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WORLD P8

WORLD P9 BOEING FINDS DEBRIS IN FUEL HOLOCAUST EDUCATORS URGE AMAZON TANKS OF MANY 737 MAX JETS TO STOP SELLING NAZI PROPAGANDA

AVISHEK RAKSHIT

Kolkata, 22 February

no such discovery.

ing of facts.

extracted.

in Uttar Pradesh's Sonbhadra district

could not last even 24 hours, with the

Geological Survey of India (GSI)

clarifying on Saturday there had been

rebutted the claims of the Uttar Pradesh

Directorate of Geology and Mining

(UPDGM), and said "miscommunica-

tion" must have led to the wrong report-

this reserve, only 160 kg of gold can be

communication of facts because of

which the gold ore deposits have been overestimated. We have written a

letter to Uttar Pradesh (UPDGM),

stating the facts. The GSI has not

estimated such kind of vast

resource of gold deposits in

The UPDGM had said on Friday that

Sonbhadra," Sridhar said.

and Hardi areas of the district.

"There must have been some mis-

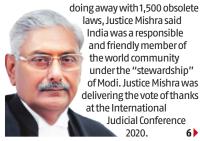
M Sridhar, director general of the GSI,

The GSI, headquartered in Kolkata,

PUBLISHED SIMULTANEOUSLY FROM BENGALURU, KOLKATA, MUMBAI AND NEW DELHI

PM A VERSATILE GENIUS WHO THINKS GLOBALLY, ACTS LOCALLY: SC JUDGE

Supreme Court judge Arun Mishra on Saturday was all praise for Prime Minister Narendra Modi and termed him an "internationally acclaimed visionary" and a "versatile genius, who thinks globally and acts locally". Complementing the PM and Law Minister Ravi Shankar Prasad for



laws, Justice Mishra said India was a responsible and friendly member of the world community under the "stewardship" of Modi. Justice Mishra was delivering the vote of thanks at the International Judicial Conference

2020 6

ECONOMY & PUBLIC AFFAIRS P4 SBI to auction 1,000 properties on Feb 26

State Bank of India (SBI) will auction 1,000 properties, including houses, and industrial and commercial units of defaulters, on February 26 to recover dues. These are stressed assets and the bank had made provisions on exposure according to Reserve . Bank of India norms

BACK PAGE P12 **Russian airlines deepen** India connectivity

Indian and Russian carriers are set to introduce new services from Mumbai and Delhi to Moscow. Aeroflot and Ural Airlines are introducing Moscow to Mumbai services for their summer schedule. Kazakhstan's Air Astana will also start four weekly flights between Almaty and Mumbai. **ANEESH PHADNIS** reports

COMPANIES P2 Biocon receives three USFDA observations

Biocon on Saturday said it had received three observations from the US Food and Drug Administration (USFDA) following inspection of its insulin manufacturing facility in Malaysia. The USFDA had conducted a pre-approval inspection of Biocon's subsidiary Biocon Sdn's plant.

ECONOMY & PUBIC AFFAIRS P4 ₹50,850 crore disbursed under PM-KISAN: Govt

The Centre on Saturday said it had disbursed ₹50,850 crore to farmers so far under its Pradhan Mantri Kisan Samman Nidhi scheme, enabling them to meet farm input cost and household expenses.

AMALGAMATION OF 10 PUBLIC SECTOR BANKS PMO seeks post-merger financial projections

SOMESH IHA New Delhi, 22 February

he Prime Minister's Office (PMO) has sought specific details from the finance ministry on the benefits of the proposed amalgamation of 10 state-owned banks, even as the lenders await necessary approvals from the government to take the process forward.

The anchor banks - Punjab National Bank (PNB), Canara Bank, Union Bank of India, and Indian Bank — which will take over six other public sector banks (PSBs). have been asked to furnish the financial projections for the next three-five years by the Department of Financial Services. In the past few days, the government has asked the banks to give their plans for raising capital through the equity and bond markets after the completion of the merger process, a senior PSB executive said, requesting anonymity.

'The PMO has asked for the banks' plans to close branches and ATMs and the yearly savings arising out of the merger process for the next three years," the executive said.

The banks have been told to keep handy the data on loan projections to the corporate, MSMEs, agriculture, and retail segments after the merger process, along with the sector-wise credit data for the past two years. Additionally, the banks have submitted a road map for technical and technological integration.

"The anchor banks have been asked to justify the benefits of the amalgamation process," said another PSB executive, who did not want to be named.

Business Standard reported last Saturday that the Union government was



even though the deadline to merge the balance sheets of these lenders was over a month away i.e. April 1.

A senior government official said Prime Minister Narendra Modi wanted to see the "outcome of the amalgamation of Bank of Baroda (BoB)" before taking a final call on the merger of the 10 PSBs. The finance ministry is likely to give a presentation to the PM soon before a final decision is taken.

"The tricky part is that the immediate benefit from the amalgamation process is cost rationalisation. But since we are stateowned banks, we cannot shut branches immediately or reduce staff. So in a way we have told the government about the longterm benefits of the exercise," one of the bank executives cited above said. Turn to Page 4

TAKING STOCK

What merging banks have to furnish

Year-wise financial projections for next 3-5 years, with data on deposits, credit, capital adequacy, profitability, and NPAs

- Year-wise savings from merger in 3 years
- Branches and ATMs planned to be closed
- Capital-raising plans through equity and bond markets
- Sector-wise credit data of

FM SET TO HOLD REVIEW MEETING ON WEDNESDAY

Finance Minister Nirmala Sitharaman will hold a review meeting with chief executives of all PSBs on Wednesday,

the top of the agenda.

3,000-tonne gold reserves claim gets reality check

GSI refutes the claim, says there must have been some miscommunication of facts

THE GOLD HUNT

52,806 tonnes Gold ore deposits The euphoria over the claim that estimated in Uttar Pradesh's around 3,000 tonnes of gold reserves, Sonbhadra district worth ₹12 trillion, have been discovered

> 3.03 gm Gold that can be extracted from each tonne of ore, or about 160 kg in total

• Ore deposits found so far are economically unviable for mining

843 tonnes India's average gold demand in a year

2-3 tonnes Gold mined in the said nobody in the agency gave any such country annually; the remaining data. He said 52,806 tonnes of gold ore demand is met by imports was found in Sonbhadra district during the exploration work in 1998-2000. From

\$31 billion Worth of gold the country imported last year, making the metal its biggest import item after crude oil

Sources: GSL agencie

gold deposits were found in Son Pahadi work in 1998-2000, it had told the state Sridhar said while gold ore was found government about the discovery in in the area during the GSI's exploration November last year. Turn to Page 4

Taj gets picture-ready to welcome Trump

SHREYA JAI Agra, 22 February

The billboards of 'Panchhi Petha' are competing fiercely with hundreds of sundry hoardings welcoming Donald Trump to Agra and the Taj Mahal. But the most famous brand of the sweetmeat made from ash gourd won't get to showcase its products to the United States president, a disappointed branch owner in Taigani told Business Standard. All shops inside the Taj complex will remain closed when Trump visits the monument of love with his wife Melania on Monday. Despite the hit on business, Agra's in good spirits. From Dwight D Eisenhower to Bill Clinton, many American presidents have made sure they're photographed against the backdrop of the Taj. And, now the monument is ready to impress Trump for that family frame. Well, almost ready. The messages flashing across Agra capture the spirit of readiness. 'Welcome to the land of Ram and Krishna', 'Greetings from people of Uttar Pradesh', 'Welcome to the land of immense investment opportunities' and many more. It's another matter that Trump has been sending confusing signals on trade and business deals with India over the last few days. Leaving noth-



ECONOMY & **PUBLIC AFFAIRS** P3

Uncertainty looms over Ahmedabad itinerary of Trump Till Saturday, officials in the state government and local clarity on whether Trump, and the First Lady would visit Sabarmati Ashram before heading to the public event 'Namaste Trump', which is modelled on the lines of the 'Howdy Modi' event held in September last year. VINAY **UMARJI** reports

past 2 years

with credit to micro, small and medium enterprises (MSMEs) being at

"The finance minister has desired to conduct a review of the performance of PSBs on MSMEs," a communication, dated February 20 and issued by the finance ministry, stated.

IN DEPTH A turning point in war against corruption

India's battle against black money is still a work in progress. A new book compiling selected essays by former finance minister **ARUN JAITLEY** details the measures taken by the NDA govt to prevent and combat corruption

After a show in Ahmedabad on Monday, US President Donald Trump will reach the Taj Mahal the same evening PHOTO: SANJAY K SHARMA

ing to chance as a good host would do, the BJP-ruled Uttar Pradesh has done its bit to beautify the area around the world's most iconic monument of the Mughal era.

On Saturday, this reporter found everyone from gardeners to masons working at breakneck speed. If gardeners were on ground designing grass in star pattern (a feature of Mughal architecture), masons

were fixing broken tiles and leaking fountains. Then there were others cleaning paan (betel leaf) stains.

After the US president and his wife land at Agra airport, the convoy would proceed straight to the Taj entry gate, from where the electric-run golf carts would escort them to the marble marvel, officials said. Turn to Page 4



TRUMP MAY DISCUSS RELIGIOUS FREEDOM WITH MODI



Chief Economic Advisor Krishnamurthy Subramanian said we should always aim for "creative destruction" where incumbents were challenged

India needs pro-business, not pro-crony policies: CEA

PRESS TRUST OF INDIA

Mumbai, 22 February

India has some distance to go in fully shifting from the pro-crony to pro-business policies, Chief Economic Advisor Krishnamurthy Subramanian said on Saturday.

It will be pro-business policies that will enable the "invisible hands of the market" and also take the country to the \$5-trillion gross domestic product (GDP) goal, he added.

"Pro-business policies are those that enable fair competition in the country. We have some distance to go in terms of enabling that fully. Procrony policies on the other hand just help incumbents and that is something that we have to stay away from in enabling the invisible hands of the market," he said at an alumni conference of his alma mater, IIT-Kanpur.

Indian policymaking has been criticised for favouring crony capitalists in the initial decades after Independence, till the country shifted gears by adopting liberalisation in 1991.

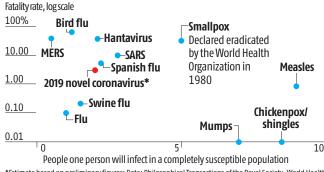
Subramanian said after the Comptroller and Auditor General (CAG's) report on telecom spectrum allocations came out in 2011, investor returns from "connected companies", an euphemism for crony firms, had been very low as compared to the broader indices. The problem with cronyism is that it is not a better business model, he said, adding that we should always aim for "creative destruction" where incumbents were challenged.

In a critique of the dominant policy choices in the initial decades after Independence, he said "the tryst with socialism did not deliver the tryst with destiny", referring to the first prime minister Jawaharlal Nehru's famous speech when India attained freedom. Turn to Page 4

Coronavirus may be the 'disease X' WHO warned about



HOW BAD IS IT? Contagiousness and lethality of airborne viruses



Estimate based on preliminary figures; Data: Philosophical Transactions of the Royal Society, World Health Irganization, International Journal of Infectious Diseases, Centers for Disease Control and Prevention, Iinical Medicine & Research, Paediatric Respiratory Reviews, Emerging Infectious Diseases in Asia, nstitute for Health Metrics and Evaluation. BMC Medicine. Evidemiology. Informationisbeautiful. net

Picture is emerging of an unpredictable, enigmatic pathogen

JASON GALE 22 February

The World Health Organization cautioned years ago that a mysterious "disease X" could spark an international contagion. The new coronavirus, with its ability to quickly morph from mild to deadly, is emerging as a contender.

From recent reports about the stealthy ways the so-called Covid-19 virus spreads and maims, a picture is emerging of an enigmatic pathogen whose effects are mainly mild, but which occasionallyand unpredictably - turns deadly in the second week. In less than three months, it's infected about 77,000 people, mostly in China, and killed more than 2,200.

"Whether it will be contained or not, this outbreak is rapidly becoming the first true pandemic challenge that fits the disease X category," Marion Koopmans, head of viroscience at Erasmus University Medical Center in Rotterdam, and a member of the WHO's emergency committee, wrote on Wednesday in the journal Cell.

The disease has now spread to more than two dozen countries and territories.

Some of those infected caught the virus in their local community and have no known link to China, the US Center for Disease Control and Prevention said.

'We are not seeing community spread here in the United States yet, but it's very possible - even likely - that it may eventually happen," Nancy Messonnier, director of the CDC's National Center for Immunization and Respiratory Diseases. told reporters on Friday.

Unlike SARS, its viral cousin, the Covid-19 virus replicates at high concentrations in the nose and throat akin to the common cold, and appears capable of spreading from those who show no, or mild, symptoms. That makes it impossible to control using the fever-

checking measures that helped stop SARS 17 years ago.

Spreading surreptitiously

A cluster of cases within a family living in the Chinese city of Anyang is presumed to have begun when a 20-year-old woman carried the virus from Wuhan, the

outbreak's epicentre, on January 10 and spread it while experiencing no illness, researchers said Friday in the Journal of the American Medical Association.

Five relatives subsequently developed fever and respiratory symptoms. Covid-19 is less deadly than SARS, which had a case fatality rate of 9.5 per cent, but appears more contagious. Both viruses attack the respiratory and gastrointestinal tracts, via which they can potentially spread.

While more than 80 per cent of patients are reported to have a mild version of the disease and will recover, about one in seven develops pneumonia, difficulty breathing and other severe symptoms. About 5 per cent of patients have critical illness, including respiratory failure, septic shock and multi-organ

failure. "Unlike SARS, Covid-19 infection has a broader spectrum of severity ranging from asymptomatic to mildly symptomatic to severe illness that requires mechanical ventilation," doctors in Singapore said in a paper in the same medical journal Thursday. BLOOMBERG Turn to Page 4 🕨











IN BRIEF

Indus merger nod: Bharti Infratel board set to meet tomorrow



Bharti Infratel on Saturday said its board will meet on February 24 to chalk out the future course of action following the telecom department's approval for merger with Indus Towers. The combination of Bharti Infratel and Indus Towers will create a pan-India tower company with over 163,000 towers,

operating across all 22 telecom service areas. The combined entity will be the largest tower company in the world outside China. "...FDI approval for merger

of Indus Towers with Bharti Infratel has been received late evening yesterday," Bharti Infratel said in a regulatory filing. It added that the board of directors of the company will meet on February 24 to "take stock and decide the future course of action". Bharti Infratel and Vodafone hold 42 per cent stake each in Indus. Vodafone Idea holds 11.15 per cent stake in the tower firm. PTI.

DBL executes EPC agreement with AAI to construct airport



Dilip Buildcon on Saturday said it has executed an EPC (engineering, procurement and construction) agreement for construction of a new greenfield airport at Rajkot in Gujarat. "...the company has executed an EPC agreement with the Airport Authority of India for an EPC project in the state of Guiarat." Dilip Buildcon said in a BSE filing. The project cost is ₹570.06 crore and completion period is 30 months, it added. PTI

UPL Corp's overseas arm raises \$400 mn through bonds

Agro-chemical firm UPL on Saturday said its Mauritian subsidiary has raised \$400 million (around ₹2,840 crore) by issuing bonds, and the amount will be used to retire existing debt. "UPL Corporation, Mauritius, the subsidiary of the company, successfully completed issuance of USD denominated perpetual subordinated capital securities (bonds) of \$400 million at interest coupon rate of 5.25 per cent per annum," the company said in a regulatory filing. The proceeds would be used to repay the existing debt of UPL Corporation, it added. PTI

Migsun to invest ₹55 cr for hospital in Ghaziabad

Realty firm Migsun Group on Saturday said it is entering the health segment by building a hospital in Ghaziabad at an investment of ₹55 crore. The multi-specialty hospital is under construction at Raj Naga Extension in Ghaziabad, Uttar Pradesh. The structure work of the proposed hospital is almost complete and the project will be operational this year, the

more than 10 projects. **PTI** Fox, NBCUniversal in talks to acquire streaming platforms

company said in a statement.

