS

Better consumption brightens prospects of gas utilities

Fertiliser and city gas segments set to fuel growth; power demand may revive soon



SHREEPAD S AUTE

The recent figures on consumption indicate better growth prospects for gas utility companies such as GAIL, Indraprastha Gas and Petronet LNG, among others, in the near term.

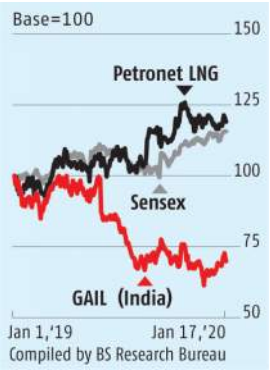
Though power demand remained subdued, two sectors, city gas distribution (CGD) and fertilisers, are fuelling growth in consumption of gas.

According to the Petroleum Planning and Analysis Cell, consumption of natural gas rose by over 5 per cent year-on-year in November 2019 and by 3.2 per cent in FY20 so far.

The growth was contributed by fertiliser and city gas segments, which saw a rise of 20-25 per cent. They accounted for about half the total natural gas consumption in the country, respectively.

Going ahead, gas consumption is expected to improve. According to analysts at Axis Capital, gas consumption is estimated to rise 4 per cent and 5 per cent in FY20 and FY21, respectively. This will be after growing penetration of city gas, completion of some projects such as the Kochi-Mangaluru pipeline, and higher utilisation of fertiliser as well as downstream oil & gas plants.

In FY19, consumption of natural gas was up by about 3 per cent. Among user industries, higher gas offtake was due to an uptick in fertiliser consumption in the December quarter. This was



because of increased rabi sowing, healthy reservoir levels and better crop prices.

Analysts expect demand from the power sector to revive in FY21 on the back of government policies.

Moreover, lower prices of domestic gas with realignment of prices from the Panna-Mukta-Tapi fields and cheaper spot LNG (liquefied natural gas) are expected to improve profitability, mainly of city gas distributors.

CGD companies source around 15 per cent of their gas requirement from Panna-Mukta-Tapi. However, some analysts are sceptical of volume and profitability improvement of distributors in the medium to long term amid fear of rising competition in the CGD space.

Thus, how the existing CGD companies protect their overall business would be the key monitorable.

For now, GAIL and Petronet LNG are preferred picks of analysts in the gas segment.

Sebi puts in place norms for listed REITs, InvITs on rights issue

PRESS TRUST OF INDIA
New Delhi, 17 January

The Securities and Exchange Board of India (Sebi) on Friday put in place a framework for the rights issue of units by listed real estate investment trusts (REITs) and infrastructure investment trusts (InvITs). It called for disclosure of objects of the issue and financial details in the offer document by such investment instruments.

In two separate circulars, the regulator specified the manner of issuance of units under the rights issue by listed REITs and InvITs.

Sebi said the issuer will have to disclose objects of the issue, related-party transactions, valuation, financial details, review of credit rating and grievance redressal mechanism in the placement document. Sebi had first notified REITs and InvIT Regulations in 2014, allowing setting up and listing of such trusts which are popular in some advanced markets.

Ever since Sebi introduced InvITs, the market witnessed listing of two public InvITs — IRB InvIT Fund and India Grid Trust, while three InvITs — IndInfraTrust, India Infrastructure Trust, Oriental InfraTrust — were privately placed.

On the other hand, Embassy Office Parks REITs is the only listed real estate investment trust.

Sebi has allowed listed REITs and InvITs to make a rights issue of units.

Asia tops high-end consumption: Report

Hong Kong world's costliest city while Mumbai is cheapest

ASHLEY COUTINHO
Mumbai, 17 January

Asia has five of the 10 most expensive cities globally and it's the costliest region for high-end consumption such as upscale residential property and high-end cars, said Julius Baer's first Global Wealth and Lifestyle Report. It also predicted that India's luxury goods market will grow 6 per cent.

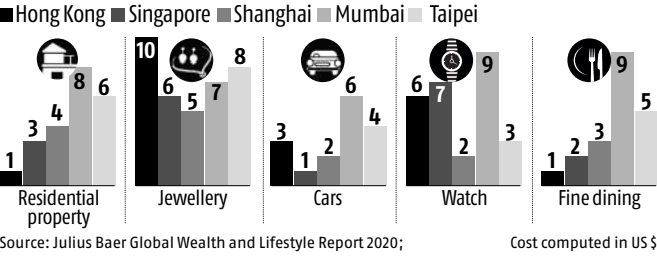
It surveyed 28 cities around the world: 10 in Asia, 12 in Europe, Middle East and Africa (EMEA), and six in the Americas. Hong Kong is the world's most expensive city and Mumbai the cheapest.

The Mumbai property market was steady in the first quarter of 2019, but is expected to improve with a more balanced supply and demand environment as well as improved liquidity, said the report.

Mumbai offers exceptional value across almost all luxury categories. “Wealthy residents here have access to property at roughly a



RELATIVE RANKING OF LUXURY GOODS IN ASIA (NO. 1 COSTLIEST, NO. 10 CHEAPEST)



10th of the price of the most expensive city, and wellness services are among the cheapest, including the best-value personal trainers.

In fact, several services are priced in or close to the bottom quartile. Only cars, pianos, wine

and business class flights exceed the global average.”

India's luxury goods market is valued at around \$8.3 billion per annum, growing at more than 6 per cent a year. For luxury cars, eight of the 10 most expensive cities are

found in Asia. However, for smaller items, Asia provides better value.

The Chinese now drive global demand for luxury cars, with younger buyers and women making up a significant share.

“Advances in electric technology promise to revolutionise personal transport. But without more efficient batteries and a proper recharging infrastructure, electric cars will likely remain premium products,” said the report.

Since the financial crisis, a combination of low interest rates and a flight to quality have caused real-estate prices to surge in the global gateway cities of London, New York and Hong Kong, observed the report.

“In the past year or so, demand has spread to secondary locations where better value is available, such as in Munich, Manila and Miami,” said the report.

European cities offer the best value. The continent's best-valued cities for luxurious living are Barcelona and Frankfurt. Barcelona's prime property market remains relatively inexpensive compared to European peers, while Frankfurt is cost-effective, particularly for portable high-end goods and hotel suites.

TCS disappoints Street with flat profit growth

In Q2 FY20, the company posted an 8.4 per cent rise in revenues, while the top line grew 11.4 per cent in April-June.

“Last (fiscal) year, we had a growth rate of 11.4 per cent. We are not going to be anywhere near that. If we do better than 8 per cent, I will be quite happy. It is somewhere in that range,” said Rajesh Gopinathan, CEO and MD, TCS. “The range of possibilities is not quite wide. But we are quite optimistic about what comes after that,” he added.

TCS' constant currency growth in sequential term also remained the lowest among its peers. While Infosys posted a 1

per cent sequential rise in revenues, it was 1.8 per cent for Wipro. However, TCS' revenue base is more than double that of its nearest competitor.

“Third quarter was a challenging one as the sectoral trends of the first half of the year continue to play out during this period. However, we are happy about the way we have negotiated with the environment and performed in this quarter,” said Gopinathan. The Tata firm, however, showed an improvement in its operating margin owing to cross currency gain and efficiency measures. Margin expanded by 100 basis points in

sequential terms at 25 per cent.

“Our ability to expand our margins in a volatile environment speaks of the strength of our business model, strong execution focus and the higher quality of revenues,” said V Ramakrishnan, chief financial officer at TCS.

Also, momentum in large deals continued as TCS signed \$6 billion contracts in the quarter, taking the total contract value (TCV) of deals signed during the first nine months of the fiscal year to more than \$18 billion, 22 per cent higher YoY.

Among business verticals, TCS continued to face growth

bumps in the BFSI and retail segments. While its BFSI vertical grew 5.3 per cent YoY, the retail segment grew 5.1 per cent.

“The UK and US (banking businesses) were structurally challenging during the quarter as clients were focussing on cost optimisation. However, we have added 20 small and medium new clients in the US apart from serving our large banking clients. Also, within BFSI, the insurance segment has performed extremely well in Q3,” said N Ganapathy Subramaniam, chief operating officer.

More on business-standard.com

► FROM PAGE 1

RIL revenue dips, retail, Jio up profit

RIL's net profit for October-December 2019 increased by 13.5 per cent to ₹11,640 crore, beating street estimates.

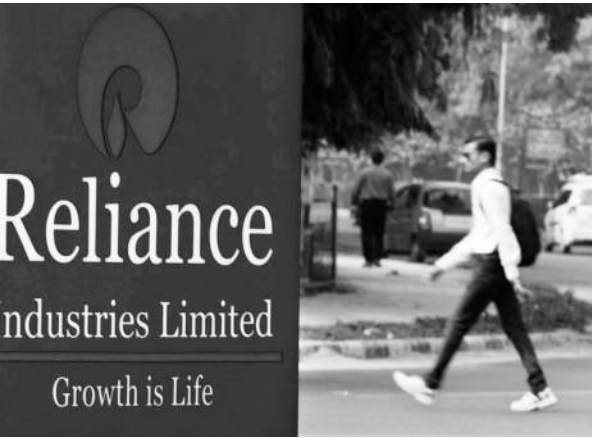
In a Bloomberg poll, 10 analysts estimated revenues of ₹1.45 trillion and net income of ₹11,435 crore for the third quarter. The company said it had reported its highest ever consolidated net profit.

Ambani, chairman and managing director, RIL, said: “The third-quarter results for our energy business reflect the weak global economic environment and volatility in energy markets.”

“Within our O2C (oil to chemicals) chain, downstream petrochemicals profitability was impacted by weak margins across products with subdued demand in well-supplied markets. Refining segment performance improved in a difficult operating environment, given our continuous focus on cost positions, high operating rates and product placement,” he added.

The decrease in RIL's revenues is primarily on account of a 10.6 per cent decline in the oil-to-chemicals business revenues, with a lower product price realisation and 6.6 per cent fall in Brent crude price. This was partially offset by a continuing growth momentum in consumer businesses, the company said in its statement.

In the refining segment, RIL reported a gross refining margin (GRM) of \$9.2 a barrel for the quarter. In the previous quarter, the GRM stood at \$9.4 a barrel while in the year-ago quarter it was \$8.8 per barrel. “The full impact (of International Maritime Organisation regulations) has not come in yet. We expect it will eventually show,” Srikanth



added. He also added it would take 12-18 months for petrochemical prices to improve. Revenues for the petrochemicals segment fell 19 per cent to ₹36,909 crore. The company also expects the full impact of the petcoke-gasifier project to reflect in the earning for full year FY21.

Though Jio lost 22.3 million subscribers during the quarter to end with 370 million of them, primarily because of “excessively heavy voice users, owing to implementation of IUC tariffs due to regulatory uncertainty,” the digital services business reported a 36 per cent increase in revenues to ₹17,555 crore.

Jio also became a net recipient of access charges within two months of implementing inter-connect user charges (IUCs), while its average revenue per user (ARPU) stood at ₹128.4 (including IUCs), up marginally from ₹127.5 in the previous quarter.

Reliance Retail also posted robust YoY revenue growth of 27 per cent to ₹45,327 crore.

The company's debt was at ₹3.06 trillion in Q3, against ₹2.87 trillion in March 2019. Its

net debt for the company as of December 2019 was at ₹1.53 trillion. “Intensity of capital expenditure has been coming down quarter on quarter,” Srikanth said.

He added the company would look at refinancing debt as a natural course of business.

The board of directors of Reliance Jio Infocomm (Jio) approved a scheme of arrangement between certain classes of its creditors, including debenture holders, for transferring identified liabilities of about ₹1.04 trillion for an equal consideration to the parent company. Jio has sought the National Company Law Tribunal's approval for the transfer.

Exports (including deemed exports) from RIL's India operations were lower by 13.7 per cent at ₹53,804 crore (\$7.5 billion) as against ₹62,378 crore in the corresponding previous period due to lower price realisation for the petrochemicals and refining businesses. Higher sales volumes of petrochemicals business products in domestic market also contributed towards reduction in exports.

Telcos brainstorm on paying up to 20% AGR dues now

According to Matthew, while telcos might write individually to the government, COAI too is planning to send a communication to the DoT seeking staggered payment of AGR dues.

Telcos have sent their self-assessment calculation of the AGR dues to DoT, which is free to change the amount if it wishes after scrutinising the numbers.

Sources said there seems to be a discrepancy in the industry estimate of the AGR dues with that of the government. For instance, Vodafone Idea has estimated its dues at Rs 44,000 crore, DoT claims it's more than Rs 53,000 crore.

According to analysts, the total amount of AGR dues recoverable by the government from Bharti Airtel, Vodafone Idea, Reliance Jio, Tatas and state-owned BSNL/MTNL is to the tune of Rs 99,000 crore going by the industry calculations and Rs 1.1 trillion by DoT.

As for the other telecom players such as Telenor, Etilsat and Rcom (which is undergoing insolvency proceedings), it will be difficult for the government to recover AGR dues. If six telcos pay up 10 per cent of the cash upfront, the government would get an additional Rs 9,900 crore to Rs 11,000 crore in the current financial year, and double of it if the industry pays 20 per cent. The government, staring at a significant revenue shortfall, would possibly need more.

Now, Bezos promises 1 million jobs...



Amazon said its operations network has created inclusive job opportunities across the country, including hundreds of associates with hearing and speech impairment at its fulfilment centres, sorting stations, and delivery stations. It also operates an all-women delivery station apart from running a pilot internship programme for individuals with autism and intellectual disabilities.

The company said it is also expanding growth opportunities for more than 550,000 traders and MSMEs, including local shops, through programs like “Saheli, Karigar, and I Have Space.”

The firm's new investments would help in its skills-building initiatives, including through Amazon

EXPANDING FOOTPRINT

700,000 Jobs Amazon has created in India since 2013

4 time Growth in employee base since 2014; inaugurated new campus in Hyderabad last year

\$6.5 bn Total commitment to India market, including \$1 bn announced this week

Web Services (AWS) infrastructure, ongoing Amazon Seller training modules and 100 Digital Haats.

It would also help in upskilling opportunities through AWS Educate's cloud computing certification programs, and the recently-launched AWS initiative to deliver more than 2,000 artificial intelligence and machine learning certifications.

Amazon announcement on jobs comes at a time when the Competition Commission of India (CCI) has ordered an investigation against Amazon and Walmart-owned Flipkart on complaints of deep discounting practices and tie-ups with preferred sellers. Bezos also faced protests from small traders during his visit.