Migsun is currently developing

Fox and NBCUniversal are looking to buy ad-supported streaming platforms meant to lure customers who don't want to spend money on subscriptions, the Wall Street Journal reported on Friday. Fox, the Murdoch-family controlled media group which owns the Fox News Channel, has said it would be willing to shell out some \$500 million for Tubi, a streaming platform which airs mostly older movies and TV shows, the report said. A tie-up could help expand the footprint of Fox, which last year sold much of its film and television assets to Disney. PTI.

Wai Wai noodles targets ₹1,500 cr revenue in India

Nepalese brand has set up its new plant in Rajasthan

SAMREEN AHMAD Bengaluru, 22 February

epal-based fast-moving consumer goods (FMCG) conglomerate CG group, which sells Wai Wai instant noodles in India, is targeting a turnover of ₹1,500 crore in the country by 2022. The company is expecting to close the current financial year with a revenue of ₹820 crore in the India region

To further fuel its growth, the group is looking at expanding deeper into the markets in South and West India, and has set up a new plant in Rajasthan towards this end. The plant, its seventh in the country, has been set up with an investment of ₹25 crore.

"We have significant presence in North India with 60 per cent market share in the Northeast region. But we have limited visibility in southern and western markets with huge scope for expansion," said Parvez R Vandrewala, sales head for South and West

India, CG Foods.

Northeast, is also planning to diversify into other segments like ketchups and snacks such as cheese balls and bhujia. "We are Of the six other plants it has India, three are in also planning to launch several Northeastern states, one each other flavours in India that are

in Uttarakhand, Bihar and present in other international Andhra Pradesh. These plants markets, such as shrimp and have 10 manufacturing lines duck flavours," said Vandrewala. The instant noodles marthat are running at a capacity of 95 per cent. CG group is targetket in India is expected to grow ing ₹100 crore of revenue from

CG group is targeting ₹100 crore of revenue from the southern

region by 2022 from the current ₹40 crore

at a compound annual growth the southern region by 2022 rate of 5.6 per cent till 2023. In this segment. Wai Wai competes with Nestlé's Maggi and The group, which entered India three decades ago via the ITC Sunfeast's Yippee, and it has a market share of around 17 per cent, the third biggest share. However, Wai Wai is the only product that can be eaten directly from the packet without cooking.

UP may supply khadi to Raymond

from the current ₹40 crore

VIRENDRA SINGH RAWAT Lucknow, 22 February

The Uttar Pradesh government may soon sign an agreement with textile major Raymond to supply the indigenous khadi fabric to the firm.

The UP Khadi Board has provided fabric samples to Raymond, which is expected to procure 200,000 metres of UP khadi annually.

"We will start the supply of khadi to Raymond as soon as the samples are approved," Principal Secretary of Khadi & Village Industries Board Navneet Sahgal, who is also the state trade facilitation commissioner, told Business Standard in Lucknow.

He said the khadi to be sup-plied to Raymond would be commerce giant Amazon for manufactured at the UP Khadi promoting UP's Khadi on its production centres situated at online marketplace, apart from different places in the state. training entrepreneurs.

> In Feb 2018, the state had signed an MoU with Amazon for promoting

Biocon gets three **UŠFDA** observations for its facility in Malaysia

PRESS TRUST OF INDIA New Delhi, 22 February

Biocon on Saturday said it received three observations from the US health regulator following inspection of its insulin manufacturing facility in Malaysia.

The US Food and Drug Administration (USFDA) had conducted a preapproval inspection of Biocon's subsidiary Biocon Sdn BHd's manufacturing facility in Malaysia for Insulin Glargine between February 10 and 21.

"At the conclusion of the inspection, the agency issued a Form 483 with three observations which we believe are procedural in nature," a Biocon spokesperson said in a regulatory filing.

According to the USF-DA. Form 483 is issued to a firm at the conclusion of an inspection when investigators have observed any conditions that in their judgment may constitute violations of the Food Drug and Cosmetic Act and related Acts.

"We will respond to the FDA with an appropriate Corrective and Preventive Action Plan (CAPA) and we are confident of addressing these observations expeditiously." the company added.

The FDA has set a target action date for its Insulin Glargine application in June 2020, it said.

"We believe the outcome of this inspection does not in any way impact the commercialisation plans of Insulin Glargine in the US. Biocon Biologics is committed to global standards of quality and compliance," the spokesperson said.



Inventus Capital bets on start-ups in hardware



SAMREEN AHMAD Bengaluru, 22 February

Technology-focused venture capital (VC) fund Inventus Capital Partners, which earlier invested in software-based companies, is now exploring hardware start-ups. The Silicon Valley- and Bengaluru-based early-stage fund has placed bets on BluArmor, which manufactures tech-laden smart motorcycle helmets.

Inventus, along with venture fund Kitven, had led a \$1.4million Series A round in the start-up last month.

"Traditionally, we used to invest predominantly in internet-based companies and stayed away from hardware as India did not have the strength in the segment. Also hardware could be copied by Chinese start-ups as they had stronger manufacturing capabilities. So, most of the VCs stayed away from them," said Rutvik Doshi, managing director, Inventus

Capital Partners. "But in the last three-four years, the way technologies have evolved, hardware is no longer a standalone... it plays along with software," Doshi added.

The company's other two India managing partners are Samir Kumar and Parag Dhol.

The India unit of the earlystage fund, which has invested in 27 start-ups, closed its third fund in October last year at ₹370 crore. From this corpus, the firm is looking to invest in 14-15 start-ups, including five this year. While the firm is looking at investing anywhere armin 2013, said Doshi.

The firm had made three successful exits last December, PolicyBazaar, and Funtoot. Inventus Capital's partial stake sale in PolicyBazaar to SoftBank earned the company a 15-times return at over ₹170 crore. It had made a 22-times return on invest ment when it sold its stake in RedBus to South African media conglomerate Naspers' Indian

FACTBOX

Fund I \$51.8 million 10 investments; 5 exits

Fund II

\$50 million India-dedicated fund: 12 investments; 3 exits

Fund III (ongoing)

\$51 million 5 investments Source: Crunchbase

> between ₹5 crore and ₹15 crore in each, the funding amount can go up to ₹40 crore depending on the performance of the start-up. A fourth fund could be announced by the end of next year.

> From Inventus III, the VC firm has made five bets so far, including BluArmor, enterprise start-up Worxogo, augmented reality-based toy venture PlayShifu, local discovery platform LBB, and blockchain-

based start-up KoineArth. including Aasaanjobs

> ITF to focus on 4 core areas to

Cognizant board to take up **Indians use big cars, it's unfortunate** biz realignment on Monday

Cognizant

Besides, the UP Khadi Board is looking to supply uniforms to the stu-UP dents of government-run primary schools made from fabric blended with cotton and khadi. At present, nearly 18 million students are

> 36 million pairs of uniforms every year.

khadi on its online had earlier promarketplace posed to set up khadi parks. At the UP Investors Summit

enrolled in the government- 2018, the state had signed run schools, thereby requiring MoUs to the tune of ₹30,000 crore with Indian and foreign companies across the entire

In February 2018, the state khadi value chain.



DEBASIS MOHAPATRA & GIREESH BABU Bengaluru/Chennai, 22 February

The board of directors at IT services major Cognizant is meeting in Chennai on Monday, the Nasdaq-listed company's second such meet in India since Brian Humphries took over as the chief executive officer and managing director last year.

According to sources in the know, the board is likely to deliberate on a range of issues including the business realignment efforts taken up under the new CEO, and also issues pertaining to delivery capabilities in India.

'The board of Cognizant usually meets up once or twice in India every year as this is one of the important delivery bases for the company," a person said. However, it was not clear whether cofounder Francisco D'Souza, who



Cognizant currently employs around 290,000 people globally. Of this, nearly 200.000 are in India

recently announced his decision to step down from the board from March 31, would attend the meet.

Cognizant, which has its roots in Chennai, currently employs around 290,000 people globally. Of this, around 200,000 are in India. Sources said that the US-



plan, Cognizant is currently pursuing various cost-optimisation measures through which it hopes to save around \$150-\$200 million by the end of 2020. The IT services firm

is also rationalising its employee pyramid by hiring more fresh graduates. It had earlier said that the company would remove 10,000-12,000 mid- to senior-level staffers

and redeploy about 5,000 of those impacted.

Sources also said that the board is likely to deliberate on the alternate revenue streams that can be explored to compensate for the loss of revenues arising from the exit of content moderation business.

Nanodidn't do well: M&M's Goenka improve biz performance

PRESS TRUST OF INDIA Mumbai, 22 February

Indians have a tendency of using cars that are too big for moving a single person, and the fate met by Tata Nano was unfortunate. Mahindra and Mahindra Managing Director Pawan Goenka said on Saturday.

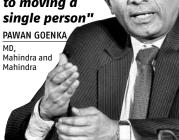
He also conceded that the automobile industry does add to pollution, and pitched for adopting all the means to reduce it. The Tatas have discontinued Nano after poor response to the 600-cc car that was priced at ₹1 lakh. Many experts have blamed the utilitarian product pitch in a country, where owning a car is seen as a lifestyle necessity, as the reason for failure.

"It is very unfortunate that Nano didn't do very well," Goenka said, speaking at an alumni event organised by his alma mater IIT-Kanpur here.

He said Indians weighing 65-70 kg use an entire 1,500-kg car to travel individually, hinting at the wastage of resources that go into making the big car move.

that is more tuned to moving a single per-

"We need to have personal transport that is more tuned to moving a single person" PAWAN GOENKA



son," he said. Keeping the same requirement in mind. Goenka said his company has launched a smaller car, which should be hitting the market soon.

He also acknowledged that automobiles at present contribute 7 per cent of the "We need to have personal transport carbon dioxide and a fifth of particulate matter PM 2.5, and every effort should be

made to reduce the impact rather than mounting efforts to say that it is only this much of an impact. India can lead the race on the connected car front due to its prowess on the information technology front. Goenka said.

There is a lot of work happening on the electric vehicles as well, with startups dedicated to niche areas like batteries, charging, two-wheelers and three-wheelers mushrooming, he said. India is at present five years behind China when it comes to EVs, but can lead the world on a research and development as well as production front, he noted.

At present, India is trailing the world as a consumer of EVs, he said, adding that only 1,400 cars were bought in 2019, which is a very small percentage of the world demand. The auto sector will have to play a crucial role in the overall economic development of the country, he said.

Goenka said the manufacturing sector has to contribute \$1 trillion if the economy were to be a \$5-trillion GDP and the auto sector will have to grow at a CAGR of 14 per cent for five years.

The Indian Texpreneurs Federation (ITF), an association representing the entire value chain of textile manufacturing in Tamil Nadu, has decided to focus on four core areas to improve the overall

business performance of the

industry.

These include setting up an advisory cell with industry and external experts to guide members to step into integration, value creation through sustainability as competitive advantage and empowering people and unleashing people power. An ITFCRISIL research report on financial performance of the textile sector shows a clear trend of differentiation in margins between standalone spinning (Vs) semi-integrated and integrated firms.

Titan's Fastrack to foray into smart eyewear segment

Called Fastrack Vibe, the sunglasses will be priced between ₹3,000 and ₹4,000

SAMREEN AHMAD

Bengaluru, 22 February

Three years after foraying into the smart wearables segment with Fastrack Reflex, Titan's subsidiary Fastrack is set to enter the smart eyewear market. According to sources, the Bengaluruheadquartered company is going to launch smart audio sunglasses by the end of next month.

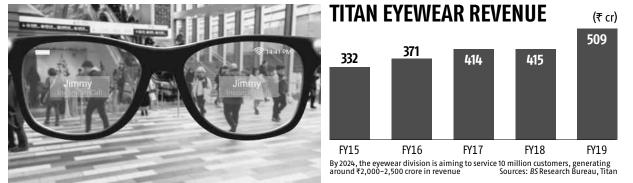
These eyewear will have inbuilt Bluetooth speakers through which a user would be able to manage calls and music on the go. Called Fastrack Vibe, the product will be available in two variants.

An email sent to Titan remained unanswered. "There are several smart eyewear players in the market but the USP of this product will be its affordable price point which is between ₹3,000 and ₹4,000," said the source.

The Bose Frames audio sunglasses which were launched in India in June last year carry a price tag of ₹21,900.

According to experts, Titan has done well in smart wearables positioning itself as one of the top players in the segment. Its brands have high recall especially Fastrack which is India's largest youth brand.

The jewellery-to-watches maker has two in-house sunglasses brands — Titan glares and Fastrack sunglasses. "This new category will help customers to listen to music, connect calls and navigate. However, this being a new segment, a lot of ad-spend would be required to create the category," said Abneesh Roy, research analyst at Edelweiss Securities.



Last year in October, Titan had brought Skyfly Mutrics Smart eye wear to India which had features such as Qualcomm Bluetooth 5.0 and an eight hour playtime. It also has an in-built mic to enables users to access Siri and Google Assistant and answer calls on the go. However, with the Fastrack

offering, the Bengaluru-headquartered company will be rolling out an inhouse built smart eyewear, for the first time in the market.

Launched in 1998, Fastrack retails across the nation through 180 exclusive stores in over 80 cities as well as authorised multi-brand outlets and online

portals.

The company has four variants of smart wearables under the Fastrack brand, namely Reflex, Reflex 2.0, Reflex Wav and Beat. It came up with the first gesture controlled band in the world with Fastrack Reflex Wav.

According to the International Data

Corporation, India is the third largest market for smart wearables after the US and China, Hence, Titan has been focusing on the smart wearables category over the last few years and has come up with 13 smart products so far. It recently acquired patented technology in gesture control from Hyderabadbased start-up HUG Innovations and has also hired its entire 23-member team to build in-house technology for their wearables.

Titan's watches and wearables growth for December quarter was flat compared to previous year as market for watches itself is estimated to have declined by around 4 per cent due to poor customer sentiment which led to primary sales to trade and ecommerce channels declining sharply. "However, our own retail stores (World of Titan, Fastrack and Helios) grew quite well despite the weakness in the market," said the company.

ECONOMY & PUBLIC AFFAIRS 3

TRUMP'S VISIT Uncertainty looms over Ahmedabad itinerary

No confirmation on visit to Sabarmati Ashram amid speculation that it will be given a miss

VINAY UMARJI Ahmedabad, 22 February

ncertainty continues to loom over United States President Donald Trump's itinerary during his visit to Ahmedabad on Monday.

Till Saturday, officials in the state government and local administrative bodies - such as the Ahmedabad Municipal Corporation (AMC) - had no clarity on whether Trump, who will be accompanied by First Lady Melania Trump, would visit Sabarmati Ashram before heading to the public event 'Namaste Trump', which is modeled on the lines of the 'Howdy Modi' event held in September last year.

Ahmedabad has been decked up with resurfaced roads, saplings planted on dividers, massive hoardings of Prime Minister Narendra Modi and Trump, and barricades on both sides for the public to cheer the cavalcade.

However, it is still not clear whether the roadshow will be held from the airport to Sabarmati Ashram and then to the that Trump may skip Sabarmati Ashram



Mock drills have been conducted along the route with cops stationed from airport to Sabarmati Ashram, and within Motera stadium. City police and local administration have revised the route multiple times ahead of the roadshow

world's largest cricket stadium at Motera to make time for a visit to Agra.

for the public event or if Trump will head If true, this would be a first in recent straight to the stadium from the airport. times, as heads of states visiting City police and local administration Ahmedabad — like Chinese President Xi have revised the route multiple times with Jinping, Japanese Prime Minister Shinzo Abe, and Israeli Prime Minister Benjamin more roads being blocked for public use ahead of the roadshow. Speculation is rife Netanyahu — have all visited the ashram and paid respect to Mahatma Gandhi.

Moreover, Chief Minister Vijay Rupani, too, on Friday stated that Trump would hold a roadshow from the airport to the stadium. However, when asked about Trump's visit to Sabarmati Ashram, Rupani told journalists that the White House would be taking a call on this.

Mock drills have already been conduct-

Flyers in city told to reach airport 3 hrs prior

In view of US President Donald Trump's visit to Ahmedabad on February 24, authorities at the international airport in the city issued an advisory asking those catching flights on that day to arrive three hours ahead of scheduled departure, and informed them that flight timings for the day would be maintained.

A senior official said the US president's Air Force One flight will land at Ahmedabad's Sardar Vallabhbhai Patel International Airport around noon on February 24, and he will depart from the state in a few hours time after attending the

'Namaste Trump' event at Motera stadium. In a statement, the airport authority asked passengers travelling that day to carry hard copies of their flight details to allow police to facilitate their travel towards the airport.

ed along the route with cops stationed from airport to Sabarmati Ashram, and within Motera stadium. The local police is also closely coordinating with other agencies like the US secret service, India's Special Protection Group (SPG) and the National Security Guards (NSG) for security operations during the roughly three-hour visit.

Opposition's questions

Questions are being raised by the Opposition over the organising committee of the 'Namaste Trump' event. For instance, it was only on Friday that Rupani said the committee was headed by Ahmedabad Mayor Bijal Patel, along with two Members of Parliament and other prominent citizens.

On her part, Patel, too, tweeted on Friday confirming this. Patel could not be contacted despite repeated attempts.

Congress spokesperson Randeep Surjewala on Thursday raised questions over the leadership of the committee and invitation to Trump for the Ahmedabad visit, in his tweet addressing the ministry of external affairs (MEA) and PM Modi.

It is also being speculated that the committee has leased out the Motera stadium, run by Gujarat Cricket Association (GCA), for a few hours on Monday for the 'Namaste Trump' event for an undisclosed amount. As such, GCA sources said that the event was not going to be the inauguration of stadium, for which a separate date would be finalised later. With the lack of official confirmation, it is also being estimated that the 'Namaste Trump event, which will see the Trumps and Modi preside over a cultural event and address the public, has seen a spending of roughly ₹100 crore.

Trump likely to raise concerns over religious freedom with PM

US President Donald Trump religious freedom in India during his meetings with Prime Minister Narendra Modi next week, a senior administration official said. a sensitive subject for the Indian government.

Modi's government has faced large scale-protests at home and criticism abroad for enacting the citizenship law. The measure came months after the government withdrew the special autonomy given to Kashmir, tightening its hold.

Trump, who is due in India will raise the issue of on Monday, will talk about the two countries' shared traditions of democracy and religious freedom, the senior administration official said in a conference call on Friday ahead of the two-trip.

"He will raise these issues, particularly the religious freedom issue, which is extremely important to this administration," the official said. Soon after winning a second

term in office last year. Modi had spoken about his government's priority of inclusive

growth for everyone, including religious minorities, the administration official said. "I think that the President will talk about these issues with PM Modi and note that the world is looking to India to continue to uphold its democratic traditions, respect for religious

minorities," the official said. Trump has faced criticism at home for imposing a travel ban on several Muslim-majority countries, a move he has argued is necessary to guard against terrorism REUTERS

DEBASIS MOHAPATRA Bengaluru, 22 February

During the upcoming visit of US President Donald J Trump to India, the National Association of Software and Services Companies (Nasscom) will take up issues relating to mobility of skilled individuals with the US administration.

According to officials of the industry body, it will seek differentiation between skilled talent mobility and usual immigration. "When there is lack of STEM (science, technology, engineering and math) talent, mobility of skilled pro-



fessionals from India supports Nasscom summit, president of innovation in US firms. So, it shouldn't be treated as normal immigration," said the official.

the industry body Debjani Ghosh said the US administration has to realise that 90 per In the recently-concluded cent of the H1B visa holders

are going to US companies and sented by the president and not to Indian firms.

Even through Indian IT firms are currently employing around 55,000 American professionals in the US, which is significantly higher than the previous years, the rejection rate of H1B visa applications for Indian professionals has increased manifold.

According to Citizenship and Immigration Services (USCIS) data, denial rates for H1B applications increased four times from just 6 per cent in 2015 to around 24 per cent in July-September quarter of the current fiscal.

"Nasscom will be repre-

officials, who are engaged in global trade development, in the Indian delegation," another official said.

Ever since Trump took charge as US President, Indian IT firms and Nasscom have increased their spend for lobbying activities. Last year, Nasscom was the third biggest spender on lobbying on immigration and advocacy, according to data from research

group Opensecret.org. Despite consistent advocacy of technology firms for a liberal visa regime, the US administration has not eased rules much in the last four years.

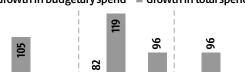
Revenue shortfall cuts infra scheme budget in FY20, social spends to go slow next year

ABHISHEK WAGHMARE New Delhi, 22 February

While presenting the Budget, Finance Minister Nirmala Sitharaman tried to strike a balance between the need to spend more for stimulating growth and the limitations due to a severe shortfall n revenue. Even under the ambitious

CRUNCHING THE NUMBERS

Borrowing propels spending; rural cleanliness and power supply schemes get less Growth in budgetary spend Growth in total spend (%)



The ECB wants to talk to you about inflation. But will it listen?

REUTERS Frankfurt/Riyadh, 22 February

For many people, the language of European Central Bank polcymakers is so impenet



expenditure target in the wake of revenues slowing due to economic meltdown, several flagship schemes are expected to see slow growth or a drop in funding.

Some of the schemes got a breather in terms of the extra funds that will be made available, not through the Budget-or the consolidated fund of India, but through bonds for which the government will pay principal as well as interest in upcoming years.

A Business Standard analysis of spending and allocation to 22 major schemes, ranging from farmer's income support to school literacy, health insurance to financial assistance to women self help groups, shows that rural roads, urban development, midday meals for school children and skill enhancement programmes took a hit in FY20. Rural employment, national health scheme, old-age and widow pensions, and entrepreneurship assistance to rural women are set to see stagnation/contraction in funds in FY21. Also, overall, 22 important schemes put together would see a 13 per cent growth in allocation, higher than the 12 per cent growth in gross tax revenues, courtesv off-Budget bonds

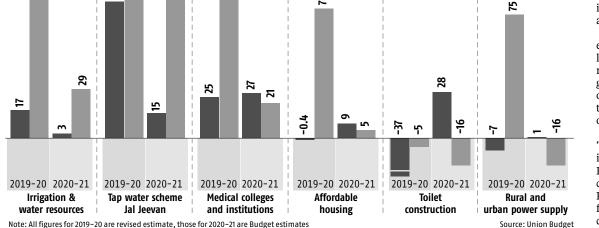
The analysis shows for seven schemes, 40 per cent of funds to be provided from off-Budget sources, increasing the need to spare funds to service interest in coming years. Borrowing beyond the Budget books raises growth in allocation significantly for the seven

schemes. And finally, the government has severely short-changed a special need this year-the voluntary retirement of employees in the state-owned telecom companies BSNL and MTNLby more than 50 per cent

The voluntary retirement is a special financial provision introduced this year, to service the requirement of two stateowned telecom companies Bharat Sanchar Nigam (BSNL) and Mahanagar Telephone Nigam (MTNL).

Telecom minister Ravi Shankar Prasad had said that the funds required to service the voluntary retirement in these two companies would run to ₹30,000 crore. However, the Budget has provided only₹13,185 crore for the same in FY21. In FY20, a paltry ₹530 crore has been provided.

Among various flagship schemes,



the biggest losers in 2019-20 were the projects under the Smart cities mission and its variant for smaller towns. The revised spending in FY20 is nearly 20 per cent less (from ₹12.085 crore to ₹9,842 crore) than the amount spent in the previous year (FY19). Similarly, when it comes to rural roads, spending took a nearly 10 per cent hit in FY20 (from ₹15.414 crore to ₹14.070 crore).

skill

Though development is a flagship programme make informal workers capable of working in the organised industry, the spending in FY20

took a 3 per cent cut (from ₹2,619 to ₹2,531) over the previous year.

In FY21, the big-ticket rural employment guarantee scheme (MGNREGA) is budgeted to take a 13 per cent hit in FY21 (from ₹71,000 crore to ₹61.500 crore).

A top official in the rural development ministry said this will improve in FY21. "The finance ministry generally accepts the supplementary demand for grants in the second half of the financial year when it comes to MGNREGA," the official said.

Then, the allocation towards the national health mission, which provides medical assistance to the rural folk in terms of reproductive and child health, and in the form of assistance to tackle various diseases, is slated to remain stagnant (nearly ₹33,000 crore) in FY21.

Similarly, schemes under which the elderly and widows get pension, and those under which women in villages get credit from banks for entrepreneurial activity under the "self-help group" model will see no growth in funds in the upcoming year. The total spending under the two schemes would be stuck at ₹20,000 crore in FY21.

Schemes for the farm sector are slated to see a healthy growth in funds. For example, interest subsidy provided to farmers for short-term crop loans has been expanded 20 per cent, to cross ₹21,000 crore this year. Crop insurance scheme is budgeted to get 15 per cent more funds than the previous year.

One of the newest schemes of the Modi government, the Pradhan Mantri Jan Aarogya Yojana under Ayushman Bharat, got only half of the envisaged funds in FY20. As against the budgeted amount of ₹6,400 crore, the revised estimate is only ₹3,200 crore.

A key official in the scheme office said reduction in premium in the bidding process, late entry into the scheme by some states such as Rajasthan and Punjab, and slower implementation in the states with highest number of beneficiaries-Uttar Pradesh, Bihar and Madhya Pradesh- were the reasons that compelled the national health agency to use less funds than budgeted.

Despite all these, the reason spending on 22 major schemes is set to rise 13 per cent in FY21 is that seven schemes are getting a substantial infusion in the form of bonds serviced by the government. So much, that the bond finance is nearly 40 per cent of the total spending. Without these extra funds from out of the Budget, spending in these schemes would be considerably lower.

For example, the scheme to ensure that irrigation water reaches the end user (command area development) would see only a 3 per cent rise in funds for FY21. But adding the funds available through bonds, the spending would grow by 29 per cent.

Similarly, the affordable housing scheme for the poor would have seen a stagnant zero per cent growth in FY20 spending (current year). But a massive infusion of ₹20,000 crore has pushed up the growth in spending by 78 per cent, the analysis shows. This kind of offbudget borrowing has its costs, as the principal as well as the interest will be paid by the government in the upcoming years, and will put limitations on development spending (as it would mean paying up past bills).

While it is difficult to find how much the impact would be, data shows the magnitude of the problem. The government is ending up paying more than ₹13,000 crore in FY21 on interest to be paid on loans availed to run various schemes in the past (from National Bank for Agriculture and Rural Development or elsewhere).

Despite the off-Budget fund infusion. Swacchh Bharat Mission-a scheme that majorly looks at toilet construction in villages—is set to see a 16 per cent drop in funds, as most of these funds are accounted for in the current financial year FY20, and not for FY21.

it could be beamed from another planet.

Now, however, the ECB experts are in for a dose of real life as they meet audiences ranging from students to clergy this year to get their views on inflation and feedback on the central bank's work, six officials told Reuters.

The series of events, called "ECB Listens" after a similar initiative by the Federal Reserve, illustrates a marked change in style under new President Christine Lagarde, a former politician with a penchant for public relations.

Just last October her predecessor, then President Mario Draghi, had expressed his reservations about communicating with the public at large rather than finance aficiona-

"One has to be cautious about that because as soon as you change your audience, you change your language and vou naturally step into a different realm: the realm of politics," he said.

The change of tack could also be an indication of the quandary the euro zone's central bank finds itself over the adequacy of the inflation data used to justify trillions of euros worth of monetary stimulus to support Europe's economy.

Surveys show households in the euro zone perceive inflation to be far higher than official data. Some ECB policymakers suspect this is because the data does not factor in changes in the price of homes occupied by their owners - a key measure of financial health for millions of people. An ECB spokesman

declined to comment.

Taking aim at inflation target

The ECB will kick off proceedings, part of a year-long strategic review, with an event in Brussels on March 26, according to the sources who are on

Surveys show households in the euro zone perceive inflation to be far higher than official data. Some ECB policymakers suspect this is because the data does not factor in changes in the price of homes occupied by their owners – a key measure of financial health for millions of people

rencies.

cent".

even priests invited to give

ECB policymakers a piece of

their mind on inflation as well

as other topics ranging from

climate change to digital cur-

ings may draw accusations

from some quarters of simply

being a public-relations exer-

cise. The sources themselves

were unanimous in believing

input from the public was

unlikely to sway deliberations

on how to reset the ECB's def-

inition of price stability, cur-

rently worded as an inflation

rate "below, but close to 2 per

keen to understand why per-

ceptions of inflation are so

high and why salary growth is

the ECB's activities in simpler

language, in line with the per-

sonal style of Lagarde, a for-

mer French finance minister

and head of the International

spreading the ECB's message

to the people," one of the

"There is a covert goal of

Monetary Fund.

They will also try to explain

comparatively sluggish.

Rather, policymakers are

However, the public meet-

or close to the ECB's ics, students, pensioners and Governing Council. Each of the euro zone's 19 national central banks has been asked to hold at least one such meeting by the summer, they said.

The ECB is unlikely to make any communication about the outcome of its review, which could see it redefine its inflation target, until well after the end of the public consultations, the officials added.

This would dash the hopes of some policymakers, including Slovak central bank governor Peter Kazimir, who have said they would like to see the ECB's revised inflation target published early, in time for its annual forum in Sintra, Portugal starting on June 29. "It would look pretty awful if we put out substantial com-

munication on the review in June because that would mean we are not taking the feedback seriously," said one of the sources, who all spoke on condition of anonymity because the ECB's deliberations are private.

Public consultation or relations?

sources said. "It's an experi-The public meetings will see ment in a new communicasmall entrepreneurs, academtion approach."



4 YOUR MONEY

EQUITIES Long-term investors need not worry about volatility

Uncertainty creates opportunities to snap up quality stocks at attractive prices

E A SUNDARAM

ndia's GDP growth rate, according to estimates, could be less than 5 per cent this year. Many agencies, including the International Monetary Fund (IMF), have lowered their growth estimates. Auto sales are down. Job growth is sluggish. The long-awaited turnaround in corporate profit growth hasn't materialised yet. Micro, small and medium enterprises (MSMEs) are in deep trouble. Indian banks have not overcome their non-performing asset-related issues, and now non-banking financial companies are also in trouble. Despite all these problems, the Nifty 50 index is trading close to its all-time high valuation. How does one make sense of such an environment and invest confidently?

Learn to live with uncertainty: Uncertainty about the future is an intrinsic feature of equity investing. We can be confident, but we can never be entirely sure about what the future holds. When uncertainty about the future is high, it impacts stock prices. If investors are to wander into "uncharted territory", they should ensure they do so with strong companions.

Investors can derive confidence from what Warren Buffett has said about uncertainty: "The future is never clear. You pay a very high price in the stock market for a cheery consensus. Uncertainty actually is the friend of the buyer of long-term values."

One needs to recognise that we can't predict the future. We may make some extrapolations based on our past observations or experiences, but in reality, no one can consistently make correct predictions about what the future has in store. Especially in the stock market, where future stock price movements are a function of literally thousands of variables, it is simply impossible for any investor to correctly predict the interplay of all these variables and



their impact on the movement of the concerned stock's price. So, let us not even try.

Look for companies with strong fundamentals: The next thing is to recognise that what ultimately matters in the stock market is, one, the continued competitiveness of the company concerned, and two, the price at which the stock is purchased.