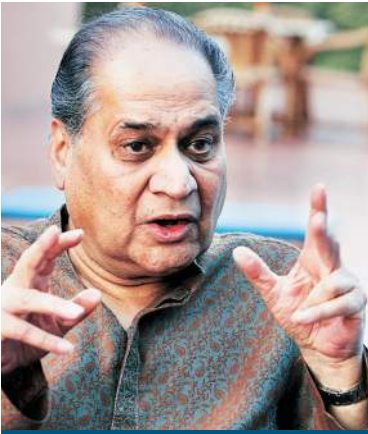
Over 119 billionaires to attend Davos

India’s contingent of 10-figure attendees is second only to the US, which has 33 heading to the World Economic Forum

BLOOMBERG
17 January

As the gulf between the rich and everyone else continues to grow, at least 119 billionaires are converging on Switzerland next week to join bankers, politicians and other grandees for their annual pilgrimage to the Alps. The elite group, worth about \$500 billion, includes regulars like Bridgewater Associates founder Ray Dalio, Blackstone Group Chairman Steve Schwarzman and JPMorgan Chase & Co Chief Executive Officer Jamie Dimon. They appear on a guest list of more than 2,000 names, representing roughly 100 countries, for the World Economic Forum’s annual meeting in Davos. The event retains its enduring status as the premier networking hub for the world’s wealthiest — with its attendant flock of private jets and \$43 hot dogs — even as it faces increasing criticism for its exclusivity. “I’ve been going since 1979,” said India’s Rahul Bajaj, who will be making his 40th appearance at the event. “It’s grown a great deal since then but I continue to get a lot out of the meetings, the sessions, the surroundings.” It’s no surprise he feels at home. He

should be joined in Davos by at least 18 other Indian billionaires with a combined net worth of about \$100 billion and business interests that include technology companies, steel mills and motor-bike makers. Six are members of the Bloomberg Billionaires Index, a ranking of the world’s 500 richest people. For some, the gilded guest list seems at odds with the event’s focus on creating fairer economies and remaking the world of work. This year’s theme is “Stakeholders for a Cohesive and Sustainable World,” and panels include “Balancing Domestic and Global Inequality” and “Breaking Legal Barriers to Equality.” Last year, a panelist caused a sensation when he slammed attendees for ignoring tax avoidance by the rich. “I hear people talking the language of participation, justice, equality and transparency but almost no one raises the real issue of tax avoidance,” Rutger Bregman, a Dutch historian, said at a talk on inequality. Bregman said in a LinkedIn post this week that he hadn’t been invited to this year’s event. Still, with 17-year-old environmental campaigner Greta Thunberg on the guest list there’s sure to be plenty of attention on the establishment’s failure to tackle the climate crisis.



RAHUL BAJAJ, chairman, Bajaj Group

“I’VE BEEN GOING SINCE 1979. IT’S GROWN A GREAT DEAL SINCE THEN BUT I CONTINUE TO GET A LOT OUT OF THE MEETINGS, THE SESSIONS, THE SURROUNDINGS”

Such public shaming hasn’t dampened the meeting’s widespread allure among the super-rich. Billionaires slated to attend hail from at least 36 countries with shipping tycoons from Greece set to mingle with Thai industrialists and Peruvian retailers. India’s contingent of billionaire attendees is second only to the US,

Davos diplomacy likely between India, Malaysia amid palm row

Trade ministers from India and Malaysia are likely to meet on the sidelines of the World Economic Forum’s annual meeting in Davos next week amid a palm oil spat between the two countries, a Malaysian government spokesman told *Reuters* on Friday. The government has repeatedly objected to Malaysian Prime Minister Mahathir Mohamad speaking out against recent policies which critics say discriminate against Muslims. Malaysia, a Muslim-majority nation, is the second biggest producer and exporter of palm oil and India’s restrictions on the refined variety of the commodity imposed last week has been seen as a retaliation for Mahathir’s criticism of New Delhi’s actions. **REUTERS**

which has 33 going to Davos, according to a Bloomberg analysis of a participant list. U.S. President Donald Trump is heading to the Alps with a group that also includes Treasury Secretary Steven Mnuchin, Commerce Secretary Wilbur Ross, US Trade Representative Robert Lighthizer, Jared Kushner and Ivanka Trump.

China’s economy slumps to 6.1%

AFP/PTI
Beijing, 17 January

China’s economy weakened to its slowest pace in three decades in 2019 as weaker domestic demand and trade tensions with the United States took their toll, official data showed Friday. The world’s second-largest economy grew by 6.1 per cent last year, its worst performance since 1990, according to the National Bureau of Statistics. The figure matches an *AFP* analyst forecast and is within Beijing’s official target of 6.0-6.5 per cent. But last year’s growth was down from 6.6 per cent in 2018. While China’s economy had been gradually losing steam over the first three quarters, growth stabilised at 6 per cent in the last three months of 2019 — the same pace as in the third quarter, according to the NBS. Ning Jizhe, commissioner of China’s National Bureau of Statistics, said China’s economy generally sustained a stable momentum of growth in 2019.



Chinese President Xi Jinping

China birth rate hits lowest level since 1949

China’s birthrate dropped to the lowest level since at least 1949 last year and the labour force continued to shrink, in the latest sign of slowing growth prospects for the world’s second-largest economy. The number of births per 1,000 people declined to 10.48, the lowest level on record according to National Bureau of Statistics data going back to when the Communist Party took power. **BLOOMBERG**

Impeachment trial begins in Senate

The historic impeachment trial of Donald Trump opened on Friday in the US Senate, as lawmakers took a solemn oath to be “impartial” in deciding whether to force the 45th US president from office. For just the third time in American history, the hushed Senate chamber was transformed into a court of impeachment, presided over by Supreme Court Chief Justice John Roberts, who administered the oath to senators. When Roberts, clad in a black robe, asked if they swore to deliver “impartial justice” according to the US Constitution, the 99 lawmakers present — one was absent — responded in unison, with right hands raised: “I do.” Earlier in the day, in a deeply symbolic moment, the two articles of impeachment — charging Trump with abuse of power and obstruction of Congress — were read out on the Senate floor. Adam Schiff, the chairman of the House Intelligence Committee who will serve as lead prosecutor for the trial, read the charges accusing Trump of “high crimes and misdemeanors.” **AFP/PTI**

ISRO LAUNCHES GSAT-30 SUCCESSFULLY



India’s communication satellite GSAT-30, aimed at providing high-quality television, telecommunications and broadcasting services, was successfully launched onboard Ariane 5 rocket from French Guiana early on Friday. Prime Minister Narendra Modi on Friday congratulated the Indian Space Research Organisation for the launch of its first satellite in 2020, saying it will help in enhancing DTH services, ATM and stock exchange connectivity

PHOTO: PTI

‘Beef fry’ delicacy tweet kicks up row

After a storm erupted over a “beef fry” tweet by Kerala Tourism on Makarasankranti day, the CPI(M)-led LDF government on Friday clarified its aim was not to hurt anyone’s religious beliefs. Slamming the state, BJP MP Shobha Karandlaje tweeted the “Kerala communist govt have declared a war against Hindus of the state!” Tourism Minister Kadakampally Surendran criticised those who were trying to give a communal colour to the tourism department tweet on the Kerala delicacy “Beef Ularthiyathu” and said in the southern state none links food with religion. “Tender chunks of beef, slow-roasted with aromatic spices, coconut pieces, and curry leaves. A recipe for the most classic dish, Beef Ularthiyathu, the stuff of legends, from the land of spices, Kerala,” the tweet read along with a recipe link. Some users showed their displeasure as the tweet had appeared on Makarasankranti day, a Hindu festival celebrated as Pongal, Bihu and Lohri in other parts of the country. However, many came out in support, too. **PTI**

BJP releases first list of 57 candidates for Delhi polls

PRESS TRUST OF INDIA
New Delhi, 17 January

The BJP on Friday released its first list of 57 candidates for the February 8 polls to the 70-member Delhi Assembly, fielding sitting MLA Vijender Gupta and former mayors Ravinder Gupta and Yogender Chandolia. The list, which was released by Delhi BJP chief Manoj Tiwari, also included former AAP MLA Kapil Mishra and has 11 SC and four woman candidates. The party, however, did not name its

The party did not name its candidate against AAP leader and Delhi CM Arvind Kejriwal

candidate against AAP leader and Delhi Chief Minister Arvind Kejriwal on Friday with Tiwari saying the candidate from New Delhi seat will be announced soon. Gupta will again fight from his Rohini seat, while Mishra will contest from Model Town. Tiwari was joined by senior BJP leader Prakash Javadekar at the press conference where he announced the party candidates whose names were finalised at its central election committee meeting on Thursday night. The ruling AAP has announced all its 70 candidates.



Delhi BJP State President Manoj Tiwari with Union Minister Prakash Javadekar during the release of BJP’s first list for Delhi Assembly polls on Friday

PHOTO: PTI

Spread message of development in J&K, do visit villages: PM tells ministers

PRESS TRUST OF INDIA
17 January

Prime Minister Narendra Modi on Friday told the group of union ministers visiting Jammu and Kashmir to spread the message of development among the people not only in the urban areas but also in the villages of the Valley, sources said. As part of a massive outreach programme, 38 central ministers will visit 60 locations in Jammu and Kashmir starting from Saturday, Chief Secretary B V R Subrahmanyam said after a review meeting in Jammu. At a meeting of the Council of Ministers in New Delhi, the prime minister asked the ministers to spread the message of development during their interaction with the locals, the sources said. They were also asked to spread the message about the various central schemes which will benefit the people at grassroots level. He said the ministers should not restrict themselves to the urban areas but meet people in villages also to inform about the developmental work carried out by the central government in Jammu and Kashmir. The 38 Union ministers will visit different districts in both the divisions of the Union Territory starting from January 18 to January 24 and the home ministry is coordinating it. There will be 51 visits to Jammu and eight to Srinagar. Union minister Smriti Irani will visit Katra and Panthal areas of Reasi district on January 19, while on the same day her cabinet colleague Piyush Goyal will be in Srinagar. Whereas Minister of State for Home G Kishan Reddy will be in Ganderbal on January 22 and Manigam on January 23, Law Minister Ravi Shankar Prasad will visit Sopore in Baramulla district on January 24. V K Singh is scheduled to visit Tikri in Udhampur on January 20 while Kiren Rijiju will go to Suchetgarh in Jammu on January 21.

Khamenei calls Trump a ‘clown’

Iran’s supreme leader said US President Donald Trump is a “clown” who only pretends to support the Iranian people, as he addressed Friday prayers in Tehran for the first time since 2012. Ayatollah Ali Khamenei says Trump will

“push a poisonous dagger” into the nation’s back. He said the outpouring of grief at the funeral for Iran’s top general, who was killed in a US airstrike earlier this month, shows that Iranians support the Islamic Republic. At least 11 American

troops were injured in an Iranian attack on an Iraqi base where American soldiers were deployed, US Central Command said Thursday, although the US military had previously maintained there were no casualties. **AGENCIES**

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Revisiting the glory days of
India's national orchestra

18 JANUARY 2020

Business Standard

WEEKEND

PHOTO: DALIP KUMAR



Deep dining

A new entrepreneurial
force is taking your
dining-out decisions
for you. **Veer Arjun
Singh** meets some of
the people driving it

Whether you gravitate towards your favourite bar for a cosy drink or pick a new gastropub in town to knock back a few, chances are you are being lured by the same set of people. They likely also own your favourite café and the new Asian bistro that you have been meaning to visit. They are feeding your Instagram and fuelling your greed. And they are doing all of this in fascinating ways.

First, they do their research. Delhiites, you eat out six times a month on average and prefer North Indian food. Mumbaiers have developed a taste for Italian (33 per cent) and Chinese (29 per cent) and dine out an average of 4.2 times a month. Bengalureans also like North Indian (27 per cent); and they spend the most on it: ₹3,586 a month on average, followed by Mumbai's ₹2,890 and Delhi's ₹1,381. These findings are from the India Food Services Report released by the National Restaurant Association of India (NRAI) in June last year. The report also said the food services industry was a ₹4,23,000-crore market in 2019, expected to grow to ₹5,99,000 crore by 2022-23. But then, things changed.

India's Gross Domestic Product (GDP) growth estimated at 5 per cent by the National Statistical Office for FY19-20 is the lowest in 11 years. Retail Inflation at 7.35 per cent in December last year was the highest in five years. The economy is slowing and things are getting more expensive. And even as they expect that you might double down on your comfort food after a skipped appraisal at work — a hot chocolate at your favourite café followed by visits to your go-to bar — they know you might be forced to reconsider every purchase.

"Apart from the slowing down of the economy, there's the problem of oversupply. Just about anyone wants to open a restaurant," says Chetan Rampal, partner at Olive Bar & Kitchen. A new restaurant is able to draw the attention of people for a while but customers tend to return to their comfort, he explains. "But the problem is that new restaurants just keep coming up."

Fresh out of college with a diploma in management, Rampal joined the Olive Group in 2011 and soon proved to be an able deputy to A D Singh, the pioneering restaurateur who was instrumental in introducing India to casual dining in the early 2000s with his Olive brand of restaurants in Mumbai and Delhi. And with Manu Chandra, now among India's most influential young chefs, also a partner, Rampal has given the group an enviable line-up of brands. Monkey Bar, a gastropub, was followed by The Fatty Bao, an Asian gastropub, and Toast & Tonic, a craft cocktail bar and restaurant that serves world cuisine. The Olive Group's acclaimed Bombay Irani café and bar, SodaBottleOpenerWala, has spread to



PHOTO: KAMLESH PEDNEKAR

eight locations in six cities in five years.

Their most recent offering is Cantan on Bengaluru's plush Lavelle Road. Opened in May last year, the menu features regional Chinese dishes with an emphasis on street food from Sichuan and Guangzhou. Decades of experience and a few successful chains give this group the impetus to experiment with new cuisines and concepts.

Priyank Sukhija of First Fiddle has mostly been a one-man show. At 19 in 1997, the young man invested in a bowling alley that never took off. He managed to get some funds from his father for a restaurant in 1999 and opened Lazeez Affaire in Delhi's Chanakyapuri. Twenty years on, it's still the place where foreign tourists throng to taste "authentic North Indian" when their wallet doesn't stretch to Bukhara (at the ITC Maurya hotel).

Sukhija has built something of an empire since. I met him last week over a sushi and a fig old-fashioned at Plum by Bent Chair in Delhi's Aerocity, which opened in June 2018 and where everything you see is for sale. He was able to break even on his investments for Plum within a year. Two more Plums have come up since in Mumbai and Delhi.