We can discuss until eternity about slowdowns, political uncertainty, war fears, oil price spikes, elections, foreign exchange woes, and so on. But ultimately, we will be much better off if we spend time assessing the continued competitiveness of the company and assessing the price at which the stock should be purchased. Strong business models, the extent of difficulty competitors would face in competing against the company, the brands it owns, its distribution network, the quality of the people running the company, and the working capital cycle are all indicators of a company's competitiveness. Such a company would be a good companion when coursing through the uncharted territory — the future.

LOWER P/E STOCKS MOSTLY PERFORMED BETTER

Market cap	(₹crore)		CAGR return (%)		P/E on Feb 29, 2000	
Top BSE stocks	Feb-2000 Dec-2007					
Infosys	56,550	1,01,131	7.7		210.8	
Hindustan Unilever	67,416	47,179	-4.5		57.4	
Ranbaxy Lab	11,080	15,874	4.7	I	52.4	
NIIT	9,349	2,582	-15.1		48.9	
Reliance Industries	31,607	4,19,043	39.1		39.1	
Nestle India	3,336	14,461	20.6		32.8	
Larsen & Toubro	9,568	1,21,331	38.3		25	
ITC	19,952	78,856	19.2		23.6	
MTNL	19,117	12,115	-5.7		16.2	
Hindalco Industries	5,883	26,365	21.1		15.7	
Asian Paints	1,504	10,576	28.3		15.7	

Buy at attractive valuations: The price paid at the time of entry into a stock is equally important. The return made from an investment in a stock is inversely proportional to the price paid at the time of entry. It, therefore, makes sense to avoid paying an exorbitant price for a stock. It is difficult to buy a stock at the bot-

tom price, but at least we can stay away from those that are exorbitantlv valued.

If we want to buy only good-quality businesses (because they make good companions during times of uncertainty), but also wish to avoid paying too high a price (because that makes economic sense), one should

bear in mind that such companies are available at a reasonable price only when "fear of uncertainty" is high.

When we can clearly see robust profit growth in a company, so can the rest of the world. When high profit growth continues for several quarters, expectations from the stock rise. These high expectations also drive the stock price up.

That is why it is preferable to buy such a company when profit growth is not robust enough, or when the company is caught in a whiff of "uncertainty", so that its future appears murky.

If we are confident that the difficulties the company is facing are temporary and not terminal, uncertainty around a stock is a very good opportunity to pick up a good company at a not-too-exorbitant price.

High valuations translate into poor returns: A couple of examples would illustrate these points well. In February 2000, at the peak of the tech boom, stocks in a few sectors were quoting at valuations well above their historical averages. They had also delivered fantastic returns in the years prior to 2000, and that was one of the primary reasons for investors not having "fear of uncertainty" about them. By and large, these stocks gave mediocre returns over the next few years. On the contrary, stocks that were dubbed as "old economy" and those that were gripped by the "fear of uncertainty' did very well in the subsequent years.

The same pattern was repeated in 2007. Only this time the favoured sectors were infrastructure, real estate and power.

As can be seen from the table, stocks that were purchased without any "fear of uncertainty" did worse than the group of stocks where investors were gripped by this fear. With the important caveat of restricting choices to companies with strong balance sheets and business models, almost uniformly, the rule is that when there is no "fear of uncertainty", investors tend to buy at exorbitant prices. And almost inevitably. such stocks tend to disappoint. On the other hand, stocks buffeted by "fear of uncertainty" (provided they are competitive) tend to give strong returns over the next few years.

Long-term investors should, therefore, welcome the "fear of uncertainty" that affects stock prices. That is when good opportunities arise.

The writer is chief investment officer of o3 Capital PMS. Views are personal

BS TUTORIAL Jayant Pai Financial literacy 1. Which of these countries is not a member of the Frugal Four? A. Austria B. Denmark C. Germany D. Sweden 2. Prestiti are often regarded as the world's first _____ A. Liquid asset B. Convertible asset C. Sovereign asset D. Collateral asset launched the world's first sustainability-linked bond recently. A. E. 0n B. Shell C. Enel D. Elf 4. Which is the world's richest horse race? A. The Kentucky Derby (USA)

B. Epsom Derby (England)

C. The Saudi Cup

D. Dubai World Cup

committed to be the world's first carbon-neutral airline last week.

A. Emirates

B. RyanAir

C. Singapore Airlines

D. Delta Airlines

.levomen nodras ni gnitsevni efficiency and reducing fuel usage, as well as 5. D. The 10-year pledge will focus on improving jet

·uoiiiiu purse of US \$20 million. The winner gets US \$10

4. C. It takes place in Riyadh on February 29 and has a

.esonotselim letnemnorivne gniveiche. (Ynaqmos ticitis electricity company)

3. C. The 1.5 billion US dollar bond, whose payouts are regarded as the world's first liquid asset.

bonds could be freely transferred and are hence 2. A. Launched in Venice in 1172, these perpetual

.stegbud beance and balanced budgets. 1. C. The missing one is The Netherlands. The group

:suomnjos

 $The {\it quiz\,master\,is\,a\,certified\,financial\,planner\,and\,head-products},$ PPFAS Mutual Fund

Send your queries and feedback at yourmoney@bsmail.in

ECONOMY



SBI to hold mega e-auction for 1K stressed assets ABHIJIT LELE

It furnishes all relevant

) FROM PAGE 1 **PMO seeks**

post-merger...

One advantage of the merger cited by the banks to the government is that their capital base would go up, helping them provide big-ticket loans.

The latest financial results of Bank of Baroda, which took over Dena Bank and **Taj gets** Vijaya Bank in April 1, 2019, came as a cause of concern for the government. The bank posted a net loss of ₹1,407 crore in the third quarter, mainly because of higher provisioning. The bank's fresh slippages rose to around ₹10,387 crore — the amount of loans which turned from good to bad. The credit growth was flat, as compared to a projection of 10 per cent growth in the December-end quarter. The government's notification related to the amalgamation scheme has been delayed, sparking concern among the boards of banks about a possible delay in the merger process, which was supposed to take place by April 1, 2020 — the beginning of the next financial year. However, Sitharaman had said in a press conference that she saw no reason for a delay in issuing the notification. "You will hear on it as and when a decision is made." the FM had said

cobalt, lithium, beryllium, germanium, gallium, indium, tantalum, niobium, selenium, and bismuth are atop the list in GSI exploration, gold is another commodity on its priority list.

According to the World Gold Council, India has reserves of 630 tonnes of gold.

picture-ready...

construction work has stopped here and I will not be paid for a week," said a daily wage labour who was working on a bridge being constructed near the Hathi Ghat. In anticipation of water gushing through the area, all work has been stalled.

"How will the last-minute cleaning help the river? It should be done periodically, not just to show off. A river is dying and they are doing temporary facelift," said a pollution department official.

After Trump's whistle-stop visit is over, e will know if the speed cleaning wil continue for a real makeover. As of now, that's not a pressing matter for the administration as Agra gears up to receive Air Force One with its famous occupants.

by a court order, to auction.

Sriharsha Majety-led food delivery startup Swiggy has raised \$113 million as part of its Series-I financing round, led by Prosus Ventures, the biggest venture capital for food delivery start-ups



Microsoft co-founder Bill Gates may be the world's leading philanthropist and also have a liquid hydrogen-powered superyacht, but Tesla CEO Elon Musk finds him underwhelming for "choosing Porsche over Tesla"

In a bid to recover dues, the State Bank of India (SBI) will conduct a mega electronic auction for 1,000 properties on February 26.

These include houses, industrial and commercial units of defaulters.

These are stressed assets and the bank has made provisions or exposure in accordance with the Reserve Bank of India norms.

While provisions cover regulatory requirements, the bank has the right to get back dues through a legal process, said a senior executive.

SBI, in a statement, said it is very transparent when putting immovable properties,

details that can make it an attractive proposition for bidders to participate in the auctions. The bank will offer loans to successful bidders. The recoveries and upgra-

dations for stressed accounts stood at ₹13,553 crore in the third quarter ended December 31, 2019, up from ₹6,617 crore in the quarter ended December 31, 2018.

The bank published the advertisement for the proposed auction in newspapers as well as the social media.

The advertisement contains information about websites where bidders can access

details about the properties. It also gives details on the requirements for participatmortgaged with it or attached ing in the e-auction.

Centre pays over ₹50K cr to farmers under PM-KISAN

PRESS TRUST OF INDIA New Delhi, 22 February

has disbursed ₹50,850 crore to farmers so far under its landmark scheme PM-KISAN, enabling them to meet farm input cost and household expenses.

The agriculture ministry shared the progress made under the scheme, ahead of its first anniversary on February 24.

The PM-KISAN was formally launched on February 24 last year by Prime Minister Narendra Modi at Gorakhpur, Uttar Pradesh.

Under the scheme, the Centre transfers an amount of ₹6,000 per year, in three equal instalments, directly into the bank accounts of the farmers, subject to certain exclusion criteria relating to higher

income status. "February 24, 2020 is the 1st

anniversary of starting of a new The Centre on Saturday said it Central Sector Scheme, namely, the Pradhan Mantri Kisan Samman Nidhi (PM-KISAN)," an official statement said.

The scheme was launched to provide income support to all landholding farmers' families across the country and enable them to meet expenses related to agriculture as well as domestic needs, it added.

'The Central Government has already released more than ₹50,850 crores till now," the ministry said. Total number of beneficiaries covered under the scheme is about 14 crore,

based on estimates of the Agriculture Census 2015-16.

As on February 20 this year, 8.46 crores farmer families have been given the benefits.

on Saturday. On August 30 last year, Finance Minister Nirmala Sitharaman had announced the biggest PSB merger exercise. PNB, Oriental Bank of Commerce, and United Bank of India were supposed to combine to form the nation's second-largest lender. Canara Bank was to take over Syndicate Bank; Union Bank of India is planned to be amalgamated with Andhra Bank and Corporation Bank; and Indian Bank was to be merged with Allahabad Bank.

The Union Cabinet is set to hold at least one more meeting in the upcoming week. In the case of BoB, the process of finalising the swap ratio, for the integration of market stocks, took 49 days after the government's notification came out.

3,000-tonne gold reserves claim...

Under the new regulation, which came into effect from 2015, the GSI has to inform the state government when ore deposits are discovered. Earlier, no such action was mandatory. In its report, the GSI estimated that only 3.03 gm of gold can be extracted from a tonne of ore. It also clarified that even the extraction amount was tentative and could not be established for certain.

Moreover, Sridhar said the deposits were spread across only 0.5 sq km in forest land, which made the mining of ore economically unviable. "When there are several mines nearby, we can club it into a block and then it makes sense to mine the ore. But in this case, the deposits are too small to make it viable for any company to mine it," he said. The GSI usually prioritises its exploration work based on the needs of the Centre. While strategic minerals like tin,

His daughter and son-in-law are part of the delegation to India.

Close to 20 electric golf carts have been taken away by the UP Police and CISF to reserve them for VVIP use on Monday. The cart drivers were even asked for a trial run before they were selected for the final drill. However, with two dozen carts missing, tourists were in a tizzy as they were forced to pile up on each other in whatever cart or e-bus available two days ahead of the famous visit. Entry of vehicles in the vicinity of the Taj Mahal is restricted, according to a Supreme Court judgment. That had prompted the state government to run electric carts and buses to ply tourists from the parking area to the monument and back.

Whiter Taj, but

The activity is at another level inside the Taj Mahal as officials of the Archeological Survey of India (ASI) are trying to keep pace with the changing plans of the US President. "Earlier he was coming from the Oberoi Amarvilas Hotel. Now, we are being told he will come directly from the airport," an ASI official pointed out while still not sure if that's the final decision. Although shops will remain shut, tourists will be able to visit Taj till 2 pm, after which the premises will be emptied out.

The official denied the reports that Taj would be shut the whole day.

Cagey about revealing too many details, officials remained tightlipped about the special arrangements. "What if he doesn't come? If his security says no, he won't", a worker said, But he quickly added that a lot of pending work at the monument was concluded because of Trump's visit.

The Taj Mahal looked whiter, the fountains cleaner and the Yamuna adjacent brimming with water. But a peep into the narrow lanes close by shows a free zone of flies. The stench of open drains takes you to a place where the garbage collected from the Yamuna was dumped. That's the cost of beautifying a part of the river visible from Taj Mahal, a local pointed out.

Fuller Yamuna and how

The UP government released 500 cusecs of water from the Upper Ganga Canal in Uttarakhand to replenish the depleting water level in the Yamuna that runs next to the Taj. Dussehra Ghat, which overlooks the monument, is slowly seeing the water rise. Hathi Ghat, the other end near the Agra Fort, is bereft of even a single stream of Yamuna. "I don't think there's so much water that it will come till here. Rather, the

India needs pro-business...

He also made a strong case for not depending only on recent work in economics to make policy choices and neglecting ageold texts like the Arthashastra.

"Scholarly work isn't something that was written in the last 100 years, but dates back millennia," he said. The Arthashastra stresses on ethical ways of creating wealth, he said, adding that we need to focus on creating trust in the markets as well. If governance standards have to be increased in the country, there has to be a greater focus on disclosing related-party transactions, the CEA said. The comments come in the wake of frauds like the one at non-banking lender DHFL. The Union Budget's thrust on 'Assemble in India' should not be seen as substitute to the government's flagship 'Make in India' programme, but as a complementary aspect which would act as a precursor to other goals, he said.

Pointing out to the recent Economic Survey, he said over 40 million well-paying jobs could be created in the country by 2025 by focusing on assembling for the world, and the same could go up to 80 million by 2030. Asked about the Budget's thrust on imposing tariffs on certain sectors and how it has been criticised as being protectionist by some, Subramanian said we needed to make a distinction between duties that are imposed on finished products against those on raw materials or intermediate goods, which hurt exports.

Coronavirus may be the 'disease X'...

"Clinical progression of the illness appears similar to SARS: patients developed pneumonia around the end of the first week to the beginning of the second week of illness." Older adults, especially those with chronic conditions, such as hypertension and diabetes, have been found to have a higher risk of severe illness. Still, "the experience to date in Singapore is that patients without significant co-morbid conditions can also develop severe illness," they said.

Modi a versatile genius: SC judge

Justice Arun Mishra compliments the PM and Union law minister for doing away with 1,500 obsolete laws

PRESS TRUST OF INDIA New Delhi, 22 February

C upreme Court judge Justice Arun Mishra on Saturday was all praise for Prime Minister Narendra Modi and termed him an "internationally acclaimed visionary" and a "versatile genius, who

thinks globally and acts locally". Complimenting the PM and the Union Law Minister, Ravi Shankar Prasad, for doing away with 1,500 obsolete laws, Justice Mishra said India is a responsible and most friendly member of the international community under the "stewardship" of Modi.

the inaugural function of the has a "significant role" in the ever-International Judicial Conference changing world. 2020 — Judiciary and the Changing said challenges faced by the judiciary at the national and internation-

PRESS TRUST OF INDIA

New Delhi, 22 February

Prime Minister Narendra Modi

on Saturday said 1.3 billion

Indians have disregarded

apprehensions and "whole-

heartedly" accepted recent crit-

ical judicial verdicts which were

subjects of global discussion.

function of the International

Judicial Conference 2020 -

'Judiciary and the Changing

World' at the Supreme Court,

Modi spoke about recent cru-

cial judgments, in an appar-

ent reference to path-breaking

verdicts including in the polit-

ically sensitive Ayodhya case.

country or society in the world

can claim to achieve holistic

development without gender

justice and referred to laws on

transgenders, 'triple talaq' and

on the rights of 'Divyang' (per-

He said the government

has also taken steps to give

rights to women in military

sons with disabilities).

The Prime Minister said no

Speaking at the inaugural

"Dignified human existence is agenda for the conference," Justice

At the Supreme Court function, Modi spoke about recent

verdicts, including the politically sensitive Ayodhya case

service and in providing paid

maternity leave for 26 weeks.

judiciary for redefining envi-

ronmental jurisprudence to

strike a balance between

development and ecological

on the use of technology and

the internet, said it would help

in procedural management of

courts and would benefit the

protection.