"Same store growth is slow in major cities, but Tier-2 markets are doing extremely well," he says. Lord of the Drinks is his version of a go-to bar which has 13 outlets across Delhi-NCR, Pune and Mumbai and now Kanpur and Lucknow. Four more outlets are in the pipeline. "To go out and just celebrate nothing has become a part of our culture," he says. He will soon come up with Diablo on the Mehrauli-Gurgaon road in Delhi. A Japanese restobar, MisoSexy; another bar, Daddy; and a concept kept under wraps called Lies by Bent Chair are also in the works.

You might have strolled into Warehouse Cafe, Openhouse Cafe, Teddy Boy, Flying Saucer or Tamasha, his other bar lounges in Delhi. And with Plum and the beautifully designed, high-energy bar, Dragonfly Experience, in Aerocity, which he opened in partnership with pop singer-rapper, Badshah, last year, Sukhija now has a bar at every

price point. First Fiddle closed at a revenue of ₹235 crore in FY2018-19 and, despite a slowdown, is expected to clock ₹265 crore this year.

Sukhija's former partner, Akshay Anand, brought the international nightclub chain, Toy Room, to the Aloft Hotel in Delhi's Aerocity last year after chasing the brand for 16 months in London. The club that opens only on Fridays and Saturdays is known for its pole dancers, expensive tables, champagne-popping rituals and its hip-hop and R&B music. Located in a five-star hotel, it runs for 24 hours on the two nights and earns 95 per cent of its revenue from alcohol.

This year, Anand signed a coveted 3,000 sq ft space in Aerocity's JW Marriott to bring another A-list brand to Delhi called Cozy Box, a pop-up restaurant running inside the Cannes Film Festival for the last 14 years by celebrity restaurateur, Jean-Bernard Fernandez-Versini. "It's going to be one of the best designed places that Delhi has seen," claims Anand.

And now meet the man who introduced many to *sheeshah* and encouraged you to laze around in cafés. Riyaaz Amlani's Mocha revolutionised cafés. The first opened in Mumbai in 2001. "Mocha was a contemporised take on the Turkish and Moroccan *dawakhana*," says Amlani. A young shoe shop owner turned restaurateur at 19 could not have anticipated the demand it met with. Not that he had been to a *dawakhana* in Morocco or Turkey. "It was based on my research on the internet," says the man who heads Impresario, one of India's biggest hospitality companies, best known by gastronomes for its 10 outlets of gourmet bistro Smoke House Deli across Mumbai, Bengaluru and Delhi. The company has a total of 57 outlets across its brands.

Mocha has since shifted base to Tier-2 markets such as Lucknow and

“COZY BOX IS GOING TO BE ONE OF THE BEST DESIGNED PLACES THAT DELHI HAS SEEN”

AKSHAY ANAND
Restaurateur



Ahmedabad. The high rentals in Mumbai did not justify the APG (average per customer) any more, he says. His café chain, Social, which becomes a co-working space in the day, bar by evening and a club after, has since taken over the major cities with its 26 outlets. Another brand from the company, antiSOCIAL, has outlets in Mumbai and Pune, and is known for its music gigs.

Amlani has also become a sort of an authority on French-style food. After Slink & Bardot in Worli, the latest from Impresario is Soufflé S'il Vous Plait on South Mumbai's Veer Nariman Road.

There's another man who has been luring you, just not with many fancy names. While he refreshes his menu every few months, you probably go back for the same Juicy Lucy burger. Vikrant Batra has nailed consistency with Café Delhi Heights. From one outlet in DLF Cross Point Mall in Gurugram in 2001, it has grown to 24 outlets across Delhi, Mumbai, Pune and Bengaluru.

Batra inherited a catering business from his parents where he spent hours in the kitchen with *hal-wais* and learned to refresh an Indian food menu that would serve gatherings of thousands. "When I opened my first restaurant, it bled for 18 months," says Batra. Today, people only visit

an unpopular Delhi mall for the "original" Delhi Heights. The latest on its menu is a page each for vegan and superfoods. "I run a place where three generations can come eat and drink what they like," says Batra.

I met him at his new place, Dhansoo Café in Delhi, which has borrowed the ground floor from the Peruvian fine-dining restaurant, Nueva, that he opened with cricketer Virat Kohli in

1. First Fiddle's
Priyank Sukhija
at Plum by Bent
Chair in Delhi

2. Massive
Restaurants
founder
Zorawar Kalra

3. Café Delhi
Heights co-founder
Vikrant Batra

4. Impresario
CEO and MD
Riyaaz Amlani at
his office in
Mumbai



COURTESY: MASSIVE RESTAURANTS



COURTESY: CAFÉ DELHI HEIGHTS

2017 to mixed reviews. It has a niche clientele and will continue to run, Batra says. The chic new restaurant features a largely Indian menu and their Aslam Chicken approximates its place of origin near Jama Masjid in Delhi well, just more accessibly and hygienically. "It's not about opening new brands, just doing something new," he says. His is a family-owned business in the true sense where his brother manages the finances and mother perfects the menu across its outlets.

The Kalras are yet another family known for its North Indian food pedigree. Jiggs Kalra was among the most respected restaurateurs in the country. His son, Zorawar, heads Massive Restaurants, which runs Masala Library by Jiggs Kalra, a brand that has won numerous awards and has a restaurant each in Delhi and Mumbai. The only other outlet is at the J W Marriott Marquis Dubai. "It's a premium fine-dining restaurant and I am not keen on opening too many of them and diluting my father's brand," says Kalra.

Kalra manages to build loyalties while satisfying his patrons' need for novelty. He runs a successful chain of Made in Punjab restaurants. And his Farzi Café, which takes a modernistic approach to North Indian cuisine, is the one creating a larger footprint around the country with five outlets and more in the pipeline. "Farzi is a modern restaurant and has grown really fast, but a Made in Punjab will always have that special place in the heart of its original customers," says Kalra. He is still bringing world cuisine to India with brands like Pa Pa Ya, TYGR, Bo-Tai, Yunion and the recently opened Hotel ShangHigh. But Kalra is committed to taking Indian food to the global palate. His company has 18 outlets in total and is present in seven countries.

While restaurateurs are dealing with a slowing economy, multiple licensing issues, a roll-back of input tax credit under new GST norms and businesses cannibalising each other, they seem most worried about finding loyal patronage in a new generation. Like Kalra says: "The cream will rise to the top and that's the nature of the business." We will simply have more and better to choose from.

TALKING POINT



SHUMA RAHA

Deepika's acid test

Chhapaak, starring Deepika Padukone as an acid attack survivor, is a story of triumph. It's an enabling story about overcoming horrific odds that may suddenly be flung at you, searing you, maiming you, and seemingly condemning you to death in life. It's a story of hope over hate. For every acid attack against a woman springs from hate — a retaliatory hate that insists on teaching her a murderous "lesson".

In the film, Padukone plays Malti, a young girl who goes through multiple surgeries to reconstruct her acid-ravaged face, fights a long and arduous legal battle to bring to justice those who had attacked her, becomes an acid attack activist herself, and ultimately, finds both love and a career. But despite its almost fairy tale ending, *Chhapaak*, which is based on the real-life story of acid attack survivor Laxmi Agarwal, keeps its focus on the sulphurous hate, the vicious misogyny, that lies at the heart of this awful crime. "So you want to achieve great things?" Malti's spurned lover and soon-to-be assailant whispers menacingly to her over the phone. His voice is thick with hatred — hatred for a woman who refuses to comply and wants to exercise her own choice.

Ironically, the hatred that has enveloped Deepika Padukone ever since she turned up at the beleaguered precincts of Jawaharlal Nehru University last week may be seen as a variation on the same theme. Padukone had stood with the protesting students of JNU, and though she did not utter a single word, the cameras captured her sombre face and showed her greeting JNU students' union president Aishe Ghosh, who had been been grievously assaulted when a group of masked goons went on a rampage inside the campus on January 5.



The vitriol against Padukone, who is a hugely popular star, will fade over time. But let's not forget what caused it

And at once, the actress was pitchforked into an almighty controversy. While some lauded her for lending her starry heft to the cause of the protesting students, others said that it was no more than a publicity stunt, a calculated strategem to ride the head-

lines and trend on social media ahead of the release of her film, *Chhapaak*. And still others began to badmouth her because they felt she was rooting for JNU's left-leaning students who are routinely damned as anti-national by the powers that be.

It is this latter group that immediately called for a boycott of *Chhapaak*, and the film was slammed with one-star ratings the moment it released. Clearly, the idea was to hit Padukone where it hurt, for she is not only the lead actress of the film, she is also its producer. When so many other megawatt stars of Bollywood had remained silent and not taken sides over the protests against the CAA-NRC taking place across the country, Padukone's gesture of solidarity with disaffected students could not go unchallenged or unpunished. Publicity gimmick or not, she had been seen to take a stand that was contrary to what was expected of A-list celebrities like herself. She had not been compliant — and the blowback was swift and hard.

Padukone is no stranger to hatred. In 2017, Karni Sena, a group in Rajasthan agitated over alleged distortions in Sanjay Leela Bhansali's film *Padmaavati* (where she played the role of the mythical queen), had threatened to cut off her nose. But though scary, that threat could be dismissed as the ravings of the lunatic fringe. This time, the animus has been mainstreamed. BJP leader Tajinder Singh Bagga tweeted the call to boycott *Chhapaak*; Union minister Smriti Irani said that she had sided with "those who celebrate every time a CRPF jawan is killed". These are voices from the government, and they were making it clear that there's a cost to supporting those they view as the "other". In 2016, another Bollywood bigwig, Aamir Khan, lost a lucrative contract as brand ambassador of Snapdeal after he was roundly vilified for having expressed his concern over the perceived lack of intolerance in the country. Khan has not spoken this time.

The vitriol against Padukone, who is a hugely popular star, will fade over time. But let's not forget what caused it. Just as *Chhapaak*'s happy ending must not make us forget the casual brutality with which some women's lives are destroyed simply because they refuse to fall in line.

Shuma Raha is a journalist and author

THE MAN WHO...

is behind a reading revolution

AMRITA SINGH

In December last year, Ladeeda Farzana, Ayesha Renna and two other women became national symbols of courage. When, Shaheen Abdulla, their male friend and co-student at Delhi's Jamia Millia Islamia (JMI), was dragged out on to the road and beaten by foul-mouthed policemen, the women threw themselves on to Abdulla, shielding him from the brutal attack. The hijab-clad young women were simply defending their friend but for Usuma Zakir, a 30-year-old research scholar and lecturer at Jamia's department of English, they were creating history. "These young women broke existing gender binaries in ways that go beyond just their actions. They have empowered an entire section of Muslim women to speak up and resist," says Zakir.

Zakir, who teaches translation theory and poetry, looks at everything through the prism of poetry and has been writing in Urdu and English for more than six years. He has written multiple poems on the women of Shaheen Bagh, celebrating

their femininity and their non-violent but stern protest. One of them begins with, "*Badhi hi naazuk hai ungliyaan yeh / Har ek naare par uth rahi hain / Hawa mai lalkar bhar rahi hai / Magar chamatkar ho raha hai...*" (Look at these delicate fingers being lifted with every slogan, challenging and magical.)

He explains that most of the women protesters in the now-fabled Shaheen Bagh neighbourhood who sit patiently in a big, yellow tent, night and day, are mothers. Their fierce energy, one that keeps them away from domestic chores and pushes them into a realm where their language and voices have begun to matter, is a manifestation of the neighbourhood experiencing a historic moment. The women of Shaheen Bagh were expressing themselves full-throatedly, but what of their children, wondered Zakir.

Two weeks ago, Zakir started "India Reads India Resists", a space for children but one that is open to anyone who wants to read and dip into Zakir's repository of books. Set up with the help of his cousin Younis Nomani and his friend Vasundhara Gautam, both graduate students at Jamia,



Usuma Zakir

the tiny nook opposite the protest tent serves as the space for this resistance. Here, children between the ages of five and 15 come to read, make posters and learn. One 70-year-old man, now reading his third Premchand novel here, comes every day to spend a couple of hours in the presence of books, posters and slogans. "Young children are chanting slogans that they do not even understand. We want to channelise their anger, their frustration, their energy into an outcome that is productive and positive," says Zakir.

For the younger lot (ages 5 to 12), poster-making and storytelling are two ways in which they express themselves.

Order of the day

Kamini Lau, who cited the Constitution to make a case for people's right to protest, has a reputation of being a no-nonsense judge, writes Ritwik Sharma



ILLUSTRATION: AJAY MOHANTY

The courtroom of additional sessions judge Kamini Lau at Tis Hazari wears the look of a typical official space as a crowd waits patiently for the final order on the bail application of Bhim Army chief Chandrashekhar Azad. Clerks record testimonies of people in other cases, while a few policemen, lawyers and journalists chat among themselves.

A day earlier, on January 14, judge Lau's dressing-down of the Delhi Police and assertion of the jailed leader's constitutional right to protest peacefully created a frisson of excitement among those who have been raising their voices against the Citizenship (Amendment) Act (CAA).

As the bespectacled judge walks in, the crowd rises and swarms around her bench. She quickly enquires about the police station in the vicinity of Azad's home in Saharanpur, Uttar Pradesh, and lays out the conditions of his release, even as the latter's counsel, Mehmood Pracha, pleads with her to not deny him a stay in Delhi for the next four weeks.

The judge with a reputation of being a strict, no-nonsense arbiter is swift and firm and even banters with Azad's counsel like a schoolteacher would with an errant pupil.

Delhi goes to polls on February 8. Until a week after the elections, Azad, a Dalit leader popular among youths, can visit Delhi only for medical reasons after informing his local police station, the judge says. He shall not hold or organise any procession or dharna in the national capital, she says and asks, "Does he intend doing that?" The mood lightens and some in the courtroom laugh. "This is your right, but not till the elections are over," Lau smiles.

They continue to exchange words for a

few minutes. Pracha asks, "Will it be appropriate if a person who is supposed to be a leader of various communities is stopped from placing any opinion about the Delhi election?" "He can do that from there (Saharanpur). I don't want any kind of violence here," Lau retorts.

She won't entertain requests for Azad to stay in the places named by the counsel, including the protest hub of Shaheen Bagh. Nizamuddin and Jor Bagh, and adds that "we have to maintain certain checks and balances".

The Bhim Army had organised a proces-

sion from Jama Masjid in Old Delhi to Jantar Mantar last month. Azad was accused of instigating people and was sent to judicial custody in connection with protests in Daryaganj.

When Pracha expresses apprehension of the police misbehaving with Azad, Lau assures him. "After what you did yesterday... you went out and started making statements everywhere...", she laughs, referring to her headline-grabbing remarks a day earlier.

She had ticked off the public prosecutor opposing the bail plea, asking him if he had read the Constitution. "You are behaving as if Jama Masjid is Pakistan. Even if it was Pakistan, you can go there and protest. Pakistan was a part of undivided India," the judge was quoted as saying.

Judge Lau, who is in her mid-50s, comes from a family of lawyers and has been a part of the Bar and Bench at the Tis Hazari

courts for nearly three decades. Her father retired as the standing counsel for the Delhi government, and her three siblings grew up to be advocates. She joined the judicial services in 1992. Apart from earning a name for speedy disposal of cases, she has also suggested chemical castration as a punishment for rapists in one of her judgments, considered triple talaq as invalid and has been charged with criminal contempt for questioning the judgments of a Delhi High Court judge.

Lawyers at Tis Hazari say she is a strict judge whose work culture is different from the others in terms of clarity on the status of pending matters or state of evidence. Her cases also see few adjournments, they add.

An advocate of criminal, civil and matrimonial cases at the courts complex, who does not wish to be named, says judges with a reputation of being hard nuts do not tend to be relief-friendly, and therefore their perception within the fraternity can be negative. A

judicial relief or remedy is the means with which a court, usually in the exercise of civil law jurisdiction, enforces a right, imposes a penalty, or makes another court order impose its will.

"If there are 10 bail pleas in one day, in her court eight are likely to get dismissed. Some [judges] are very open to granting relief; in her case the conviction rate is higher," he says, adding that lawyers are split in their stance on the amended citizenship law and, therefore, many of them are not happy with the bail to Azad.

Posters on the violence in Jawaharlal Nehru University (JNU) and the bushfires in Australia, all make it to the walls of this nook. The posters are replaced each day with new ones. The teenagers of Shaheen Bagh read the Preamble to the Constitution, line by line, along with a copy of the contentious Citizenship (Amendment) Act (CAA) to understand the remarkable inclusiveness of the former and the exclusionary and divisive aspects of the latter. They are taught mindfulness and given reading material so that they can arm themselves with arguments and information when they resume school and may be confronted by "pro-CAA students". "We want them to be able to have rational conversations and breed love," says Zakir.

Storyteller Himanshu Bajpai and puppeteer Anurupa Roy have made their way to this nook as well, attracting even more children to come and spend their days learning at a time when normal life has come to a standstill in the neighbourhood.

In two weeks, Zakir and his friends have managed to affect the lives of 500 children and young adults. They are now in talks with NGOs, artists and other local bodies to see what shape this movement can take to fuel what Zakir calls a revolution.

Lau refused to give an interview for this article.

In the context of the ongoing nationwide protests against the new law, Lau's stern words to the police were immediately met with admiration. Lawyer-activist Prashant Bhushan tweeted: "At a time when the Supreme Court appears to be in retreat, a judge of the lower courts shows a candle to their Lordships sitting there. It is judges like Kamini Lau who keep the flame of democracy & hope alive in the judiciary."

But, because of the conditions imposed on Azad many felt her advocacy in an open court did not find expression in her final order that quoted Tagore's poem, "Where the Mind is Without Fear". It triggered speculation of a judgment betraying political pressure, with the advice to Azad to desist from disrespecting the Prime Minister.

Tripti Poddar, a lawyer practising in Delhi, points out that the higher judiciary has refused to interfere in matters relating to the anti-CAA protests. Last month, after the alleged police brutality on the campuses of Jamia Millia Islamia and Aligarh Muslim University, responding to student petitioners the Supreme Court asked them to approach high courts first.

Welcoming Lau's remarks, Poddar says: "If you look at the anti-CAA movement, it is absolutely amazing and encouraging that a judge is willing to make these statements in an open court."

"However," she adds, "the unfortunate thing is that what a judge says in the district court has no binding power before the high court or Supreme Court, which is where these appeals will go and which is where the petitions against CAA and the violence against students are going to be decided."

LAWYERS SAY SHE IS A STRICT JUDGE WHOSE WORK CULTURE IS DIFFERENT IN TERMS OF CLARITY ON THE STATUS OF PENDING MATTERS OR STATE OF EVIDENCE

Humanising the villain of 1962

Jairam Ramesh offers a balanced and wide-ranging account of V K Krishna Menon, Nehru’s controversial and irascible defence minister, taking in his role as freedom fighter, leftist politician, diplomat and visionary, says **Ajai Shukla**

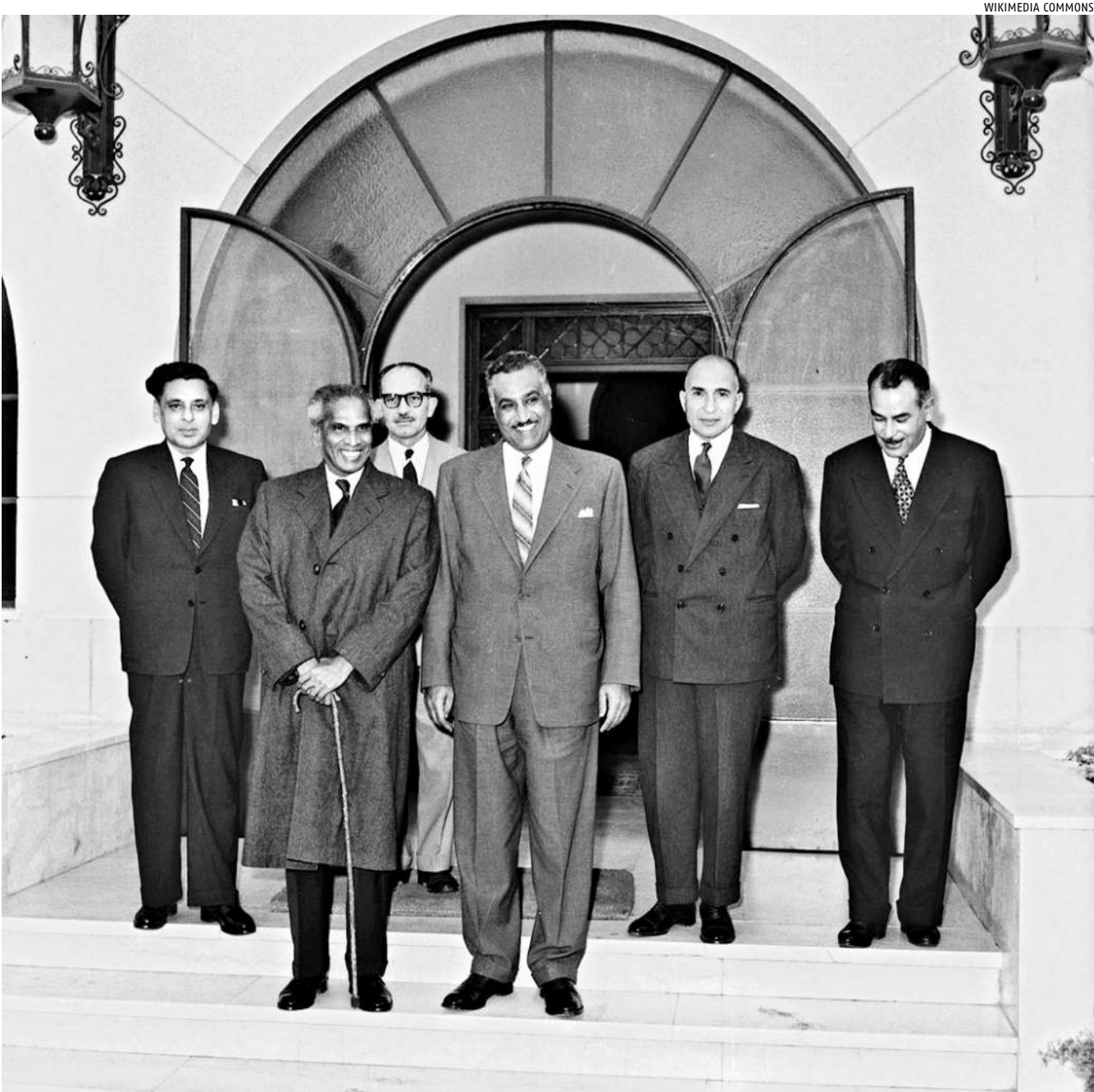
V K Krishna Menon, one of modern India’s most cerebral, sardonic and acerbic political leaders, was described tellingly after his death in 1974, in an obituary sentence in the *London Times*: “[A] remarkable, yet unlikeable man who worked untiringly all his life for his country, yet never received a nation’s gratitude, or even acceptance.” Even within the Congress Party, which he served selflessly despite his markedly left-wing personal convictions, he was regarded as an outsider and relentlessly undermined by mainstream leaders, lasting as long as he did only because of Jawaharlal Nehru’s unwavering support.

Much has already been written about Menon, mostly criticism of his role as defence minister in the lead-up to the 1962 war, in which the Indian Army was comprehensively drubbed by China. At least two generations of Indians after 1962 see Krishna Menon as the political villain who sent primitively armed, poorly clad and barely trained Indian soldiers to senseless deaths at the hands of a rampaging Chinese army. Now Jairam Ramesh, in this extraordinary *tour de force*, offers a more balanced and wide-ranging account of an outspoken freedom fighter, skilful diplomat, take-no-prisoners negotiator and visionary who has been unfairly denied the credit he deserves.

It would be easy — and mistaken — to dismiss the author’s sympathy for his subject as stemming from their common identity as Congress party members. In fact, most Congressmen of the freedom struggle era considered Menon more a communist than a Congressman. His most committed detractors were Congress members, most notably Nehru’s sister, Vijaya Lakshmi Pandit, and powerful right-wingers such as Rajendra Prasad and Govind Ballabh Pant. Following the 1962 debacle, it was infuriated Congressmen who arm-twisted Nehru into dropping Menon from his cabinet and casting him into the political wilderness. Many of the Congress’ stalwarts, having spent decades confronting the British in India, lacked an understanding of the crucial role that Menon played during those years, living hand-to-mouth in London to canvass and mobilise British left-of-centre opinion to create sympathy for Indian self-rule.

Menon picked relentlessly at an uncomfortable fault line in the British conscience: that the subjugation of India was inconsistent with Britain’s claim to be a moral power. In 1932, Menon established the India League as the forum for his activities and ran it up till independence on a shoe-string budget, surviving, it emerges, on endless cups of tea. During these years, he forged invaluable relationships with prominent left-wing British intellectuals Bertrand Russell and Harold Laski, future Labour Party prime ministers such as Clement Attlee and influential British policymakers, such as Sir Stafford Cripps and Lord Louis Mountbatten (spoiler alert: Menon played a big role in his appointment as viceroy).

British Labour Party leader Michael Foot summed up Menon’s role in the freedom struggle: “[Annie] Besant fought for India’s freedom in India, while Krishna Menon worked for India’s freedom in Britain... We gave you Annie Besant and you gave us



STANDING TALL: Then Defence Minister V K Krishna Menon (left) with Egyptian President Gamal Abdel Nasser in Cairo, December 1958

Krishna Menon who spoke to us in a language that we could understand.”

One of the most compelling themes of the book is its psychological portrayal of Menon — as a tortured soul in whom brusque ruthlessness went hand-in-hand with a deep desire for approval. Over the decades, Menon bombarded Nehru, his intellectual soul mate, with offers to resign because he felt underappreciated or undermined by one of his rivals. Nehru’s patience was phenomenal; he would reply promptly, reassuring and pacifying his moody comrade, but only until the next bout of petulance. Occasionally, such as when Menon embroiled the government in the “jeep scandal”, Nehru would write more reproachfully, but never transgressing a line. Ramesh recounts a hilarious exchange in 1953, when even Nehru’s patience ran out while brokering peace between Vijaya Lakshmi Pandit and Menon. The prime minister wrote to Pandit: “By far the best part of my time is taken up reconciling people or in soothing them... I do not know if in other countries [leaders] are faced with these difficulties of individuals behaving too individualistically. In the Soviet Union, I suppose, when this happens they are liquidated...”

As the author painstakingly details — and that is one reason why this book is an elbow-taxing 725 pages long — Menon’s diplomatic achievements go well beyond his marathon, eight-hour-long speech in the United Nations, where, as even his detractors admit, he memorably defended India’s position on Kashmir. Menon also played a key role in mediating between the

US and China on Korea, salvaging the Indo-China (Vietnam) accords in Geneva in 1954 and, incredibly, almost managing to bring together America and China in 1955 — something that Pakistan eventually pulled off in 1971.

Ironically, given that so many of these triumphs involved China, Menon’s Waterloo came with the Sino-Indian war of 1962. Ramesh details the euphoria that greeted Menon’s appointment as defence minister in 1957, and the widespread optimism about the benefits of Menon’s partnership with the highly regarded army chief, General K M Thimayya. But, while Menon established the Defence Research & Development Organisation, the Border Roads Organisation, launched the Navy onto a Blue Water trajectory with the purchase of an aircraft carrier, *INS Vikrant*, and began the building of fighter aircraft in the country by concluding the MiG-21 contract with the Soviet Union, his inability to get along with his senior commanders (like him, heavily anglicised) severely undermined the military’s organisational coherence. In one of the most shocking parts of the book, Ramesh cites diplomatic despatches that recount Indian generals and officials, including Thimayya and Vijaya Lakshmi Pandit, complaining bitterly about Menon to the British ambassador, even alleging that the defence minister was readying a coup to supplant Nehru. Today, this would seem disloyal, even treasonous but, in those days, not long after independence, the British con-

tinued to enjoy an exalted status that led to such confidences. It should not be forgotten that, until the late 1950s, the Indian Air Force and Navy continued to be commanded by British officers. Menon himself told the British envoy that “General Thimayya was a fool and not a very nice fool either”, and blamed a lot of the backbiting on “too much whisky in the American embassy”.


The author challenges several truisms about 1962, notably the widespread belief that Menon was responsible for starving the army of resources. In April 1955, Menon sent Nehru an eight-page note on “Defence Expenditure and Economic Development”, arguing strongly for increased defence spending, given Pakistan’s entry into two US-led military alliances. It was Finance Minister Morarji Desai who declined to release more money for defence. Menon is also unfairly blamed for a hard-line stance that provoked the Chinese into attacking India. In fact, he knew Zhou Enlai well, having negotiated with him for endless hours over the Korean and Indo-China conflicts and believed, even after their last, little-known meeting in Geneva just four months before China attacked India in October 1962, that war could be avoided. Yet, the 1962 debacle demanded a high-level political scapegoat, which meant the end of Menon’s career. Typically, this proud Malayali insisted for the rest of his life that he resigned, and was never sacked.