He also hailed the Indian

crucial judgments, in an apparent reference to path-breaking

Modi, while emphasising ing times, issues like data

justice delivery system to a

chronisation of artificial intel-

ligence with human wisdom

and said it would bring "speed

protection, cyber crimes pose

new challenges for the judi-

ciary," he said in his inaugu-

to delivery of justice".

He also referred to syn-

"In addition, in the chang-

large extent.

ral address

1.3 bn wholeheartedly welcomed

critical judicial verdicts, says PM

versatile genius, who thinks globally and acts locally, Narendra Modi,

Prime Minister Narendra Modi during a meeting with foreign and Indian judges, at the International Judicial Conference, in New Delhi Delivering the vote of thanks at al levels are common and judiciary for his inspiring speech which would act as a catalyst in initiating the deliberations and setting the

World' at the Supreme Court, he our prime concern. We thank the Mishra, who is third in seniority in the apex court, said while expressing gratitude to the PM for inaugu-

rating the conference. He said India is the biggest

PHOTO: PTI

democracy in the world and "people wonder how this democracy is functioning so successfully" "India is a responsible and most

friendly member of the interna-

allowed to abuse the internet, Union Law

Minister Ravi Shankar Prasad said on

Saturday. Speaking at the inauguration of

the International Judicial Conference 2020,

Prasad said it needs to be acknowledged that

people who abuse the finest creations of

humankind, one of which is the internet,

He said the right to privacy has been held

to be a fundamental right and the govern-

ment appreciates that but "terrorists and the

corrupt have no right to privacy because

right to privacy has acquired critical propor-

tion in the wake of digital landscape expand-

pose the biggest threats.

Terrorists, corrupt people have

no right to privacy: Ravi Shankar

Terrorists and corrupt people have "no right ing globally". "This is the age of information

to privacy" and these people should not be and information is power. This is the age of

tional community under the stewof internationally ardship acclaimed visionary Prime Minister Narendra Modi," he said.

"India is committed to constitutional obligations and dedicated to a peaceful and secure world, free from terrorism. In the process of development, preservation of environment is considered supreme," he said.

Justice Mishra emphasised on the need to strengthen the judicial system, saying, "Now we are in the 21st century. We are looking for modern infrastructure not only for the present but also for future.

To strengthen judicial system is the call of the day as it is the backbone of democracy whereas legislature is the heart and executive is the brain. All these three organs of the state have to work independently but in tandem to make democracy successful...".

communication and communication is

power," he explained. The minister said the

right to privacy verdict of the Supreme Court

has become a beacon globally as it held that

"In a democracy, we welcome dissent,

we welcome populism. But we have a prob-

lem when populism impinges upon the

well-settled constitutional principles. And

populism also becomes the problem when

those rejected in the popular mandate

becomes the biggest flag-bearers of pop-

the right to privacy flows from Article 21 -

right to life and right to live with dignity.

8.5K pharma firms claim tax benefits for promotions, gifts to doctors

GIREESH BABU Chennai, 22 February

The income tax (I-T) department has informed a division Bench of the Madras High Court that 8,667 pharma companies claimed tax deduction under 'sales promotion expenses' and 'gifts' during assessment year 2019-20. The information was filed in a

matter where a division Bench, comprising Justice N Kirubakaran and Justice P Velmurugan, took suo motu cognizance to consider the larger issue of bribing doctors and overpricing of drugs by pharmaceutical companies.

When the matter was heard earlier, the Bench had called for various details from the Centre, the National Pharmaceutical Pricing Authority (NPPA) and the Medical Council of India (MCI).

These include steps taken against medical practitioners accepting hospitality of pharma companies and measures taken by the government against overpricing of drugs. Also, include how many pharmaceutical companies claimed deduction to promote their medicine by providing gifts, travel facilities, hospitality, cash or monetary grant to doctors. The Bench also sought to know whether the income tax department is regularly informing the Centre and the NPPA about companies which claim deduction on sales promotion (payments and incentives to doctors) and on overpricing of drugs.

Earlier this week, the I-T department revealed that about 1,410 companies under form ITR-3, 1,915 companies under ITR-5 and 5,342 firms under ITR-6 claimed deduction under sales promotion expenses and gifts during assessment year 2019-20.

Karthik Ranganathan, standing counsel, appearing for the I-T department, informed the court that a letter has been issued by the Central Board of Direct Taxes to all principal chief commissioners and director generals of income tax sales promotion.



UNDER THE SCANNER

Earlier, the Bench had called for details from the Centre, NPPA and MCI on various issues. Some of those are listed below:

■ The steps taken against medical practitioners accepting hospitality of pharma companies

Measures taken by the govt against overpricing of drugs

■ How many pharma firms claimed deduction for sales promotion expenses to promote their company branded medicine by giving incentives like gifts, cash, and travel facilities to doctors

(investigation) to pass on information continuously regarding overpricing and sales promotion expenses based on I-T claims. The information will have to be provided to the MCI and the NPPA.

The court further asked the central government to submit details on how many pharmaceutical companies existed in 2015 and how many of them have claimed deduction towards promotional expenses from that year.

The matter will come up again in court on Monday.

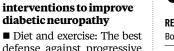
The issue came up while the court was hearing a tax dispute between the I-T department and a pharma company, in which the firm claimed an amount towards

HEALTH

FIT & PROPER Tackling diabetic neuropathy



Researchers seek clues to head trauma in brains of dead athletes



REUTERS Boston, 22 February

The rule of law is probably need for citizens to perform Constitutional provisions, the "most fundamental fea- their legal duties. ture" of modern constitutions and its success depends on damental feature of most "legal rights have correlatives how judiciaries across the modern constitutions is the of legal duties." "A feature

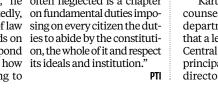
Bobde said on Saturday.

The CJI, while speaking in our countries depends on ies to abide by the constitution the subject of 'Judiciary how the judiciaries respond on, the whole of it and respect and the Changing World' at to such challenges and how its ideals and institution.' the SC, also stressed on the they emerge." Referring to

ulism." he said.

challenges, Chief Justice S A said, adding, "Undoubtedly, on fundamental duties impothe success of the rule of law sing on every citizen the dut-

Justice Bobde said it was "Probably the most fun- often implicit in law that





CGRP inhibitors from Amgen

Eli Lilly & Co and Teva Pharm-

aceuticals Industries are all

Amgen's therapy was the first

to be approved for the US mar-

ket in May 2018, but rival Lilly

has fought to gain more

by offering discounts.

also be competing

with Allergan's Botox,

which is a migraine

therapy, besides bei-

ng a blockbuster anti-

wrinkle injection. As

Lundbeck enters the

crowded market, it

hopes to carve a niche

for itself through its

The drug would

Rule of law most important, says CJI

world respond to emerging idea of the rule of law," he often neglected is a chapter

SRIVIDYA NANDAKUMAR Sr Naturopath, Jindal Naturecure Institute

High levels of glucose in the blood can damage the peripheral nerves in your body, causing decreased sensation in the feet and hands as well as problems to the urinary tract, digestive system, and heart. With over 60 per cent of diabetics eventually developing peripheral neuropathy, it is one of the main secondary complications they face. Mild to moderate symptoms include pain, numbness and tingling sensation in the feet and legs. Fortunately, diabetic neuropathy can be prevented if strict control is maintained on blood sugar levels on a daily basis. Lifestyle changes and complementary therapies can help achieve this effectively. Three of the most commonly practiced alternative therapies to help prevent diabetic neuropathy are naturopathy, yoga and acupuncture.

Acupuncture

Acupuncture uses the science of inserting long, fine needles at various points in the body to stimulate the sensory receptors and stimulate them. A study published in the Journal of Thai Traditional and Alternative Medicine found that acupuncture drastically improves the positive effects of diabetes medication and alleviates the symptoms of diabetic neuropathy. Once they started the acupuncture regimen, the success rate of the symptom score went up from 8 percent to 90 per cent. The neuropathic disability score also went up from 37.45 to 90 once acupuncture was introduced into the treatment regimen.

Naturopathic and yogic

damage from diabetic neuropathy is to manage the disease itself. Keep your blood sugar levels in check by eating healthy. Ensure that your diet includes a lot of fiber rich foods and whole grains, and very little saturated and trans fats. Structured physical interven-

tions also play an important role in keeping blood sugar levels in check. Make sure you get at least 30 minutes of aerobic exercise every day. Meditation and deep breathing can help you manage chronic stress.

■ Supplements: Winter ginseng is very effective at keeping the blood sugar in control and managing the symptoms of peripheral neuropathy. Not only does it help increase the level of serum insulin, it also improves the insulin sensitivity of muscle cells as well as the body's glucose tolerance, thereby easing the severity of diabetic neuropathy.

Yoga poses for the management of neuropathy

Yoga helps improve blood flow to the extremities, improves the body's glucose tolerance and

insulin sensitivity. ■ Exercise for feet and hands: Sit down in *padmasana* and extend your arms fully in front of your chest. This pose will help stretch both fingers and toes. It will help improve blood flow to the periphery and strengthen your nerves. If you can do it for a few minutes every day, you will start to experience relief.

Poses for diabetic neuropathy: If the condition is not severe, then traditional hatha yoga poses like trikonasana, ustrasana and dhanurasana will do. If the neuropathy is more advanced, it needs gentler practice under the guidance of a trained instructor. However, you can still benefit from gentle twist exercises, meditation and closely supervised backbends.

nn McKee of Boston University studies the brains of deceased football players at the world's largest brain bank, hoping to learn about the long-term impact of repeated head traumas for people ranging from professional athletes to victims of domestic abuse.

"For the last 12 years, we've really focused on the long-term effects of head trauma, including what we call repetitive head trauma," where the impact doesn't cause a concussion, said McKee, chief of neuropathology at VA Boston University and director of the CTE Center of

Boston University. The VA-Boston University-Concussion Legacy Foundation Brain Bank in Boston houses 850 human brains, most of them donated for research by former football players or their families.

That center's research is vital to learning about a degenerative brain disease known as chronic traumatic encephalopathy (CTE), she said, which can only

In a recent interview with be definitively diagnosed



The research is vital to learning about a degenerative brain disease known as chronic traumatic encephalopathy

postmortem

Among those who hope her research may help is Leonard Marshall, 58, star player for the New York Giants from 1983-1992, who may be best known for a hard hit on San Francisco 49ers quarterback Joe Montana during the NFC Championship Game in 1990.

Montana would not play another regular season game for almost two years, and Marshall also was badly hurt.

similar levels of pain. Other

research suggests that long-

standing racial biases among

providers might have con-

tributed to racial differences in

patient trust in the health svs-

tem. But a growing body of sci-

entific research on physician

decision-making shows that

doctors exhibit other biases as

well - cognitive ones - that

influence the way they think

and treat patients. These bias-

es lead doctors to make the

same mistakes as the rest of

us, but usually at a greater cost.

range of systematic errors in

human decision-making stem-

ming from the tendency to use

Cognitive biases refer to a

Reuters from his New Jersey

football, she said that contrary, "I'm trying to save football players."

While McKee's critics have

accused her of trying to ruin

"To see them come in with this disease and to see their lives cut short and to see them declining at such early ages. That's what really hits me. And that's what I want to stop," she said.

NFL greats Dave Duerson and Junior Seau were diagnosed with CTE after killing themselves. In 2016, the league allotted \$40 million in funding towards neuroscience research, and pledged \$100 million towards player safety amid concerns about concussions. A 2018 report showed the NFL had approved more than \$500 million in concussionclaims settlements.

Ann McKee, Chief of Neuropathology, VA Boston examines the brain of a 47-year old former college football player looking for signs of CTE in Boston, Massachusetts, US on

swings and memory losses for January 16, 2020. McKee said repetitive head vears after he retired from the trauma victims include "hockey NFL at the end of the 1994 season. "I drove seven miles to a players, soccer players, rugby, Publix grocery store. I had no military veterans, as well as vic-

22 February

but

Teva

The US Food and Drug Administration approved Lundbeck A/S' migraine administered by injections. prevention therapy, which the Danish drugmaker acquired through its near \$2 billion deal for Alder BioPharmaceuticals in 2019, the company favourable insurance coverage said on Friday.

For Lundbeck, Lundbeck's the approval opens doors to a lucrative Vyepti belongs competitive to a class of market dominated drugs called by already approved monocional rivals from Amgen, antibodies that Pharmaceare laboratoryutical Industries and produced Eli Lilly and Co. molecules Lundbeck's

Vyenti belongs to a class of dosing frequency — quarterly. drugs called monoclonal antibodies (mAb) that are laboratory-produced molecules engineered to serve as substitute disease-fighting antibodies.

Vyepti, also known as eptinezumab, inhibits calci- istered at medical facilities, tonin gene-related peptide (CGRP), which plays a key role in causing migraine pain.

a drug, their doctor was less

likely to order that same drug

for the next patient whose

condition might call for it,

even though the efficacy and

appropriateness of the drug

had not changed.

Ajovy can also be given to patients through a triple dose administered quarterly. As the drug will be admindoctors overseeing the process

instead of monthly like most of

the CGRP inhibitors. Teva's

will receive a procedure fee, said SVB Leerink analyst Marc

Eptinezumab is adminis-

Goodman. idea why I drove there," he said. tims of domestic abuse."

Common biases can cause major physician errors department, despite reporting

ANUPAM B JENA & ANDREW R OLENSKI 22 February

It's tempting to believe that physicians are logical, meticulous thinkers who perfectly weigh the pros and cons of treatment options, acting as unbiased surrogates for their patients. In reality, this is often far from the case. Bias, which takes many forms, affects how doctors think and the treatment decisions they make.

Racial biases in treatment decisions by physicians are well documented. One study found that black patients were significantly less likely than white patients to receive pain medication in the emergency

mental shortcuts.

Prominent examples include confirmation bias, the tendency to interpret new information in a way favourable to one's preconceptions; and anchoring, the tendency to overly weight an initial piece of information, even when order does not matter. Anchoring helps explain why if you see a car priced at \$20,000 and a second car priced at \$8,000, you might conclude the second car is cheap, whereas if the first car cost \$3,000 you might conclude that the second car is expensive.

home, Marshall said after the

impact, he didn't "remember

ever getting up off the ground."

NFL adopted its concussion

protocol to assess head injuries,

and players were "taught to be

tough" and "you just kind of just

Marshall suffered mood

dealt with it," he said.

This was long before the

In health care, such unconscious biases can lead to disparate treatment of patients



and can affect whether similar patients live or die.

Sometimes these cognitive biases are simple overreactions to recent events, what psychologists term availability bias. One study found that when patients experienced an unlikely adverse side effect of their obstetrician was more likely to switch delivery modes for the next patient (Csection vs. vaginal delivery), regardless of the appropriateness for that next patient. This cognitive bias resulted in both higher spending and worse outcomes.

This list of biases is far from exhaustive, and though they may be disconcerting, uncovering new systematic mistakes is critical for improving clinical practice. Given our growing understanding of the errors that doctors can make, these biases are too costly to ignore.

A similar study found that when mothers giving birth © 2020 The New York Times News Service

experienced an adverse event,

A turning point in war against corruption

India's battle against black money is still a work in progress. A new book comprising selected essays by former finance minister Arun Jaitley details the many decisive measures taken by the NDA govt to prevent and combat corruption

it want to be a part of the global coalition

which is moving in the direction of auto-

he NDA's campaign against black money is just one of many measures to eliminate corruption and tax evasion in order to clean up the system both at home and globally through international cooperation. Compare this with the Congress Party and the National Herald scandal in which they have acquired properties worth a huge amount without spending anything and used tax-exempted income for a nonexempted purpose or the chit fund fraud in West Bengal. Prime Minister Modi's five-year tenure will be regarded by future political historians as a turning point where a movement to free India from corruption began.