This is a book for everyone — the professional and amateur military historian, the student of India’s freedom struggle, and even the non-specialist reader. It is, perhaps, excessively rich in detail and at times annoying in its meanderings across chronology. It leaves a few important questions addressed, such as: Who was responsible for the decision not to use air power to stop the Chinese attack in 1962? But these are minor quibbles. In the final balance, it rivets the reader and will surely be one of the important books of recent times.

JAIRAM RAMESH

A CHEQUERED BRILLIANCE

The Many Lives of
V.K. KRISHNA MENON




A CHEQUERED BRILLIANCE
THE MANY LIVES OF
V K KRISHNA MENON

Author: Jairam Ramesh
Publisher: Penguin Random House
Price: ₹999
Pages: 725

OUT NOW

BEHOLD

I MAKE ALL THINGS NEW

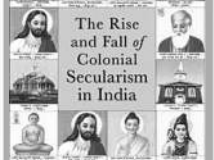


DEVUDUTT PATTAIAIK
REV'D J.P. MORGENTHAU-HEATH
REV'D LORIANE TULLEKEN

BEHOLD, I MAKE ALL THINGS NEW: HOW JUDAISM, CHRISTIANITY AND ISLAM AFFIRM THE DIGNITY OF QUEER IDENTITIES AND SEXUALITIES

A landmark book recasts religion as the ally of queer emancipation. **Devdutt Patnaik (Ed)** HarperCollins ₹499, 344 pages

REPUBLIC OF 0 RELIGION

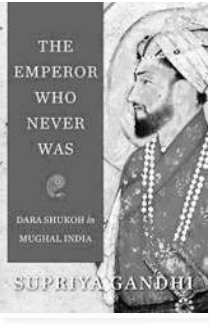


ABHINAV CHANDRACHUD

REPUBLIC OF RELIGION: THE RISE AND FALL OF COLONIAL SECULARISM IN INDIA

The prolific advocate argues that the secular structure of the colonial state in India was imposed on a conquered people and was bound to come apart. **Abhinav Chandrachud** Penguin ₹599, 284 pages

THE EMPEROR WHO NEVER WAS



SUPRIYA GANDHI

THE EMPEROR WHO NEVER WAS: DARA SHUKOH IN MUGHAL INDIA

A historian of Mughal India writes a biography of the eldest son of Shah Jahan whose death at the hands of his younger brother changed the course of South Asian history. **Supriya Gandhi** Harvard ₹699, 304 pages

FORTHCOMING

WATERSHED 1967 — INDIA’S FORGOTTEN VICTORY OVER CHINA

A former Indian Army officer writes about a little-known encounter between India and China on the Sikkim border, which, he says, brought major diplomatic and military gains. Due February. **Probal DasGupta** Juggernaut Price and number of pages not available

VERSE AFFAIRS



UTTARAN DAS GUPTA

Linguist's love

An early poem in the book under review, “Syntax of Thieving”, yokes the act of theft and the act of love. “This poem is an exercise in shop-/ lifting. It extols the personal without permission.” The poem uses several synonyms for theft — loot, burglary, pilferage, hijack. It is addressed to an unnamed “you”; a reader might imagine this person to be the beloved of the poet or the narrator. The final lines of the poem declare: “This is an act of theft, / but so are all things love.” One wonders if there is a comma missing after “things”. Does the last word refer to a person, or to all things associated with love?

The act of love, writes Polish theatre director Jerzy Grotowski in *Towards a Poor Theatre*, involves making oneself vulnerable; so does the act of theatre — or in fact any art, including poetry. The imagery of theft has been associated with love forever. What Parik does in this poem is deftly conjoin poetry and love. Pakistani poet Faiz Ahmed Faiz — whose verses have become even more popular in the subcontinent recently due to protests in Pakistan and India — wrote in a letter in the 1940s: “The true subject of poetry is the loss of the beloved.” In Parik’s poems linguistic calisthenics reveal the nature of love.

The source of such deftness is Parik’s academic training. She has studied French and English and linguistics. This is her debut collection, but it has the confidence of a poet sure of her craft. It is divided neatly into two sections — “Semantics of Longing” and “Deixis of the Soil”. As the title suggests, the first section is about love and separation and longing. The second section explores the troubled nature of origins, of homeland, of belonging, all of which seem to have suddenly become so fraught in our society.

Another poem from the first section that deserves mention is “A Russian Romance”. It begins with the Derridaesque act of ripping off pages of a book: “One fanciful Calcutta summer, / world maps were ripped off / from overused geography textbooks / in an act of innocent revolution.” One might wonder how the humid summer of Calcutta — Kolkata — once the colonial capital of the subcontinent, might remind someone of Russia. To do so, one must recall that the sprawling city on the banks of the Hoogly was also the capital of the Left Front government that ruled the state from 1977 to 2011 — transforming it into a cousin of post-Soviet cities all over east Europe.

Someone from Berlin carelessly strolling into the underground metro in Kolkata could be forgiven if they were reminded of the UBahns back home. (I had the same déjà vu on descending to the platform of the UBahn station at Anhalter Bahnhof in the German capital a few years back.) The function of nostalgia is intermingled with the desire of change in Parik’s imagistic poem: “together, you and I, / we finger-painted the streets of Calcutta / with the colours of our Revolution.”

In the second part, the narrator of the book discovers “it is quite alright / to have two homes”. In “Personal Pronouns, Cicra 2014”, the narrator describes a first visit to the “home state”, which one might presume to be Rajasthan, thanks to the description: “sand dunes, indigenous people, / and other lies one learns from popular culture.” What the narrator finds instead is modern Jaipur — “the pretty pink city” — with “regular people”. In parenthesis, there is an ode to Kolkata — “the only city I had carried in my heart”.

The conflict is resolved by becoming comfortable with discomfort: “It is okay to spoon a mother tongue after / twenty-one years of existence— / to be awkward in a language that *ought to be* / yours... / it is okay as long as... / their personal pronouns / warmly becomes yours.” In another poem, “Important Nouns, Cicra 1944”, Parik writes: “*home* isn’t always where the heart is / ...for some, home is where / they must go in search of *survival*,/ *substistence*”. All of us inhabit languages and spaces in different ways, not all of them comfortable. In a world fraught with uniformities of identities, Parik’s exploration of differences is a sort of reaffirmation.

The writer’s novel, *Ritual*, will be out in February

THE WINE CLUB



ALOK CHANDRA

The climate change riddle

Australia is burning. The cause of more than 1,000 bushfires across the continent is probably climate change: simplistically, an extended dry season before the onset of summer (December-January), exacerbated by the late withdrawal of the monsoons in the Indian sub-continent in 2019.

Climate change is a fact, even if naysayers contest the science. The globe is warming up at an unprecedented rate, and high temperatures in one place mean colder winters in another; drought here leads to floods elsewhere — the whole weather system is interconnected.

What does this mean for the wine industry?

The wine grape *vitis vinefera* is famously adaptable to different *terroir*: witness vineyards flourishing in areas as diverse as 59 degrees 40' north (Lerkekåsa Vineyard, Norway) to almost on the Equator (Dominique Auroy, Tahiti); from an elevation of 3,000 metres (10,000 ft) above sea level (the Altura Maxima vineyard of Bodega Colome, Argentina) to one where the vineyard is partially underwater for one month annually (Domaine Royal de Jarras, Languedoc, France).

So growing wine grapes and producing wine will not die out anytime soon — in fact, warmer summers have produced almost double the “vintage” years in Bordeaux in the last 35 years (23) than between 1900 and 1985 (14), and the average alcohol in wines has risen from 11.5 per cent in 1985 to 12.5 per cent today.

The real challenge facing *vignerons* is how to adapt to climate change. While some action has already started being taken, responses will be some combination of the following:

Change viticultural practices: (1) Harvest earlier, before grapes become too sweet. In Nashik the grape harvest used to start on 1 February — Sula now starts picking its whites in mid-December. (2) Start using drip irrigation when rainfall becomes insufficient: Particularly relevant in Europe, where many regions have traditionally depended only on rainfall to irrigate vineyards.

Plant new varietals: Some grapes are better at tackling warmer climate than others. Many regions in Europe have traditionally defined what grapes may be planted where: Pinot Noir and Chardonnay in Burgundy; Riesling in the Mosel-Saar-Ruwer region of Germany; Cabernet Sauvignon, Merlot, Cabernet Franc, and

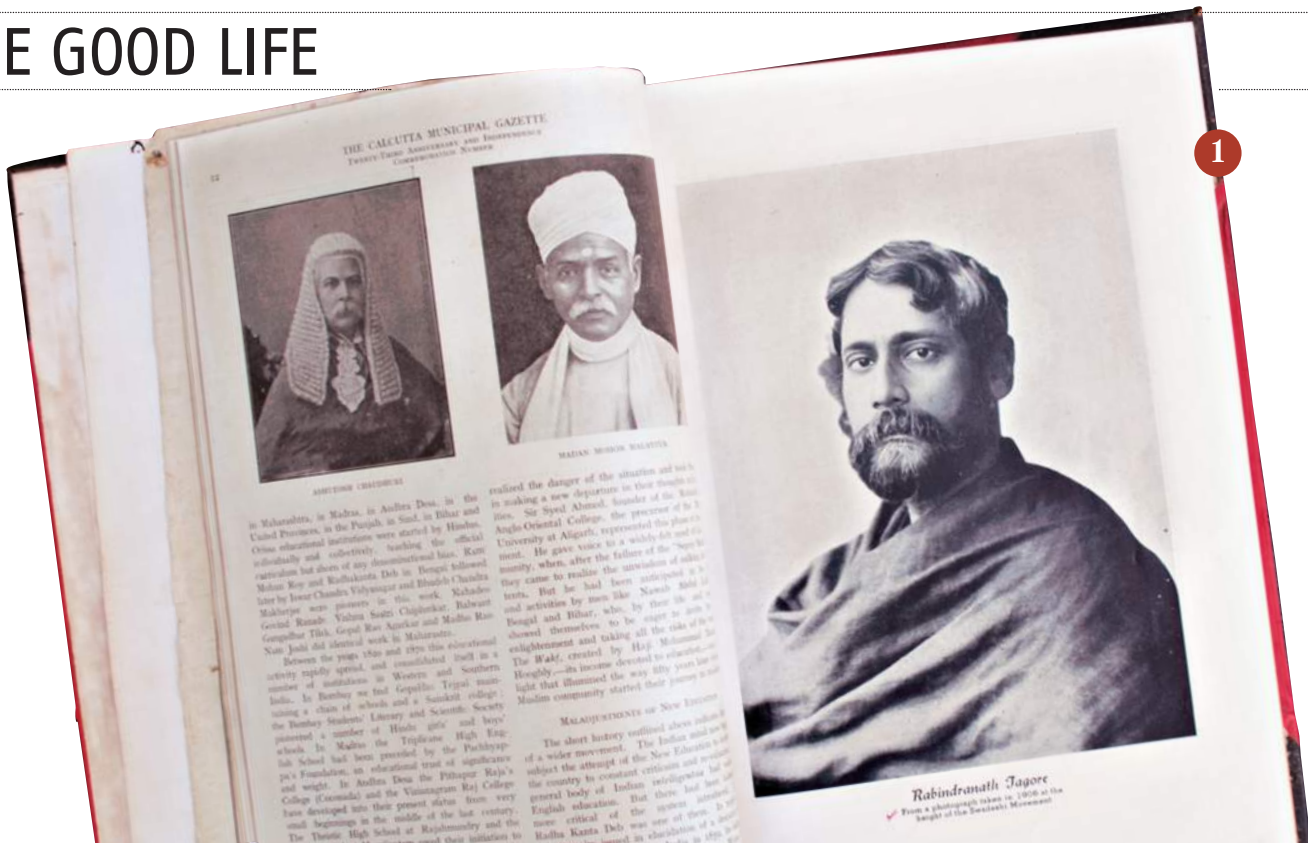
Petit Verdot in Bordeaux, and so on. Some regions are already muddying the mix: Bordeaux wine-makers have recently voted to allow seven new grapes in the region, including Marselan, Touriga Nacional and Alvarinho.

Explore new areas: Warmer climes are opening up areas for viticulture that did not exist 35 years earlier, and this trend will only accelerate. The most startling example is the growth of vineyards in the south of England, where today there are some 700 vineyards on about 5,000 acres (about as much as all of India), producing world-class whites and sparkling wines.

So, vineyards will both go to higher latitudes (in Europe and North America as well as South America) as well as upwards, to higher altitudes, particularly in Argentina and Chile, but also in Europe, where mountain ranges surround many of the wine-producing regions. So expect may changes in the wines available — let's only hope that wine quality continues to improve.

Wines I've been drinking: The 2011 Cheval des Andes opened last Saturday by Devesh Agarwal for The Wine Connoisseur's dinner at the J W Marriott Bangalore was simply outstanding. Produced by a JV between Bordeaux producer Chateau Cheval Blanc and local major Terrazas, the wine (93 points, \$100) is a Malbec (69 per cent) Cab (21 per cent) Petit Verdot (10 per cent) blend that could be termed an “Argentinean Bordeaux Blend”. Full-bodied, with aromas and flavours of plums, dark cherries, spice, and some chocolate notes, with an extended finish. Yum!

Alok Chandra is a Bengaluru-based wine consultant



PICTURES: COURTESY PRINSEPS

IN THESE OLD PAGES IS THE STORY OF AN EXCEPTIONAL TIME & OF EXTRAORDINARY PEOPLE

₹60,000 — making the set currently in auction worth over ₹40 lakh. Similarly, the *Satyagraha in South Africa* (1928) is available from one seller at ₹9 lakh.

Among the items are two Cawnpore Prints of Sardar Vallabhbhai Patel and Sarojini Naidu by Shyam Sunder Lal Agrawal, a Kanpur-based publisher who put out many nationalist posters in the 1940s to unite the masses against the British. Considered seditious material, many were confiscated and destroyed. But the voices of dissent prevailed despite the crackdown. In these old pages and pictures is the story of that exceptional time and of extraordinary people — a story we must remember as it was.

Online bidding from January 20, 10 am to January 26, 7 pm. For details, visit www.prinseps.com

1 & 5. The Calcutta Municipal Gazette: 23rd Anniversary and Independence Commemoration Number, Amal Home, December 1947

2. Mahatma: Life of Mohandas Karamchand Gandhi, Dinanath Gopal Tendulkar

3. Towards Freedom: Autobiography of Jawaharlal Nehru, Jawaharlal Nehru, 1942

4. The Discovery of India, Jawaharlal Nehru, 1946

6. The Springing Tiger: A Study of Subhas Chandra Bose, Hugh Toye, December 1959

7. Indian Independence Movement in East Asia, K S Giani, 1947

Leaves from HISTORY

An unusual online auction will allow us to understand the creation of our country at source, writes Veenu Sandhu

At a time when history is being maimed and twisted to suit perceptions and agendas, it may be a good idea to turn to original sources for an authentic understanding of the creation of our country. A forthcoming auction — “No Reserve Nationalism Book Auction” — of books, documents and posters dating back to India's freedom struggle offers an opportunity to do so.

The texts, made available by Mumbai-based auction house Prinseps, include *The Collected Works of Mahatma Gandhi*, 70 rare volumes of his letters, essays, notes and interviews from 1884 to 1948 compiled over 40-odd years; and the complete volumes of Gandhi's weekly newsletter *Harijan Sevak*, first published in 1933. Also on offer: old editions of Jawaharlal Nehru's autobiography *Towards Freedom* (1942) and Subhas Chandra Bose's *Netaji's Life and Writings* (1948).

A first edition of *The Springing Tiger — A Study of Subhas Chandra Bose* (1959), a rare historical account of the Indian National Army by British intelligence officer Colonel Hugh Toye who was tasked with interrogating its captured soldiers, will also go under the hammer.

Many of the texts have been sourced from private collectors, while some have come from Rathindranath Tagore and Mira Chatterjee's collection. “Starting the bidding at ₹1,000 was a challenge, given that it is unclear what the realisations would be,” says Indrajit Chatterjee, founder-director, Prinseps. “Single first-editions of *The Collected Works of Gandhi* are, for example, selling at



When water speaks

Science Gallery Bengaluru's first major outing features singing stones and living installations, writes Nikita Puri

It is difficult to walk into the Bangalore International Centre, Bengaluru, and not be drawn into the ceiling-high black drape that is fashioned into a vertical tube. Darkness greets visitors as they step into the tube that blocks out almost every light source, save the lone light radiating from the fish tank within. The tank contains an oddity, a 3D printed version of a single-celled microorganism called archaea that moves about like the real thing would in the deep sea. Considered the oldest life form on earth, archaea are believed capable of living in extreme conditions. Perhaps in a post-

climate change future, which may not be conducive to human life, say British artists Anna Dumitriu and Alex May, human consciousness could be transferred into robotic archaea like the one housed in the tank. This would give humanity a fresh beginning in robotic forms modelled after the ancient, sturdy organism. The artists call this exhibit *ArchaeaBot*.

Called SUBMERGE, the exhibition featuring 12 transdisciplinary projects is the first of many such episodes by Science Gallery Bengaluru, the first Asian member of the Global Science Gallery Network founded in Dublin in 2008.

Science Gallery Bengaluru, which is in the process of opening a space for young minds to meld science and the arts together, is one of eight such chapters in the world.

SUBMERGE explores water and all things water, from glaciers to ocean currents, or eddies, which are depicted on a larger-than-life canvas. If not for the helpful volunteers and the note explaining the piece, one might be forgiven for assuming that this was but a reimagining of Vincent van Gogh's *The Starry Night*. This multicoloured work is instead a depiction of the swirling motion of eddies in the Atlantic Ocean visualised by animators and scientists such as Greg Shirah from NASA and Hong Zhang from UCLA, California. “We have 40 young volunteers from all over the country for SUBMERGE,” says Jahnavi Phalkey, founding director of Science Gallery Bengaluru. She points the cyanotype landscapes of Bengaluru's

waterbodies by Delhi-based photographer Chirantan Khastgir. A blue-toned kaleidoscope, a series of prints called *Azure*, has been prepared using waters from the lakes they feature.

Bengaluru-based biologist Shashi Thutupalli's *FrankenShrimp* attempts to make one wonder what it means to be alive. Her installation features dehydrated shrimp eggs, usually sold online as fish food, hatching in a controlled mix of water and salt. The eggs are usually stored for years together, so the question to be asked is whether they are “living” slowly or “dying” slowly, postulates Thutupalli.

Playing on similar themes of water as life is New York's Shi Weili's *Terra Mars Series*, in which earth adopts a Martian look, while Mars is presumed to have water and plant life. These images are results of the data fed to artificial intelligence, making one pause on realising that it took the computer 73 attempts to show life on Mars (because “creating life is complex,” in a volunteer's words), and only two attempts to show a parched red earth.

SUBMERGE has also added to its programme a series of events, the next of which on Sunday will have urban planner S Vishwanath taking people on a guided tour of Cubbon Park to better understand the city's water systems.

Stepping in to the exhibition is a must, if for curiosity alone, for works such as Italian percussionist Ivan Macera's *Diagnosis*. This features sedimentary rocks to show how stones produce “music”, a unique range of sounds that human ears wouldn't be able to pick up if not for a submersible microphone. A young volunteer describes it as “rock music”.

SUBMERGE is on display at Bangalore International Centre till January 30. Call 080 2535 9680 for details



Shi Weili's *Terra Mars Series*; and (right) *ArchaeaBot* by British artists Anna Dumitriu and Alex May





Home truths

Amrita Singh raises some questions about a pedestrian but venerated item of the Indian menu, curd. And busts a few myths in the process

For the vast majority of residents of the Indian subcontinent, curd in some form or other is an essential item of the daily menu. Particularly in the punishing summer, solicitous grandmothers insist to this day that children consume it religiously, considering it a panacea for every ill ranging from a parched palate to an upset stomach. This well-integrated member of most regional Indian cuisines has also traditionally served as a countervailing force to the infamous Indian spice intake. Data by the Indian Council of Agricultural Research (2012) suggests that seven per cent of the country’s total annual milk production — and India is the world’s largest producer of milk — is used to make curd for direct consumption.

But few of us have thought to consider exactly why curd is so popular. Perhaps one can start by blaming Ayurveda. This system of medicine prescribes curd as a home remedy for conditions ranging from dysentery, loss of appetite, urinary problems and general debility. According to Alakananda Ma, an Ayurvedic doctor who is a member of the National Ayurvedic Medical Association, curd has both sour and sweet properties, which means in turn that different kinds of curd have different effects on the body. “Sweet curd increases mucus, *kapha* (governs weight, growth, lubrication of joints) and fat; acidic curd deranges *pitta* (controls digestion and metabolism) and *kapha*; and extremely acidic dahi vitiates the blood,” says Ma. “So, while it is a product that has many benefits, it is only beneficial

if it is eaten with care,” she asserts. Curd contains lactic acid bacteria called lactobacillus, which are “probiotic” or healthy bacteria that are introduced into the body to promote the growth of healthy gut bacteria. Allopathic doctors too routinely prescribe doses of lactobacilli when treating infections with antibiotics. Less known, though, is the fact that the probiotic content of the widely available homemade curd varies considerably from home to home. This lack of standardisation in terms of the types of strains of good bacteria present in homemade curd and its count per a specific amount of curd calls its probiotic properties into question. Meanwhile, in the era of convenience foods made for the harried urbanite short on time, packaged probiotic curd, Greek yoghurt and little bottles of the probiotic drink, Yakult, leave the shelves faster than the time it takes to say FMCG. Products like kefir milk (a fermented milk drink similar to thin yogurt made with kefir grains) and kombucha (a fermented, slightly alcoholic, sweetened black or green drink), both items of Eastern European provenance, have found a safe little corner in the urban Indian’s shopping basket. Yoghurt (think packaged yoghurt like those sold under the Epigamia brand) contains two specific strains of bacteria called *Lactobacillus bulgaricus* and *Streptococcus thermophilus*. Other strains of lactic acid bacteria may be present too, depending on the brand of yoghurt. Experts say that the addition of specific strains, and an understanding of what these strains are beneficial for, help make these commercially produced products a more reliable form of probiotic consumption than homemade curd.

Research on probiotics is said to have begun in 1907 as Russian scientist and Nobel laureate Élie Metchnikoff suggested that gut flora could be modified and improved by replacing harmful microbes with useful, healthy microbes. Nearly a century later, probiotics have become trendy essentials with people shifting to healthier lifestyles. Along with organic food, probiotics came to be looked at as “functional foods” — foods that provide health-enhancing properties beyond their nutrients. The probiotic content of cultured foods like yoghurt, fermented vegetables like the Korean kimchi and the German sauerkraut, and even nutrition bars, are tom-tommed routinely. Probiotic supplements with greater clarity about the number and type of healthy bacteria they contained became common in markets, especially in the West.

Now, extensive research on indigenous strains of bacteria is helping address the problem of standardisation in the creation of probiotic products such as packaged curd. J B Prajapati, head of the dairy microbiology depart-

ment at Anand Agricultural University in Gujarat, has been working on *Lactobacillus helveticus* and *Lactobacillus rhamnosus* for more than 25 years. The former bacterial strain is known for its ability to remove allergens and other undesired molecules from food; the latter may help prevent urinary tract infections and provide health benefits such as better digestion. “We have standardised several types of dahi (curd), lassi (sweet buttermilk) and buttermilk which contain these beneficial bacteria,” says Prajapati. Scientists Virender K Batish and Sunita Grover, at the National Dairy Research Institute (NDRI) in Karnal, have been working on Indian strains of probiotic bacteria. Their laboratory has a repository of 120 strains. The scientists plan to market two types of bacteria soon — *Lactobacillus plantarum-91* (Lp-91) and *Lactobacillus fermentum-1* (Lf-1). “The two strains are quite promising. Lp-91 has been shown to lower cholesterol in animals by 21 per cent. We are ready to conduct studies on humans now,” Grover says. The scientists plan to screen all bacterial samples to see which of them can induce a feeling of satiety after meals — a feature that can help deal with India’s looming obesity problem.

Milk products producer Mother Dairy was one of the first companies to introduce indigenous probiotic curd to the Indian market. Theirs was the first “synbiotic” fermented product (a combination of probiotics and prebiotics, the latter being a type of dietary fibre that “feed” the probiotic bacteria). It contains strains of *Bifidobacterium animalis* (BB 12) and *Lactobacillus acidophilus* (A-S), both of which are established “healthy bacteria”. Mother Dairy describes their regular curd as resembling the homemade variety without any of the effort required to make it. They make no mention of its probiotic content.

Manish Gupta, consultant, gastroenterology and hepatology, at Paras Hospital in Gurugram, says that both curd and yoghurt have comparable probiotic content, though the strains of good bacteria in homemade curd remain difficult to identify. Shikha Sharma, a nutritionist and founder of Nutri Health Systems, also explains that commercially prepared curd that carry the “probiotic” label contain added healthy bacterial strains, which make it a richer source of probiotics than both homemade and store-bought curd.

Thus, while probiotic curd contains a higher count of healthy bacteria, curd in general, whether homemade or packaged, is not to be discounted on the probiotic front. That said, its benefits may be exaggerated as the strains present may not be strong enough to fight the acidic environment of the stomach and multiply effectively to promote health and immunity. The moral of the somewhat complicated story: Don’t treat *everything* your grandmother told you as gospel.

CHESS #1384

By DEVANGSHU DATTA

The Women’s title match moved to Vladivostok for the second half. The score remains tied at one win each for world champion Ju Wenjun and challenger Aleksandra Goryachkina after seven games. There are five games left at classical time controls and no obvious favourite. It’s been a very hard fought match with very long games. Both sides have missed some chances and both decisions came in long, difficult endgames. Ju struck first by winning Game 4 and Goryachkina equalised in Game 5. If this match goes into tiebreaks, Ju would be favoured because she’s a very good rapid player. More experience could also translate into better nerves when the chips are down. One unpleasant sidelight of the match has been the targeting of Iranian arbiter Shohreh Bayat by her own federation because she wasn’t wearing a hijab in Shanghai. Bayat, who is the chief arbiter, may be looking to seek asylum. Another Iranian, the prodigious Alireza Firouzja, is the surprise performer at the Tata Steel Masters. The 16-year-old is playing under the Fide banner in Holland as well (after the World Rapid and Blitz where he also played under the Fide flag). This reinforces rumours that he’s looking to transfer



allegiance to France. In his case, the problem arises with playing Israelis, rather than attire! Firouzja lost in round four to Wesley So but wins against Anish Giri, Vlad Artemiev and Vlad Koala, give him 3.5 points rom five rounds. So also has 3.5. Jordan Van Forrest, Fabiano Caruana and Artemiev all have 3 points. Magnus Carlsen went past Sergei Tiviakov’s record of 110 successive games without a loss, at classical controls. Carlsen’s feat is by far, more impressive, since he’s consistently played top opposition, including a title match in that streak. However, Carlsen has looked under par at this event, with five straight draws. He’s struggled to save inferior positions several times. Viswanathan Anand is also on 2.5, with one loss and one win. In the Challengers, Surya Shekhar Ganguly, Pavel Eljanov and Ervin L’Ami share the lead (all 3.5). Nihal Sarin (2.5) is on 50 per cent. In Delhi, local boy Abhijeet Gupta won the top category of the Open with 8.5 points from 10 games. Second place was shared by Alexsej Aleksandrov, Pavel Ponkratov, Levon Pantsulaia and M Pradesh (all 8 points). Pranesh scored a GM norm. **The Diagram, BLACK TO PLAY, (White: Dinara Saduakassova Vs Black: SS Ganguly, Tata Challengers, 2020) is highly complicated. Both Kings are exposed. Black has played daringly leaving his king in the centre and launching a pawn storm. Now he played the “obvious” 20... Rxh4! 21. gh4 Qxh4 22. Rh1 Nh2!! This is critical — anything else loses. If 23. Rxh2 Qg4+ wins. White tried 23. Be3 Qh3+ 24. Kgl Bxc4 25. Rxh2 Qxe3+ 26. Kh1 Bd3 (0-1).**

Devangshu Datta is an internationally rated chess and correspondence chess player

BS SUDOKU #2950

9		6		8				
3						2		
	2				6			7
5			4			3	1	
					8	5	9	6
2								
	9		5	3				
7					9			3
6						1		

Hard: ★★★★★
Solution on Monday

HOW TO PLAY
Fill in the grid so that every row, every column and every 3x3 box contains the digits 1 to 9

SOLUTION TO # 2949									
5	4	3	7	9	8	1	2	6	
9	8	2	3	1	6	7	5	4	
1	7	6	4	5	2	9	8	3	
6	1	5	2	4	9	8	3	7	
4	9	8	6	7	3	5	1	2	
3	2	7	5	8	1	4	6	9	
8	3	4	1	2	7	6	9	5	
7	6	1	9	3	5	2	4	8	
2	5	9	8	6	4	3	7	1	

1	2	3	4	5	6	7	8	
9								
11								
13								
17								
22								
26								
28								