The world is increasingly moving towards a more structured and organised struggle against illegal money parked in tax havens or even otherwise transacted at foreign soil. Originally the tax havens were com-

pletely non-cooperative. However, international pressure has compelled some of them to relax the rigidity against non-disclosure. Almost all countries which entered into Double Taxation Avoidance Treaties or have a domestic legislation, as in the case of the US, that has an extraterritorial application, insist that information parted to the receiving state would be subject to confidentiality clauses. The confidentiality clauses make it incumbent that disclosure would be made only after prosecution is filed before a charging court.

matic sharing of information or not? Does it ensure all information is supported by substantial evidence and proof or only wishes to remain restricted to sloganeering? In the recent meeting of about fifty countries in Berlin where automatic sharing of information was proposed, India could not participate since a prevalent view is that confidentiality clauses are unconstitutional under Indian law. This view requires reconsideration. An automatic exchange of information would relate both to authorised and unauthorised movement of money. Why should any information with regard to authorised movement of money be made public? Why should information even in relation of unauthorised movement of money be made public only for political or collateral purposes? Why should the

account holder be alert-

A NEW IDEA:SELECTED WRITINGS 2014-19 AUTHOR: Arun Jaitley

Thus, the issue is not whether, but when disclosure can be made. The debate is not between disclosure and non-disclosure of confidential information. It is between unauthorised disclosure in violation of tax treaties and disclosure as per tax treaties. An unauthorised disclosure in violation of tax treaties entails that the disclosure is made for collateral purposes. It is usually not accompanied by any evidence or proof. But when a disclosure is made in pursuance of a charge sheet in a court of law where a criminal prosecution is filed, it would certainly be a disclosure substantiated by adequate proof and evidence.

A disclosure in violation of tax treaties helps the account holder. The reciprocating state would treat this as a violation of a tax treaty and refuse to provide any evidence in support of the unauthorised account. The holder of the unauthorised account in the absence of any proof and confirmation from the reciprocating state would get the benefit in any investigation or prosecution and then claim that "I stand vindicated". In fact, a premature disclosure would additionally alert the account holder to prepare some documentation or a sham defence. It may

ed in advance? It should be put to an authorised ARUN JAITLEY use with collection of evidence and filing of prosecution. The US has legislated the Foreign Account Tax Compliance Act, 2010 (FATCA). The FAT-CA contains a confidentiality clause. It makes it mandatory for foreign financial institutions (FFIs) to register with the appropriate authority and exchange information. The foreign financial institutions are required to enter into agreement with the US Internal Revenue **PUBLISHER:** Juggernaut Service. Alternatively, foreign governments can sign agreements with the US government — the mandatory exchange of information subject to confidentiality

clause being necessary. FATCA mandates the deduction and withholding of tax equal to 30 per cent on a US source payment to recalcitrant FIIs or FFIs in noncompliant countries which do not meet the requirements of FATCA. Such 30 per cent withholding will also be imposed by other FATCA compliant countries against non-compliant countries. The consequences of not signing the agreement with the US under FATCA would be disastrous. It will negate the efforts being undertaken by our government to revive the Indian economy.

The Reserve Bank of India has already informed the government of India about the serious and adverse consequences of non-compliance of FATCA by India. Several countries have already subscribed to FATCA.

An unauthorised disclosure of information is fraught with both investigation and economic consequences. They can sabotage the investigation. They can attract sanctions in the form of withholding taxes. It is obvious that in a choice b tween unauthorised dis and disclosure as per treaties, the latter is both a fair and beneficial proposition.

The black money menace

No society can indefinitely sustain a system where income earners consider tax evasion to be a way of life. Regrettably, our high taxation regime in the past eventually ended up encouraging tax evasion. When states tax their people reasonably, they can persuade them to honestly declare their incomes. The early decades after Independence witnessed India with high taxation rates, prompting people to evade. The capacity of the state to detect evasion was less than adequate. Over the years, India has slowly started moving towards moderate rates of taxation. It has been a conscious strategy of the NDA government to put more money in the pockets of middle- and low-income groups by raising exemption limits and incentivising savings through fiscal policy. This will encourage consumption and bring more money into the system. Consumption increases the volumes of indirect taxation. To make India a more investment friendly destination, I had announced in the 2015 Budget that the rate of corporate tax would be brought down to 25 per cent over the next four years and most exemptions, other than those which incentivise savings, would eventually be phased out. The present government under the leadership of Prime Minister Shri Narendra Modi stands by this commitment.

How the campaign played out

The government has formulated a conscious strategy to deal with the menace of black money. At the very first meeting of the Union cabinet, after the swearing in of the government, we implemented the direction of the Supreme Court to constitute an investigation team headed by two retired judges of the Supreme Court who would monitor the entire efforts against black money. The UPA government had tried to evade the Supreme Court direction on one pretext or the other for over three years. The government swung into action and accelerated all the assessments against those with regard to whom information about holding illegal money abroad in Liechtenstein and in the HSBC bank at Geneva, were available. Most assessments have been completed and wherever illegalities are being found, criminal prosecutions have been launched against beneficiaries of these

income tax

bank accounts. A total peak balance of about ₹6,500 crore in these accounts has been assessed. The government, thereafter, proposed a law for imposition of taxation on undisclosed assets held outside the country. Since this tax was being imposed for the first time, a ninety-day compliance window was offered to those

wanting to disclose their unlawful assets. The compliance window ended on 30 September 2015. A total tax at the rate of 30 per cent and penalty at the rate of 30 were available per cent has to be paid by the declarants before

31 December 2015. Those who chose to declare between this period would not be prosecuted under the new black money law. Six hundred and thirty-eight persons have declared their income amounting to ₹3.770 crore.

For those who have undisclosed foreign assets but have failed to file such a declaration will now be subjected to penal provisions of this law. They will be liable to pay 30 per cent tax and a penalty of 90 per cent, thus leading to confisation of the assets plus mor

years. This law will create a deterrent iagainst the flight of capital from India.

The assessed income of ₹6500 crore in HSBC and the ₹3770 crore declared during the compliance window should not be treated as income under any immunity scheme. The comparison of these amounts with amnesty schemes relating to domestic black money is ill-conceived. The campaign against domestic black money has to be separately dealt with for which government is independently taking steps.

In order to encourage international cooperation in the mat-

The government swung into ters of tax evasion, the action and accelerated all the government has taken a income tax assessments series of steps. The prime against those with regard to minister took the initiawhom information about tive at the G-20 meeting holding illegal money abroad in order to bring about in the HSBC bank at Geneva, international cooperation in tackling unlawful assets held by the resi-

dents of one country on foreign soil. The G-20 initiative is intended to lift the veil of secrecy in banking transactions and in real time inform domestic taxation authorities about transactions of their citizens internationally.

The government has signed an understanding with the US under FATCA wherein the United States and India would disclose to each other any realtime transaction in accounts with financial institutions, by its citizens in foreign territories. This cooperation would extend to all those countries which would become signatories to global standards

on Automatic Exchange of Information being developed under the mandate of G-20. The revenue secretary led a team of Indian officials and has held extensive discussions with Swiss authorities. Discussions have also been held at the ministerial level. Switzerland has agreed to provide India with proof relating to several HSBC accounts where India can give some evidence over and above the stolen data, which was delivered to India through France.

It is expected that over the next two years this international cooperation will be worked out and information with regard to illegal assets held abroad, subject to certain conditions, would be available to each of the demanding nations. Thus, those with illegal assets abroad, who have failed to make declaration, would now stand the risk of information relating to them eventually reaching the Indian

taxation authorities.

Domestic black money

The bulk of black money is still within India. We, thus, need a change in national attitude where plastic currency becomes the norm and cash an exception. Being seized of this problem, the government has been working with various authorities in order to incentivise this change. The opening of a large number of payment gateways, internet

banking, payment banks and the emerging reality of e-commerce will prompt the use of banking transactions and plastic money significantly. The JAM Trinity and the Direct Benefit Transfer of subsidies to the accounts of beneficiaries of various government schemes will also be a step ahead in this direction. Each of the 180 million beneficiaries of the Jan Dhan accounts has been provided with RuPay cards, which will encourage them to use plastic currency and get familiarised with it.

The MUDRA Yojana, over the next few years, has a target of sixty million people (which means six crore families out of 25 crore families in India) to become entrepreneurs. Loans being made available to them by the banks can only be withdrawn from the ATMs by use of MUDRA credit cards which are being provided to them. More and more of their transactions will be through plastic currency or through the banking channel.

The government is at an advanced stage in considering the requirement of furnishing PAN card details if cash transactions beyond a certain limit are undertaken. The monitoring regime of income tax has been strengthened and its capacity to access information and apply technology-driven analytical tools to expose evasion, has been enhanced. Its ability to detect large cash withdrawals, or large cash transactions which enter the system, is being strengthened. The GST regime, once introduced, will also be a landmark step in this direction. Thus, for commodities like gold where the initial purchase by the exporter is after the payment of custom duty, the subsequent transactions which are mostly in cash, can easily be found out.

The government's policy is rationalisation of tax structures, placing more money in the hands of small earners, encouraging the use of plastic money and creating deterrence for those who continue to use unaccounted mo

IN DEPTH 7

even enable him to destroy evidence. India has to take a conscious call. Does

tion, they will be liable to prosecution where they can be sentenced up to ten

Excerpted with permission from Juggernaut



SC ORDER ON PERMANENT COMMISSION FOR WOMEN IN ARMY Rahul Gandhi@RahulGandhi

The Govt disrespected every Indian woman, by arguing in the SC that women Army officers didn't deserve command posts or permanent service because they were inferior to men. I congratulate India's women for standing up & proving the BJP Govt wrong.

Anshul Saxena@AskAnshul

2010: Congress Govt moved SC against Delhi HC's judgement of granting permanent commission to women in army 2020: SC rules women officers must be given permanent commission in army. & Rahul Gandhi blamed BJP for 2010 It's been 10 years but Rahul Gandhi is still 'coming of age

Sadhguru@SadhguruJV

#IndianArmy is one of the finest armies in the world; also the most diverse & inclusive. Supreme Court judgment upholds this inclusiveness. Gender is not the basis of one's competence. Congratulations to all women officers.

Prashant Bhushan@pbhushan1

Kudos to the SC for rejecting the govt's argument for denying women in army Command posts. Bench headed by Chandrachud J said that to cast aspersions on the ability of women is an affront on them & their dignity.

Rainath Singh@rainathsingh The plan was to recruit women in roles

anging from probing crime cases to assisting the army in field operations wherever required. There have been instances where certain women officers have been in the job for nearly twenty years, while SSC term terminates in fourteen years.

 $\bullet \bullet \bullet$

US PRESIDENT DONALD TRUMP'S INDIA VIST

Richard D. Wolff@profwolff India: no need to build a wall so Trump/GOP wont see slums during his visit. They manage not to see them in the US even without walls. That blindness helps them call the US economy "great."

Madhavan Narayanan@madversity

There's only a small difference between President Bush's visit to India in 2006 and President Trump's visit in 2020. The former was about a nuclear deal, the latter is about an unclear deal.

Tapas Dey@TapasDeyINC

The real situation is here but who cares ? Modi Ji is happy to spent 100 Crores while Trump's visit to

MEDIATION EFFORTS AT SHAHEEN BAGH Jaiveer Shergill@JaiveerShergill

PM said he is "pradhan sevak-servant of the people"; by asking #ShaheenBagh protestors to make an appointment with Home Minister-BJP is behaving as if "people are servant of Govt"-Home Ministry should make an appointment with the protestors like SC has send mediators to them

Amit Malviya@amitmalviya

Teesta Setalvad tutoring Shaheen Bagh protestors on what guestions to ask the interlocutors, appointed by the Supreme Court... See how organic and spontaneous this movement is?

Ashok Swain@ashoswai

By sending a team to Shaheen Bagh, the Supreme Court is the first institution that has treated the protesters with dignity. But, this 'mediation' will fail. Court must hear the constitutional challenge to the citizenship amendment act.-

China's economy faces a new threat

US crackdown on economic espionage could hurt research and innovation

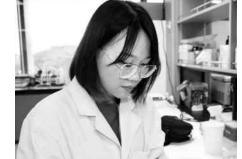
HARSH V PANT & AARSHI TIRKEY

Espionage, the world's second oldest profession, has long been a central tool of statecraft. In the post-war era, however, where countries have revised national priorities to defend their technological and economic prowess, espionage has taken new forms. Economic espionage —a crime under the US' 1996 Economic Espionage Act (EEA) —refers to targeting or acquiring trade secrets to benefit a foreign government or company.

The EEA makes a clear connection between the need to protect intellectual property and trade secrets and the US' economic security. It anchors Washington's commitment to guard innovation, technology and scientific advancements a key component to securing its eponymous role as the global superpower.

For long, Washington has accused China of being the largest perpetrator of economic espionage. It is used as a tool to "rob, replicate and replace" American technology and support China's strategic goals to promote domestic manufacturing in new technologies and conquer global markets.

More than 90 per cent of US economic espionage and 67 per cent trade secrets cases are connected to China, and cause an annual loss of roughly \$320 billion to the US economy. These numbers make for a compelling case against Beijing at a time when geopolitical, technological and economic rivalry has reached new heights between the US and China.



gence division set up the eco-In many investigations, nomic espionage unit, while in however, what is peculiar to observe is that the individuals 2018, the Department of Justice who are indicted are not tradilaunched the China Initiative to pursue high priority economic espionage and trade secret cases crackdown on such transgres-

collaborative academic environment for its own benefit. Some Chinese students and

professors working in science, technology, engineering, and mathematics (STEM) courses, wittingly or unwittingly, serve as "non-traditional collectors" of economic, scientific, and technological intelligence. Other foreign academics are often enrolled in Chinese talent recruitment programmes such as the Thousand Talents Plan(TTP) - through promises of competitive salaries, state-ofthe art research facilities, and

of Technology.

nal ideas and intellectual prop-

erty, and may result in violation

of espionage laws. The message

from Washington is clear: If

Beijing will use covert methods

to achieve its strategic goals, the

US will not hold back in com-

honorific titles. Given the diffused nature of the threat, Washington has launched a robust mechanism to tackle such cases. In 2010, the Federal Bureau of Investigation's counter intellibating the same.

For long,

China of

being the

economic

espionage

largest

flipside, On the Washington's methods in prosecuting cases have come under scrutiny for a variety of reasons. Apart from larger implications Washington has accused of chilling academic freedom and inhibiting research collaboration, existing data points towards racial bias against those of Asian heritage. perpetrator of

A 2018 research paper analysed 136 economic espionage cases and came to the conclusion that Chinese and other Asian-Americans are disproportionately charged under the EEA and are significantly more likely to be innocent than defendants of other races.

Apart from the US, eco-Resultantly, there has been a nomic espionage is treated as a crime in Canada and New Zealand; most nations treat it as a civil offence. This is perhaps directly related to Washington's singular role in technology, chemical formulations for bisphenol-A-free, and spearheading innovation and film bulk acoustic resonator cutting-edge research, and its technology. Additionally, lesstraditional position on strict er charges, such as making false protection of intellectual propstatements can also lead to legal erty rights. The narratives action. In January 2020, around Chinese funding and Harvard University Professor talent recruitment programmes Charles Lieber, a prominent also differ. A 2019 article argues chemist and nanotechnology that such programmes help pioneer, was arrested for denyreverse "brain drain" by attracting his involvement with the ing overseas Chinese talent TTP and the Wuhan University back home. Further, the EU and the UK consider Chinese fund-The US claims that Chinese ing and collaboration as an talent recruitment plans important supplement for encourage the transfer of origidomestic research enterprises.