THE BS CROSSWORD #3300

- ACROSS:**
- Piped music (7)
 - Most men are upset for brief periods (7)
 - One believes the way lies in more sound (7)
 - Having a stab at something ? (7)
 - One general is retiring from duties and sacrifices (9)
 - Rust, for instance, is thus featuring some team of cricketers in a poem (5)
 - Blonde having a sturuggle to make a good match (4,5)
 - What one is expected to do to a garden figure ? (5)
 - One hundred and four deployed on an island (5)
 - Proves air was dispersed by the spray (9)
 - Almost pay less purchase tax on green cloth ? (5)
 - Force very English virile types to church (9)
 - A bloody silly collection of course outlines (7)
 - Strip olive hedges in a Libyan locale (7)
 - Elsewhere some one played a piano theremin (3,4)
 - German coin and Chinese one, new, in typical money box? (7)
- DOWN:**
- Postpones revolts (4,3)
 - Mix up an IOU and a bill for meat (7)

- Ensemble helping concoct eternal (5)
- Marx used to talk endlessly – endlessly (5)
- How the inventor attempts reconciliation? (5,2,2)
- A posted request for armour? (4–5)
- Nobbling a Pole in poor health (7)
- I get out of suit, eat rotten eggs and propose (7)
- What a nutty thing to eat. (5,4)
- Spoke, or enabled to speak (4,5)
- Pays a brief visit and asks for help (5,2)
- How you get fifty in the fastener stream (7)
- After this the outlook is dark (7)
- Whirling eel in enclosure (7)

- He lay back both angry and excited (3,2)
- A grain from a place of confusion by the sound of it (5)

SOLUTION #3299									
K	I	N	S	H	I	P	D	E	D
I	O	I	A	O	O	O	U		
T	W	I	N	S	C	R	E	W	
B	S	T	T	S	K	N	E		
A	N	Y	B	O	D	E	X	A	C
G	E	R	O	Y	A	M	A	Z	E
S	E	P	O	Y	A	M	A	Z	E
A	L	L	L	L	A				
W	E	L	L	O	I	L	E	D	
A	L	S			E	R			
G	R	A	M	M	A	R			
G	D	A	I	S	M	U	I		
E	L	I	A	N	S	C	H	E	M
R	U	L	E	O	E	C	T		
Y	U	M	M	I	E	R			

Notes from the past

Malini Nair revisits the glory days of Akashvani Vadya Vrinda, India's national orchestra, that has fallen sadly silent



PHOTOS: COURTESY J KRISHNAMURTHY

Studio 1 is the largest recording suite at the All India Radio complex in New Delhi. And with good reason: It belongs to the Akashvani Vadya Vrinda, India's national orchestra tasked with composing, performing and broadcasting original classical, folk and thematic works of great quality.

The kind of musicians who once worked for the ensemble, set up in the post-Independence verve of 1952, deserved that space too — sitar maestro Ravi Shankar, veena *vidwan* Emani Sankara Sastry, violinists T K Jayarama Iyer and S Gopalakrishnan, flautists Vijay Raghava Rao and Pannalal Ghosh, composer Anil Biswas, among them. Off and on, other classical greats such as Abdul Halim Jaffer Khan and Amjad Ali Khan, and Bollywood legends like Shankar Jaikishan would drop in as guest composers or musicians.

The studio was once packed with 60-80 masters of Indian and western instruments, ranging from the sitar, esraj, dilruba and kash-ta tarang (wooden xylophone) to the violin, cello and double bass. "The full orchestra was a feast for the eye and ears — the stalwarts, the 10 violins playing together, the many sitars, sarods. As a new, casual recruit I would stand behind the glass window of the studio, peering in, awed, wondering when I would be one of them," recalls flautist Kailash Sharma who retired recently from the ensemble.

The studio that once buzzed from 10 am to 3 pm with rehearsals and creative give and take is today a sad shadow of itself — too large for the three musicians on the orchestra's rolls, no permanent conductor to give direction to the paltry collection of sitar, violin and clarinet. "A white elephant that AIR doesn't know what to do with," says a senior musician who doesn't wish to be named.

The space is now used to host AIR events and festivals, or, as an old hand says, "for post-lunch nap".

The vadya vrinda is no longer the pride of AIR, its "brand equity/showpiece", as a former musician describes it. Few know of it, it has no eagerly awaited daily slots as it once did. And to the horror of old-time musicians, it is not unusual for the ensemble to be called in to intersperse performances — mostly government-backed events — with filmi medleys.

"The vadya vrinda as we knew it is finished," says veteran sitarist and former conductor Rash Behari Datta, a man known for speaking his mind, who retired in 1997. "It had an audience and if it was cultivated, we could have had a world-class orchestra. But it was systematically decimated by the authorities."

According to current and former musicians of the ensemble, a host of factors precipitated its decline: bureaucratic apathy, the



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lack of inspired leadership and also, the shift in listener preferences. Today, AIR itself does not hold the prime place it once did in our lives, neither does classical or folk music and certainly not traditional ensembles like the vadya vrinda.

The eclectic Maihar band, set up in a village the same name in northern Madhya Pradesh by the legendary Baba Allaudin Khan, is believed to be the template for the vadya vrinda. Khan was also the guru of Ravi Shankar who served as music director of AIR, Delhi, between 1949 and 1956, and became the first conductor-composer for the vadya vrinda.

In those days ruled by the Nehruvian vision, the dream was to raise a national orchestra that matched international classical orchestras. Veena artist Saraswati Rajagopalan, who retired from the vadya vrinda two years ago, traces the ensemble's history to a time when renaissance men and women headed the country's cultural scene.

"When I joined AIR, the vadya vrinda was seen as radio's contribution to India's musical heritage, and the people who were brought to it were of that stature," she recalls. "For example, Dr V K Narayana Menon, who later became the AIR director general, had heard violinist T K Jayarama Iyer run excellent Carnatic music features and ensemble works on the Trichy radio station. So he brought Iyer to AIR Delhi as the composer for Carnatic music, while Ravi Shankarji com-

posed for Hindustani."

AIR Chennai was to have its own vadya vrinda.

It was a rich, layered, splendid orchestra. "You could instantly spot a vadya vrinda composition — it was distinct for its quality and for the talent behind it, the grand musicians who were a class apart," recalls Datta, who played under Shankar and went on to revive his *Adi Basant* as a conductor.

Shankar's compositions like *Gaon ki Gori*, *Awakening*, *Rangavali* and *Kari Badariya* have passed into legend. Musician and music historian Peter Lavezzoli in his book, *The Dawn of Indian Music in the West*, estimates that Shankar's experiments at AIR probably lay the foundation for his two Sitar Concertos for a western orchestra.

Other landmark vadya vrinda compositions included Biswas's *Jeevan Jamuna*, Sastry's *Gauri Manohari* and *Swagatam* and Ghosh's *Patideep*, *Kalinga Vijay* and *Marwa*. Iyer's *Gramotsava* and *Vagdeeshwara* were path-breaking works that proved how Carnatic music could lend itself to orchestration.

"When you listen to these compositions, so complex and tightly knit, you realise how hard my grandfather — and the other composer-conductors — and their musicians must have worked to produce music that is so

IN THOSE DAYS, THE DREAM WAS TO RAISE A NATIONAL ORCHESTRA THAT MATCHED INTERNATIONAL CLASSICAL ORCHESTRAS

perfectly coordinated, performed live and in one take. And remember they were great soloist too, so this was like giving up a part of oneself to be a part of a whole," says KVS Vinay, violinist and grandson of Iyer.

Datta recalls conducting a medley called "Journey of Vadya Vrinda" at an AIR Sangeet Sammelan in Bengaluru, which included all the landmark orchestra compositions of different mas-

ters. At the very first note, the entire audience had stood up to applaud, he remembers.

Hindustani vocalist Shanno Khurana, 92, who needed someone to conduct an orchestra for her path-breaking classical opera *Sohni Mahiwal* in 1963, settled on Sastry and a team of vadya vrinda musicians. "I couldn't find a better conductor than Sastry ji or a more hardworking group of fantastic musicians," she recalls.

For visiting foreign dignitaries, the vadya vrinda studio was their first stop in the AIR complex where they got to hear a composite slice of Indian music. Other times, the group would be taken to Rashtrapati Bhavan to regale visitors.

Some critical changes began in the late 1990s. The conductor's place in the team became undervalued. The last musician appointed as an official conductor was violinist

(Top left) T K Jayarama Iyer conducting in front of Jawaharlal Nehru and Chinese Premier Zhou Enlai in 1954; (above) Iyer conducting for a Unesco delegation; (far left) Ravi Shankar once worked with the vadya vrinda as did Pannalal Ghosh (left)

Satyadev Pawar. After him, the composer-conductor began to be selected randomly from among the musicians on the orchestra.

"Conducting and composing for an orchestra — this is far tougher than playing solo. You have to know the workings of every single instrument, where it can shine and how to layer it with others, at what strength and volume. It is a challenging role," says Rajagopalan. "Without a conductor, an orchestra is like an orphan."

Over the following decades, the vadya vrinda lost its dynamism and grandeur. It lost its three daily, dedicated chunks of broadcast and began to be increasingly used for fillers. The reason was that musicians who retired or passed away were not replaced, no new recruitments were made and the orchestra's strength dwindled. Rare instruments lost their place in the group and fewer of those that made for its core were being played.

Soon, musicians had to be called in on a casual basis to fill the orchestra when it was asked to perform. The creative camaraderie of rehearsals and daily work was dead. Word got around that the team did little but "mast", was underworked and overpaid.

"I would walk in, swipe and sit and wait for work. It is demoralising for any creative person, we were dying to be given something to sink our teeth into," says a former member of the ensemble.

Then to the horror of classicists, the keyboard arrived and then the rhythm pad. "It was all noise, no depth," says a classically trained musician.

Datta believes that the orchestra came to be seen as a burden on the AIR establishment. "There were stalwarts and had to be paid high-grade salaries. And remember, there were so many of us," he says.

Rajagopalan has recollections of the heyday of the orchestra and the highly anticipated travelling shows. "I remember having an entire bogey booked for us for a 10- to 15-day tour," she says.

The last big event involving the vadya vrinda that everyone recalls with pride was the 2004 celebration of 50 years of AIR Sangeet Sammelans. Both the Chennai and Delhi vadya vrinda units played together in Bengaluru to mark the occasion with a grand concert. It seemed like the old days again.

More than a fighting chance

Geetanjali Krishna on how a residential home provider is coming to the aid of child cancer patients and their families

A group of children joyfully sing nursery rhymes in a bright yellow room. Among them is three-and-a-half-year-old Saajan Pandey, naughty, active and difficult to pin down. "Seven months ago when he was diagnosed with leukaemia, he was too weak to walk," says his father Abhishek Pandey, a rural schoolteacher from Bihar's Nalanda district. Pandey and his wife brought Saajan to the All India Institute of Medical Sciences, Delhi, for treatment.

"The doctors at AIIMS said there was a good chance Saajan would recover," he says. But it meant having to stay in Delhi for at least eight months during the course of his treatment. For the cash-strapped Pandeyes, such a long stay in Delhi was out of the question.

They barely managed to raise the ₹250,000 required for Saajan's treatment. Fortunately, the doctors at AIIMS referred them to St Jude India Child Care Centres

(SJICC), a unique organisation which runs residential homes for families of children who need to undergo long-term cancer treatment.

In 2006, SJICC founders Shyama and Nihal Kaviratne went to Tata Memorial Hospital in Mumbai and discovered young cancer patients registered with the hospital's OPD for long-term treatment. They were often camping on the dirty pavements outside.

"Childhood cancers generally have a high rate of cure," says Anil Nair, CEO of SJICC. "Doctors believe that with good nutrition and strict hygiene, almost 90 per cent of childhood cancers are treatable." To give children a fighting chance against the disease the Kaviratnes decided to set up a holistic residential centre near Tata Memorial Hospital.

From one centre in 2006, SJICC today has 37 centres that support 459 families at a time, all close to the country's premier hospitals such as AIIMS in Delhi,

Christian Medical College in Vellore and Tata Memorial in Mumbai.

Every centre provides a 90-100 square-foot residential space for each patient and two family members, dry rations, transport to and from the hospital, counselling and educational and co-curricular activities for both parents and children. Each family cooks and eats in the shared kitchen. The families have to abide by strict cleanliness and hygiene guidelines. "With everything else taken care of, all we have to do is focus on our child's recovery," says Pandey.

Research shows the efficacy of this model. In 2019, Tata Memorial researchers studied the impact of the long-term holistic care enabled at St Jude, on the recovery rates in childhood cancers.

The study has found that the environment plays a statistically significant role in outcomes of cancers like acute leukaemia which need intensive treatment. It also found fewer relapses among children who received holistic care in SJICC. For parents too, the experience of staying at St Jude is therapeutic. They



Every centre provides a 90-100 sq-ft residential space for each patient and two family members, dry ration, transport to and from the hospital, counselling and educational and co-curricular activities for both parents and children



ST JUDE CHILD CARE CENTRES

bond over shared experiences, learn to optimise the care they give to their child and, most of all, feel less anxious about the future.

As Pandey puts it: "My family is loving and supportive but can't understand what it's like to have a child with cancer. Here, I meet other parents like me and that's a relief."

SJICC plans to expand and reach out

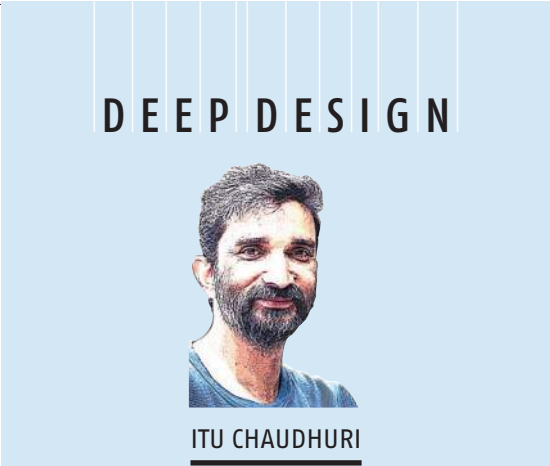
to at least 1,000 families by 2024. Their model is, however, resource- and capital-intensive. Each centre costs between ₹36 lakh and ₹40 lakh per annum to run. Their annual budget of over ₹15 crore is covered by institutional and CSR funds.

The independent agency, CRISIL, has awarded SJICC the highest rating for voluntary organisations, which indicates robust delivery capability and high finan-

cial proficiency.

But it's the smile on Saajan's face as he plays with other children that says it all. "Having a child with cancer is the worst trauma a parent can undergo," says Pandey as he watches his son. "But St Jude has given him a fighting chance."

Learn more at www.stjudechild.org or follow them on Facebook



Clear and present danger

Some innovations succeed to the point of redefining the problem they tackle. Some give way to better ones, or having served their time, fade into the section of the graveyard reserved for the no-longer-needed. Yet others fail flagrantly, and quickly: tagged as laughable, or a good idea poorly executed, or ill timed. A broad consensus rules.

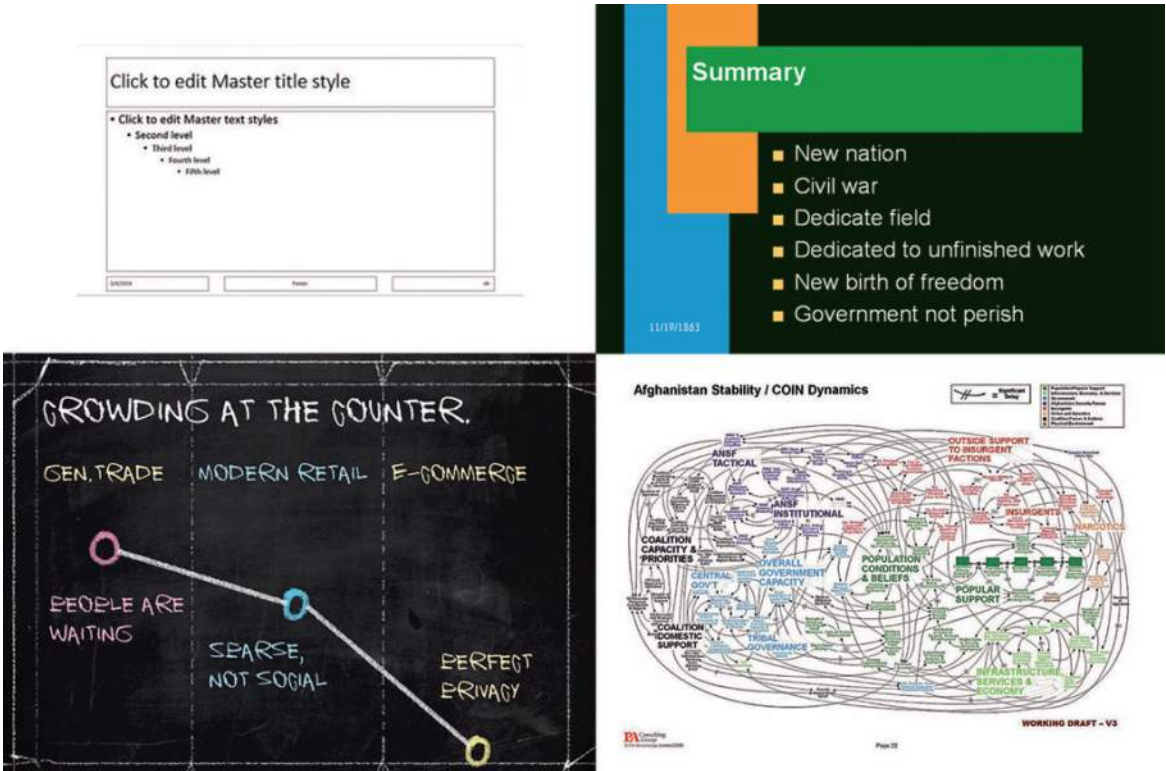
Surely it ought to be impossible for an innovation to suffer all of these fates at once? To be a ubiquitous necessity, a permanent, empowering right, a watershed; and yet, a scourge, a threat, and an evil joke. Yet that unlikely status of divider-in-chief has attached itself to Microsoft's PowerPoint, the class-defining presentation software.

All these fates, bar one: it is not fading. According to a decades old (unverified)

estimate, 30 million presentations are made every day, and take 15 million person-hours to view (15 million people for one hour, for example).

To excavate the deep design of this division, we visit both sides, though not to broker a peace, and we examine precedents and look at human nature for answers. Start by re-emphasising its sheer prevalence, hidden by its everydayness.

At work and play, peace and war, schools, colleges, businesses, armies and governments are in its thrall. When, in 2001, McKinsey presented to PM A B Vajpayee its case for infrastructure spending, newspaper reports actually referred to PowerPoint by name. In 2013, Mickey Arthur, Australian cricket coach dropped his vice captain and three others key players from his Test side for



(Clockwise from top) The PowerPoint master slide template; summary of the Gettysburg Address, originally a three-minute speech expanded satirically into a 10-minute slideshow by Peter Norvig; the baffling PowerPoint slide shown to US commanders during the war in Afghanistan; a pseudograph as a slide backed by appropriate fonts can look overly friendly, often disarming the audience to the presenter's ideas

failing to submit presentations on team strategy. Schoolchildren are taught it early, and often are required to submit project work as presentations. Articles denouncing PowerPoint often quote the US military, which seems to both rely on it and jeer at it. An article by a US military officer called it 'Dumb-dumb Bullets'. A slide picturing America's Afghanistan strategy has become a widely shared joke — the head of US forces famously said, "When we understand that slide, we'll have won the war." Another

general called it an "internal threat". Yet both generals use PowerPoint. To the point, and typical of the criticism, is the second General's remark that PowerPoint is "dangerous" because of the "illusion of understanding and... control. Some problems in the world are not bullet-izable." Here's the holy pope of graphic information visualisation, Edward Tufte: "... the PowerPoint style...disrupts, dominates, and trivialises content. PowerPoint presentations... resemble a school play—

very loud, very slow, and very simple." It's fatal simplicity that Tufte's talking about. PowerPoint slides were blamed for the vague information that led to the approval of faulty surface tiles on the ill-fated space shuttle Columbia. A commission led by him concurred: written notes, photographs and data were recommended as both more effective and more efficient. Senior US army officers say that PowerPoint is appropriate for those press briefings where the goal is to not convey information—

"hypnotising chickens" is the operative phrase. And at Harvard, a peer-reviewed, experimental study, found PowerPoint no better, and arguably worse, than a talk without presentation aids. The Defence, or not quite Much of the criticism of PowerPoint springs from its strengths. In response, one can argue that any tool can be misused. Its naff graphics and overwhelming popularity make it an easy target. The presentation itself is not new—as film slides, or overhead projection. But

with its reincarnation as PowerPoint, came an unprecedented level of ease, and impact. PowerPoint is a watershed in human communication, as much as the open web. It democratised communicative agency: a shy 23-year-old accountant could plausibly take on a boardroom. The crisp fonts, graphics, and finish and the ease with which they could be combined weren't new either: desktop publishing had seen to that. Both give even half-baked thoughts the legitimacy of the printed word. But sounds, video and magnification let the presenter dominate the darkened room.

But In truth, PowerPoint leverages the evolutionary primacy of sight over hearing, and especially to detect motion. It's primordial. If it moves, I watch it, to eat it or be eaten. But the monster must be fed: next bullet, next slide, and the next. Presentations steal our attention, but misuse it, leaving a hollow where an idea might have been. The purely visual, false sense of authority that PowerPoint gives (even to specious logic) is hard to unsee. Bullets and numbered points give a surround-sound of insight. Boxes group incompatible concepts into buckets; and the arrows that connect them don't just look like they

convey causality. No, they are causal, they must be. Slippery word play can take the place of genuine idea formation: use the right font, and bomb the slide. Don't speak. This is the halo effect at work: what looks good must be intelligent and true. In a well-studied experiment, when a well-groomed man in a suit tells a group of walkers that it's okay to cross the road even when the sign says "Don't Walk", they follow him. But the halo effect can cut both ways. We also trust the person with better language, diction and even better handwriting. That's a evolved bias too, rooted in the idea that language, articulation and writing took time and effort to acquire, as did the confidence to stand before an audience. They are heuristics for genuine learning. Democratisation can wait. PowerPoint, in contrast, is the death of rhetoric, unconstrained language and pictures—together, the most potent and ancient ways to convey the complexity of the world. Finally: **TIPS FOR PRESENTERS** ▶ Treat your presentation as the live performance that it is. ▶ You are the presentation. ▶ Slides are a dispensable aid! ▪ best used for vital pictures. ▪ very simple ideas. Thanks for listening.

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GEAR



Asics Gel-Nimbus 22 Tata Mumbai Marathon Limited Edition (₹13,999)

Winning streak

Here's a running shoe that leaves little to be desired, writes Dhruv Munjal

It's been a good few days for Asics. The possibility of World Athletics banning athletes from wearing the groundbreaking Nike ZoomX Vaporfly Next% running shoes sent the Japanese footwear company's shares soaring earlier this week, up by as much as 8 per cent. Globally, the decision holds significance for Asics, particularly after it was revealed that the majority of runners at this year's Hakone Ekiden, one of Japan's most-watched races, opted for Nike over the popular homegrown brand. In India — where the Vaporflys are yet to debut — Asics finds itself in a more comfortable position, still ruling the long-distance running shoe market with offerings that are usually reliable, and durable. The Gel-Nimbus 21 from last season was a stunning success, a terrific all-rounder that, it seemed, needed no improvement. Yet, Asics has been able to include notable add-ons to its successor, the Gel-Nimbus 22.

Design (4/5) Asics had somewhat disappointed me with its predominantly black colourways — practical but boring — last season. So, the Gel-Nimbus 22 comes as a breath of fresh air. I tested the Tata Mumbai Marathon Limited Edition — the marathon's slated for January 19 — available in a dazzling blue-and-yellow colour scheme. The latest version comes with a reconfigured midsole. Asics has added an extra 2mm layer of cushioning — its FlyteFoam Propel

technology — to ensure more softness underfoot. The grooves around the midsole give the shoe a bold look, and the monofilament mesh upper has a nice velvety feel to it. Another improvement over the Gel-Nimbus 21 is a wider toe-box, which makes for a better, snuggier fit. **Performance (4.5/5)** My recent go-to running shoes have been the Under Armour Hovr Infinite, and I had almost forgotten how wonderful a brand new Asics pair can feel. The Gel-Nimbus 22 screams comfort right from the outset and keeps your foot locked in throughout your workout. The midsole seems a little stiff in the beginning, but gets softer with every run. The outer is essentially made up of rubber, but performs solidly. Unlike the Asics MetaRide, traction isn't an issue here — the Gel-Nimbus 22 is a winner across surfaces. And in terms of springiness, this might just be Asics' bounciest shoe

The shoe ticks all the boxes: exciting design, responsive midsole, and a robust build ideal for not only running, but also the gym

yet. The only slight complaint I have is the weight. At around 300 grams each, the shoe isn't very light, making acceleration in some situations difficult.

Verdict (4/5) There is little to not like about the Gel-Nimbus 22. It ticks all the boxes: exciting design, responsive midsole, and a robust build ideal for not only running, but also the gym. What's more, its stylish makeover means that you can even pass them off as casual sneakers once in a while. And for those running the Mumbai Marathon in them, let's just say that your chances look good.

Sony WI-1000XM2 ₹24,990 Sound showing

Design (3/5) The earphones' lightweight build makes up for their uninspired design. Featuring a flexible silicone neckband, they are easy to use and store. Like other neckband-based products, they have wires connecting the earbuds with the rest of the body. For ease of use, the earphones' ports and controls are all accommodated on the left. The wire connecting the left earbud has in-line controls — a voice assistant button, volume controllers and a multi-purpose command key to receive calls, control audio tracks and soon.

Performance (4/5) The earphones cut no corners on performance metrics — audio output, comfort, on-battery time and noise cancellation. Their 9mm audio drivers might seem ordinary, but they have a good overall feedback. Besides an impressive sound output, they offer excellent noise cancellation. They also plug in comfortably. The ambient sound control allows you to customise the noise-cancellation intensity. You can either set the earphones to isolate outside noise completely or to focus only on voices from your surroundings. Importantly, the ambient sound-control feature works as intended and provides you complete control over one of the earphones' most crucial features. There is also an adaptive sound-control mode in the app that detects your actions and movements to automatically control the ambient sound. Complementing the power-packed performance is the Sony WI-1000XM2's on-battery and recharging time. On full charge, these earphones go for more than seven hours with noise cancellation enabled, and around nine without. Charging time is also quick — from completely drained to full in an hour.

Verdict (3.5/5) At ₹24,990, the Sony WI-1000XM2 is a winner in the premium wireless earphones segment. With an impressive sound output, class-leading noise cancellation and practical features, these earphones have a clear edge over peers.



Dell Inspiron 13 7931 ₹90,290 Potent book

Khalid Anzar explains why this notebook is in many ways the best in its class

Dell Inspiron 13 7931 is a two-in-one notebook with a 360-degree rotating display lid that allows it to be a laptop, a tablet and entertainment display. The notebook's light, compact form makes it easy to carry around. Powered by the Intel Core i5 Gen 10th processor, it is a feature-rich convertible notebook. Let's find out how this device fares on key parameters.

Design (4/5) Made of aluminium, the notebook oozes luxury. Its compact size (less than a 10.1-inch tablet) and lightweight build (1.4 kg) ensure easy portability. Like most other convertible notebooks, it has limited ports but covers a wide spectrum of connectivity options. The keyboard has a chiclet-style key layout with dual-purpose function keys. Though backlight and supporting the two-stage luminance control, the keyboard lights can also be turned off to add minutes to the notebook's otherwise stellar on-battery time. Its dedicated power key has a built-in fingerprint sensor that allows quick Windows sign-in (using Windows Hello).

The magnetic garage area on its display hinge stores the notebook's Active Pen, a discreet space that does not obstruct either the display or the keyboard.

Display and multimedia (3.5/5) The Dell Inspiron 13 7931 has a 13.3-inch fullHD touchscreen with thin

bezels at the top and sides, and a thick one at the bottom. The display is vivid and has good viewing angles. The screen is adept at rendering content, including multimedia. Though the screen lacks high dynamic range (HDR), it supports Dolby Vision, which makes the supported content brighter with better detailing.

Performance (4/5) Powering the notebook is the Intel Core i5 Gen 10 processor, paired with 512 GB of solid state drive and 8 GB of LPDDR3 (2133MHz) RAM. While the SSDs and LPDDR3 RAMs are common across convertible notebooks, the Gen 10 Core i5 processor is still not available in most, which makes this one stand out. The Dell Inspiron handles most tasks with ease. It boots quickly and opens applications without any lag. Though it manages to handle software like Adobe Premiere Pro and Adobe Photoshop, the absence of a discreet graphic card prevents the notebook from delivering the performance needed for heavy-duty applications. But it handles everything else with ease.

Verdict (4/5) Starting at ₹90,290, the Dell Inspiron 13 7931 is a capable two-in-one convertible notebook that offers both style and substance. The notebook's premium aluminium construction, portable form factor, good on-battery time and sleek performance make it a winner in its segment.