> The biggest impact of the ongoing geopolitical rivalry will perhaps be faced by the US education sector and Chinese students. Out of the 800,000 international students enrolled in

higher education, more than

200,000 come from China. However, due to unfavourable visa policy changes for Chinese STEM students, Beijing's Ministry of Education issued a statement urging its scholars to "raise its risk assessment" of American study programmes. The US education sector is the country's fifth largest services export and international students generate \$39 billion in annual revenues. Should Beijing attempt to dissuade Chinese students from studying in the US, universities may stand to lose on future enrolments.

There is, thus, a real concern that the current activities of the Trump administration will lead to possible decline in Chinese students and scholars, stifle future academic collaboration and research, and may even impact the US" own position as a leader in innovation and research.

The trade war, the Huawe ban, and now, the targeting of scholars in economic espionage cases, have underscored the growing challenges emanating from the worsening geopolitical contestation between the US and China. The consequences of China's troubling behaviour - from its aggressive foreign policy, to its methods to gain and acquire technology - are palpable. However, Washington's methods to tackle the problem of economic espionage could have long-term implications for the movement of professionals, academics, innovation, technology and knowledge. Given the importance of knowledge sharing and global scientific enterprise, for the rest of the world, it is critical to insulate this sector from the blowback of the ongoing geopolitical rivalry between the US and China.

The writers are with the Observer Research Foundation, New Delhi

tional spies, and include both foreign and American students, scientists and researchers. While the US acknowledges the contribution of international talent in producing advanced research sions. Researchers and profesand cutting-edge technology, it sors have been indicted on argues that Beijing exploits this charges of stealing wind turbine

8 WORLD

CORONAVIRUS CONTAGION

China reports dip in new cases

Numbers continue to rise globally, with outbreaks worsening in South Korea, Italy, Lebanon and Iran

CHENG LENG & SE YOUNG LEE Beijing, 22 February

China reported a sharp decrease in new deaths and cases of the coronavirus on Saturday but a doubling of infections in South Korea and 10 new cases in Iran added to unease about its rapid spread and global reach.

Mainland China had 397 new confirmed cases of coronavirus infections on Friday, down from 889 a day earlier, but only 31 cases were outside of the virus epicentre of Hubei province, the lowest number since the National Health Commission started compiling nationwide data a month ago.

But infection numbers continued to rise elsewhere, with outbreaks worsening in South Korea, Italy and Lebanon and Iran, prompting a warning from the World Health Organization that the window of opportunity to contain the international spread was closing ...

Iran, which had no reported cases earlier this week, saw 10 new cases, one of which had died, taking the number to 28 infections and five deaths.

Concerns about the virus weighed on US stocks on Friday, driven by an earlier spike in cases in China and data showing stalling US business activity in February.

It has spread to some 26 countries and territories outside mainland China, killing 13 people, according to a Reuters tally.

WHO director-general Tedros Adhanom Ghebreyesus on Twitter expressed concern on Saturday about cases with no clear link to China and called on all countries to invest urgently in preparedness. He made an appeal for \$675 million to support the most vulnerable countries.

On Friday, he said now was the time to act decisively. "We still have a chance to contain it," he said. "If we don't, if we squander the opportunity, then there will be a serious

problem on our hands.' An outbreak in northern Italy worsened with its first two deaths,



In this Friday photo released by Xinhua, Chinese Premier Li Keqiang (second from right) visits a mask production line at a medical supply company in Beijing. China's leadership sounded a cautious note Friday about the country's progress in halting the spread of the new virus

among 17 confirmed cases includ- including the Hubei government's ing its first known instance of local transmission

Japan confirmed 14 new coronavirus cases on Saturday, among those a teacher who had shown

symptoms while working at her school. Japan is facing growing questions about whether it is doing enough to contain its spread, and concern about whether it could scupper this year's Tokyo Olympics. Organisers on

Saturday postponed the The total start of training for vol- number of unteers as a precaution. confirmed cases The Bank of Japan's gov- in mainland ernor on Saturday China rose to shrugged off talk that the 76,288, with the widening epidemic is death toll at triggering an outflow of 2,345 as of the funds from Asia. end of Fridav

The total number of confirmed cases in mainland toll at 2,345 as of the end of Friday. Hubei reported 106 new deaths,

of which 90 were in Wuhan. But new, albeit isolated findings about the coronavirus could complicate efforts to thwart it, try's financial system and curren-

cy were resilient.

announcement on Saturday that an elderly man took 27 days to show symptoms after infection, almost twice the presumed 14-day incubation period.

That follows Chinese scientists reporting that a woman from Wuhan had travelled 400 miles (675 km) and infected five relatives without showing signs of infection, offering new evidence of asymptomatical spreading.

State television on Saturday showed the arrival in Wuhan of the "blue whale", the first of seven river cruise ships it is bringing in to house medical workers, tens of thousands of which have been sent to Hubei to

contain the virus. Senior Chinese central bank China rose to 76,288, with the death officials sought to ease global investors' worries about the potential damage to the world's secondlargest economy from the outbreak, saying interest rates would be guided lower and that the coun-

Chen Yulu, a deputy governor of the People's Bank of China, said policymakers had plenty of tools to support the economy, and were fully confident of winning the war against the epidemic.

PTI

"We believe that after this epidemic is over, pent-up demand for consumption and investment will be fully released, and China's economy will rebound swiftly," Chen told state television.

China has recently cut several kev lending rates, including the benchmark lending rate on Thursday, and has urged banks to extend cheap loans to the worsthit companies which are struggling to resume production and are running out of cash.

The transport ministry said businesses would resume operations on a larger scale later this month and said more roads, waterways and ports were returning to normal.

Online media and Weibo users posted footage and images on Saturday of some malls reopening, including in the cities of Wuxi, Hang-

zhou and in Gansu province, with shoppers queuing in near-empty streets outside for mandatory temperature checks as trickles of customers in masks perused luxury goods shops and makeup counters. Some analysts believe China's

economy could contract in the first quarter from the previous three months due to the combined supply and demand shocks caused by the epidemic and strict government containment measures. On an annual basis, some warn growth could fall by as much as half from six per cent in the fourth quarter.

However, transport restrictions remain in many areas and while more firms are reopening, the limited data available suggests manufacturing is still at weak levels, with disruptions starting to spillover into global supply chains.

Samsung Electronics said on Saturday that one coronavirus case had been confirmed at its mobile device factory complex in Gumi, causing a shutdown of its facility.

Finance leaders from the Group of 20 major economies were set to discuss risks to the world economy in Saudi Arabia this weekend.

The WHO's Tedros on Twitter said 13 priority countries in Africa had been identified for help because of their direct links to China or high travel volume. That would include 30,000 personal protective kits on the way to six countries and 60,000 more for 19 states in the weeks ahead.

The coronavirus outbreak will likely lower China's economic growth this year to 5.6 per cent, down 0.4 percentage points from its January outlook, and shave 0.1 percentage points from global growth, the IMF said on Saturday.

Its managing director, Kristalina Georgieva, presented the outlook to central bankers and finance ministers from the 20 largest economies gathered in Riyadh where the outbreak was a major topic of discussion, but said the IMF continued to look at more dire scenar-REUTERS ios



Employees from a disinfection service company sanitise a street in Daejeon, South Korea, on Saturday

Korea cases more than double in a day

SANGMI CHA Seoul, 22 February

South Korea said on Saturday that the number of new coronavirus cases in the country had doubled to 433, and officials suggested the tally could rise significantly as more than 1,000 people who attended a church at the centre of the outbreak reported flu-like symptoms.

Korea's Centers for Disease Control and Prevention (KCDC) reported 142 new cases at a morning briefing and another 87 in the afternoon.

Of the new cases, most have been linked to outbreaks at a branch of the Shincheonji Church of Jesus in Daegu and a hospital in Cheongdo county.

Also among the new cases were the first reported infections in Busan, South Korea's second-largest city, and on the Island of Jeju, a popular tourist destination. KCDC designated both the city of Daegu, which has a population of 2.5 million people, and Cheongdo county, home to around 43,000 people, as "special care zones" on Friday.

Officials sent military medical staff and other health workers, and extra resources, including hospital beds. More than half of the national cases

are linked to a 61-year-old woman known as "Patient 31" who attended religious services at a branch of the Shincheonji Church of Jesus in Daegu, the Temple of the Tabernacle of the Testimony. The woman had no recent record of overseas travel, authorities said. KCDC said on Saturday they had

obtained a list of 9,300 people who had

attended church services, around 1,200 of whom had complained of flu-like symptoms

We are conducting investigation based on the database ... we have obtained," KCDC Director Jeong Eunkyeong told reporters.

The church and Cheongdo hospital outbreaks may also be linked, as several church members attended a funeral at the hospital for the brother of the founder of the church this month. President Moon Jae-in has called for officials to investigate potential links.

Cases from the hospital surged near a hundred overnight, with all but two of the new infections from the hospital's psychiatric unit.

"We think the patients had repeated exposure given the isolated facility of the psychiatric wards, where many patients share the same room," KCDC Director Jeong Eun-kyeong told reporters.

The hospital, which has around 600 patients and staff, has been closed and patients are being transferred to other facilities. Two people have died in South Korea in the current outbreak; a woman in her fifties who was moved from to Busan for treatment and a 63-year-old man. Both were patients at the Cheongdo hospital.

Among the new cases confirmed on Saturday, two were in Busan, while one was on Jeju, a soldier stationed on the island who had come into contact with residents in the Daegu area. The government had banned all military personnel at a Daegu base from leaving the barracks. REUTERS

Boeing finds debris in tanks of undelivered 737 MAX jets

KANISHKA SINGH & ERIC M JOHNSON 22 February

Boeing has found debris in the fuel tanks of dozens of undelivered 737 MAX jets amid ongoing inspections as the Chicago-based planemaker struggles to restore the trust of airlines and the wider public in the grounded fleet



Street Journal. Boeing has come under scrutiny since two crashes of its 737 MAX aircraft, in October 2018 and March 2019, killed 346 people. The 737 MAX was grounded worldwide last March after the crashes in

Indonesia and Ethiopia. Foreign object debris, an dustrial term for rags to

metal shavings and other

materials left behind by

workers during production,

has been a quality-control

issue for various Boeing air-

craft, such as its KC-46

memo seen by Reuters showed

that Boeing found debris that

This week, an internal

CELEBRATION TIME



Twitter curbs on accounts promoting Bloomberg

ELIZABETH CULLIFORD 22 February

Twitter Inc on Friday said it had started suspending and restricting dozens of accounts posting content promoting US Democratic presidential candidate Michael Bloomberg. "We took enforcement action on about 70 accounts, which includes a combination of permanent suspensions and account challenges to verify ownership," a Twitter spokeswoman said in a statement to Reuters. The action was first reported by the Los Angeles Times. The Bloomberg campaign did not immediately respond to a Reuters request for comment. Twitter said the accounts violated its platform manipulation and spam policy, which prohibits coordination among accounts to amplify or disrupt conversation by using multiple accounts. This can refer to creating several accounts to post duplicative content but also includes "coordinating with or compensating others to engage in artificial engagement or amplification, even if the people involved use only one account." The billionaire candidate's campaign, which has been pouring unparalleled amounts of money into an online advertising campaign, is also hiring hundreds of digital organisers to support the candidate, including by pushing content to their own social media channels. The Wall Street Journal reported that these organisers in California receive \$2,500 a month to promote Bloomberg's candidacy through actions such as posting on social media to their own networks. This month, a paid partnership between the former New York mayor's campaign and popular Instagram meme accounts pushed Facebook to announce it was allowing US-based political candidates to run branded or sponsored content on its social networking platforms. REUTERS

Boeing found debris in

the fuel tanks of about 35 aircraft, a company spokesman Boeing has come under confirmed on Friday. A person familiar with the matter told *Reuters* that more than 50 per cent of the undelivered 737 MAX jets inspected thus far have had debris found in them.

Several more planes are still awaiting inspection.

"We are taking steps to make sure we eliminate FOD (foreign object debris) from any and all aircraft. This is unacceptable and won't be tolerated on any Boeing aircraft when it's delivered to the customer," Boeing said in an emailed statement.

The Federal Aviation Ad-

scrutiny since two crashes of its 737 MAX aircraft in October 2018 and March 2019 REUTERS

ministration (FAA), when asked about the debris, said it couldn't confirm Boeing's numbers

could pose potential safety An FAA spokesman said risks in the fuel tanks of severthe agency was aware that al 737 MAX aircraft in storage Boeing was conducting a voland waiting to be delivered to untary inspection for FOD, airlines.

tankers.

The New York Times reportadding that FAA had increased its surveillance based ed on Friday that federal proson initial inspection reports ecutors investigating Boeing are examining whether the and would take further action based on the findings. planemaker misled the FAA while it was seeking approval The findings of debris were first reported by the Wall for the 737 MAX. REUTERS

Revellers from Mancha Verde samba school perform during the first night of the Carnival parade at the Sambadrome in Sao Paulo, Brazil, on Saturday REUTERS

A formula for growth after the start-up stage

JON HURDLE 22 February

Much attention is paid to how entrepreneurs create an innovative product or service and bring it to market, pivoting quickly to solve financial and logistical challenges along the way. But after the start-up buzz wears off, owners must figure out how to scale their businesses for long-term, stable growth.

Rather than simply working harder, a new report suggests, second-stage companies should consider a different strategy to reach the middle market, incorporating five conditions that were compiled and tracked by TrueSpace, a consulting firm, and the analytics firm Gallup.

They looked at nearly 2,500 entrepreneurs in the US over five years to create the model that is geared toward businesses with \$2 million to \$10 million in annual revenue that are struggling to become midsize firms.

"After you get to this post-start-up phase. vou have to fundamentally almost recreate the business," said Joe Daly, senior partner at Gallup. "That's what begins to create the conditions for the next leap in growth."

The report, released on Thursday, identified the five conditions that small businesses should consider adopting: organisational alignment, operating discipline, predictability of performance, endurance of stakeholders and value creation.

The project's data shows that the tighter a company's focus on its market, the stronger its revenue will be, said Charles Fred, chairman and chief executive of TrueSpace. But most entrepreneurs do the opposite when faced with flagging sales, and end up dissipating their energies without the desired results.

Second-stage companies may have trouble growing if they do not take a strategic approach to their expansion, said Gad Allon, a professor of operations, information and decisions at the University of Pennsylvania's Wharton School.

"Where these firms usually struggle is that the opportunistic approach that brought them to where they are doesn't work as the firm grows," Dr. Allon said.

He added that the framework provided by TrueSpace could be useful, but that it was unlikely to be able to predict performance. "It's good advice, but there's nothing new in this good advice," he said.

Damian Salas, assistant dean at Drexel University's Charles D. Close School of Entrepreneurship in Philadelphia, agreed that the ideas behind the five conditions were not new, but said their combination was novel and could offer second-stage companies a way of moving to the next level.



Rather than simply working harder, a new report suggests, second-stage firms should consider a different strategy to reach the middle market, incorporating five conditions that were compiled and tracked by TrueSpace, a consulting firm, and Gallup ISTOCI

"Small businesses are generally reactive organisations, and growth is often just another challenge to meet," he said.

For some business owners, the framework has already helped increase revenue.

SurgiReal, based in Loveland, Colorado, builds task trainers to help medical professionals acquire skills they need like giving injections or sewing sutures. It is "on the cusp" of \$2 million in annual revenue, said Andrew Hendrickson, the company's chief executive. He had been trying to sell the products in about half a dozen markets, but he found that growth was well short of its potential. "We were past the point of being a like a true start-up but not quite at middle market yet," Hendrickson said. "It was time to graduate to someone who was going to help us do scaling."

He added that the TrueSpace strategy had sharply focused the company's efforts.

"We had cast our net too wide," he said. "Rather than looking at five or six market segments to be tackled individually, we were tackling them all at the same time. which prevented us from really penetrating

one to a greater extent.'

Now the company is concentrating on selling to just one market segment within the medical industry.

Shawn K Smith, the chief executive of Modern Teacher, an educational technology company in Chicago, had a similar experience. The company has been using the TrueSpace model for two years, and Smith said it had increased the company's enterprise value up to seven times its revenue, rom one to two times revenue.

Smith said the model had allowed the company to go from essentially being a consultant dependent on non-recurring revenue to being one with sustainable income and a clear path to growth.

With current revenue just under \$3 million a year, Modern Teacher aims to hit \$5 million in 18 months, he said.

Other consulting firms and colleges offer guidance on business strategy, but much of it is geared to start-ups or larger companies, Smith said, and there's not much help out there for firms in his category.

"There was so much clarity in it," he said of the TrueSpace programme. "We had some of the pieces in place. But alignment to the market was critical for us because what that produced was predictability."

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IN BRIEF

'Saudi economy set to grow'



Saudi Arabia's economy is expected to grow this year, supported by the non-oil sector, despite a challenging global economic backdrop, the Saudi central bank governor said on Saturday as the kingdom hosts the G20 meeting.

Ahmed al-Kholifey (pictured) said it was too early to see the full picture of the economic damage caused by the new coronavirus, which has emerged in China and spread globally. The Saudi Arabian Monetary Authority governor was speaking

at an economic conference in Riyadh, where finance leaders of the world's 20 largest economies have gathered this weekend to discuss policies and the impact of the virus on global growth.

'GDP growth in Saudi Arabia is projected to see an upturn in 2020," said Kholifey. "Monetary, fiscal and structural policies in my country are all geared towards an expansion of the private non-oil sector GDP over the medium term." he said. The IMF said in January it expects the Saudi economy to expand 1.9 per cent this year, up from an estimated 0.4 per cent in 2019. However it lowered its forecast for the kingdom's 2020 growth from 2.2 per cent due to lower oil output. REUTERS

Zambia mobs kill 43 suspected attackers

Police in Zambia say 43 people were killed and 23 others injured in mob violence across the country on people suspected of being responsible for attacking homes with poisonous sprays. Police have so far received 511 reports of incidents of "chemical spraying of poisonous substances on households" that have affected 1,687 victims, Inspector General Kaakoma Kangania told reporters Saturday in the capital, Lusaka. "Sixteen suspects have been arrested." Rioters attacked police stations in parts of the country as they sought to give instant justice to suspects in custody, according to the police.

in part, that would include in a campaign to persuade other countries not to use BLOOMBERG 5G networks. 'Friends' to

reunite for HBO

The six cast members also took their official social media acco-

"Friends" reunion is officially generation after generation. It

happening in the form of an taps into an era when friends

Max special

White House to host

Huawei rivals The White House plans to hold a conference with Huawei rivals to try to accelerate development of affordable competing 5G wireless technology, President Trump's top economic adviser said on Friday. "We're working carefully, closely with Nokia and Ericsson." National Economic Council Director Larry Kudlow told reporters. "We're going to be holding some kind of a conference in about a month. I'm sure the president would join us Samsung, that will include all of our guys." The US has engaged Huawei equipment in emerging BLOOMBERG

Wells Fargo to pay \$3 billion to US

Bank admits pressuring workers between 2002 and 2016 in fake-accounts scandal

CHRIS PRENTICE. PETE SCHROEDER & IMANI MOISE

Washington, 22 February Wells Fargo & Co has agreed to pay \$3 billion to resolve criminal and civil probes into fraudulent sales practices and has admitted to pressuring employees in a fake-accounts scandal, US officials said on Friday, wrapping up one of the last major investigations looming over the bank.

Wells Fargo will pay the penalties to the US Justice Department and Securities and Exchange Commission and enter into a three-year deferred prosecution agreement during which the San Francisco-based bank will continue to cooperate with any ongoing government investigations, Justice Department officials said.

As part of the deal, Wells Fargo admitted that between 2002 and 2016 it pressured employees to meet "unrealistic sales goals that led thousands of employees to provide millions of accounts or products to customers under false pretenses or without consent, often by creating false records or misusing customers' identities", the department said in a statement.

In a statement, Charles Scharf, Wells Fargo's new chief executive, described the past conduct as "reprehensible". Wells Fargo is the fourthlargest US lender.

This case illustrates a complete failure of leadership at multiple levels within the bank. Simply put, Wells Fargo traded its hard-earned reputa-

tion for short-term profits, and harmed untold numbers of customers along the way," Nick Hanna, US attorney for the Central District of California, said in a statement. Top managers within Wells Fargo's

Community Bank division were aware of the "unlawful and unethical" practices as early as 2002, and many of the practices were referred to as "gaming" within the bank, the Justice Department said.

The agreement resolves the civil and criminal liability regarding Wells Fargo's fake-accounts scandal.

About \$500 million of the penalties will go to the SEC to be distributed to investors to settle charges that the bank committed fraud by misleading investors about its sales practices, an SEC official said on a call with reporters

about the resolutions settlement. Settling the multi-agency investigation marked an important milestone for Scharf, who joined the company from BNY Mellon in September shortly after the third anniversary of the scandal.

"We are committing all necessary resources to ensure that nothing like this happens again, while also driving Wells Fargo forward," Scharf said.

'Ghost in a machine'

Watchdog group Public Citizen criticised the deal, saying it does not go far enough

"Any resolution for Wells Fargo's massive, management-directed misconduct must hold individuals to



account. We know many of the crimes, and we know that real executives, not some ghost in a machine, committed them," said Bartlett Naylor, a financial policy advocate with the Washingtonbased group.

The deal does not preclude civil or crimi-

Department officials told reporters.

US Senator Elizabeth Warren, who is seeking the Democratic nomination to challenge Republican President Donald Trump in the November 3 election, wrote on Twitter, "This is a small step in the right direction, but it's not

CHARLES SCHARF, Wells Fargo's new chief executive, described the past conduct as "reprehensible". Wells Fargo is the fourth-largest US lender

and bringing criminal charges against them if the evidence justifies it." The probe examined activities in Wells Fargo's community bank unit, with Justice Department citing pressure coming from

a substitute for holding

senior executives indi-

vidually accountable -

nal charges against individuals, Justice the division's leadership. In a rare move last month, a US

bank regulator charged several former Wells Fargo executives for their roles in the scandal. That included a Stumpf and civil charges against Carrie Tolstedt, former head of the

community bank unit.

"Ms. Tolstedt acted appropriately and in good faith at all times, and the effort to scapegoat her is both unfair and unfounded," her lawyer Enu Mainigi said on Friday.

The Justice Department inquiry was seen by analysts and investors as a key hurdle the bank had to clear before it could focus on its growth strategy, which includes convincing the Federal Reserve to remove an unprecedented growth restriction placed on Wells Fargo's balance sheet until it proves it has fixed its risk management and controls.

Wells Fargo had already paid out more than \$4 billion in fines and penalties related to the scandal since 2016. Internal and external probes have uncovered issues in each of Wells Fargo's major business lines, including wealth management and the commercial bank.

The US House of Representatives Financial Services Committee is scheduled to hold three hearings on Wells Fargo's conduct next month.

Over the past three years, Wells Fargo has taken various steps to fix its issues and rebuild trust with customers, investors and regulators They include changes to its board, centralising risk teams and hiring an external chief executive.

However, ongoing reputation issues and unresolved legal matters settlement with former CEO John have weighed on the bank's stock price and profitability, which have lagged peers since 2016. REUTERS

Optimism, fear on day 1 of low violence period

ABDUL QADIR SEDIQI & OROOJ HAKIMI Kabul, 22 February

Afghans on Saturday welcomed the pledge by the Taliban and US to reduce violence, despite uncertainty looming over the war-torn country.

Saturday was the first morning of a seven-day "reduced violence" period that is meant to lead to an agreement between the United States and the Taliban in Doha on February 29.

If signed, the agreement and subsequent intra-Afghan talks represent a chance for peace and the potential pullout of thousands of US troops who have been in Afghanistan since US-led forces ousted the hardline Islamist Taliban from power in 2001. Many Afghans said they were an-

xious about what might come next. "As a citizen who has grown up after the US takeover, I don't want to

sacrifice everything," Baha Farkish, 18, a student of Kabul University, told Reuters, referring to the possibility that the Taliban would return to some sort of power.

"I don't want my country to



US troops patrol at an Afghan National Army base in 2018. US-led forces ousted the Taliban from power in 2001 REUTERS



Poll workers empty ballot boxes after the parliamentary election voting time ended in Tehran on Saturday

Iran poll: Hardliners make early gains

PARISA HAFEZI Dubai, 22 February Candidates affiliated with Iran's

Iran's rulers, under intense US pressure over the country's nuclear programme, need a high turnout to boost their legitimacy

WORLD 9

ntitled unscripted special" on HBO Max.

unts to share the news

PRESS TRUST OF INDIA

Los Angeles, 22 February

According to The Hollywood *Reporter*, all six original cast members of the popular sitcom - Jennifer Aniston, Courteney Cox, Lisa Kudrow, Matt Le-Blanc, Matthew Perry and David Schwimmer — will come together for the reunion episode scheduled to debut in May.

WarnerMedia said on Friday. "Guess you could call this the one where they all got back together — we are reuniting with David, Jennifer, Courteney, Matt, Lisa and Matthew for an HBO Max special that will be programmed alongside the entire Friends library," Kevin Reilly, chief content officer at HBO Max and president, TBS, TNT and truTV, said in a

statement. "I became aware of 'Friends'

when it was in the very early stages of development and then had the opportunity to

together in real time and we think this reunion special will capture that spirit, uniting ori-

- and audiences

work on the series many years

later and have delighted in see-

ing it catch on with viewers

gathered

ginal and new fans," he added. The special will be shot on Stage 24 of the Warner Bros. Studio lot in Burbank, where

the entire original series was filmed Ben Winston will direct and executive produce alongside "Friends" creators David Crane and Marta Kauffman

and Kevin Bright. The episode will debut on HBO Max, along with all 236 episodes of the series, which premiered in 1994 on NBC. The six cast members also took their official social media accounts to share the news.

The speculation around the reunion started late last year, just months after the Warner-

Media-created SVOD platform bought the streaming rights to the series from Netflix in a deal with Warner Bros. Television.

the achievements of the last two decades," she said, adding, "As a young Afghan, I expect to keep my freedom of speech and opinion after the peace agreement with Taliban."

The Taliban ruled Afghanistan from 1996 to 2001 after seizing power following years of civil war, and imposed many restrictions on women and activities it deemed "un-Islamic". Since 2001, the Taliban have led a violent insurgency against the internationally backed government, killing thousands.

"It doesn't feel very hopeful. We had ceasefires in the past, and they resulted in the Taliban coming to the cities and wherever they want," said Bushra Wared, 23, a business student at the American university of Afghanistan. "We have always been terrified of the Taliban," she said.

"But, if that's the only option to reach a stable peace, we will have to change our mindsets because we don't want to lose more innocent souls." The older generation, which lived

"I have seen several regimes changing, nothing has made me this optimistic," said Mohammad Fardin, 55, who has run a shop in a busy Kabul marketplace for 42 years.

optimistic.

"Last night when I heard the news I had a strange feeling of happiness," said Samiullah, 41, a taxi driver in Kabul. "I was impatiently waiting for the start of the day (Saturday, the first day of the reduced violence agreement) as someone waits for Eid, new vear or any other special occasion.' Previous attempts at negotiating peace have been scuttled by Taliban

through the civil war and subsequent

puritan rule of the Taliban, was more

attacks, most recently last December, when an attack on a US military base put talks on hold.

Residents in Balkh and Kunduz were more guarded, saying they would wait to see how things went. In some parts of the country, the announcement of the reduction in violence was met with celebration.

Hundreds of residents in eastern Paktia province, hit hard by Taliban attacks over the years, gathered in capital city of Gardez, calling upon the Afghan government, the Taliban and international community to redouble efforts to end the war.

In Jalalabad, the capital of insurgency-racked Nangarhar province, residents got together for a mass cycling event to mark the beginning of the reduction in violence. Cyclists from Nangarhar, Kabul and other northern provinces took part in the event, including women.

Nangarhar has also suffered an insurgency by the Islamic State, which has attacked the Taliban, the Afghan government and its global allies.

"My three sons have been killed in wars: One son in the Afghan-Russian war, the second in the Hamid Karzai government and the third by Islamic State," said Shir Gul, 77, a worker in Jalalabad. "If peace comes, I'll take my grandchildren to the grave of my sons and congratulate my sons." REUTERS Revolutionary Guards looked on course to win a parliamentary majority on Saturday, reportedly leading in the race in Tehran and towns and villages elsewhere, after a vote stacked in favour of the anti-American hardliners.

An Interior Ministry official said a list of candidates affiliated with the Guards led in the capital. Lists linked to hardliners captured 83 seats in towns and villages across the country following Friday's vote, according to a *Reuters* tally.

A clean sweep for hardliners would confirm the political demise of the country's pragmatist politicians, weakened by Washington's decision to quit a 2015 nuclear deal and reimpose sanctions in a move that stifled rapprochement with the West, However, Iranian authorities have vet to announce the turnout in the race for the 290-seat legislature a litmus test of the popularity of hardliners closely linked with Supreme Leader Ayatollah Ali Khamenei.

er nationwide protests in November.

Such a result would help the Guards, already omnipresent in Iranians' daily lives, to increase their substantial influence in political, social and economic affairs.

The demonstrations, which called for regime change, were met with a violent crackdown overseen by the Guards which killed hundreds and led to the arrest of thousands, according to human rights organisations. Iranians long for stability after a succession of political and economic crises.

In the latest challenge for Khamenei, Iran announced the detection of 10 new cases of coronavirus, one of whom has died. The new infections bring the cases of new coronavirus in Iran to 28, with five deaths.

Khamenei faces mounting pressure from the US over Iran's nuclear programme and discontent over mismanagement of the economy is unlikely to ease as sanctions squeeze the Islamic Republic. **REUTERS**

Holocaust educators urge Amazon to stop selling Nazi propaganda

HEATHER MURPHY 22 February

Two organisations that educate the public about the Holocaust are calling on Amazon to stop selling Nazi propaganda, rekindling a debate over what should be sold through the world's biggest digital marketplace.

The Holocaust Educational Trust, which trains students and teachers across Britain, posted a letter on Twitter on Friday calling on Amazon UK to stop selling books by Julius Streicher, the founder of the Nazi-era anti-Semitic newspaper Der Stürmer.

Karen Pollock, the trust's chief executive, cited "The Poisonous Mushroom", an illustrated children's book by Streicher, published in 1938. The text, which likens Jews to the devil, was "designed to brainwash an entire generation of children that Jews were inherently evil", she wrote in an email.

The book was used as evidence at the Nuremberg trials, during which Streicher was convicted of directing and

participating in crimes against humanity. The front cover alone draws on longstanding and offensive antisemitic tropes, Pollock wrote in the letter. Throughout his life. Streicher was committed to advocating the annihilation of Jews. Among his final words before he was executed in 1946 were "Heil Hitler".

The Auschwitz-Birkenau Memorial and Museum's Twitter account shared Pollock's letter, along with screen-grabs of several other anti-Semitic texts by Streicher sold on Amazon. "Such books should be removed immediately," the museum wrote.

On Friday, Amazon did not appear ready to commit to a course of action.

"As a bookseller, we are mindful of book censorship throughout history, and we do not take this lightly," a representative said in a statement to The New York Times. "We believe that providing access to written speech is important, including books that some may find objectionable, though we take concerns from the Holocaust Educational Trust seriously and are listening to its feedback."



Amazon CEO Jeff Bezos. The company's Offensive Products policies don't apply to books

This is not the first time Amazon has been urged to remove "The Poisonous Mushroom". Last month. Sheldon Lazarus, a producer of the movie

Auschwitz: The Final Witnesses, told the Daily Mail, "If Amazon can predict what vou want to buy, then they should be able to stop this filth."

In the past, Amazon has promptly removed some listings in response to objections. In December, it stopped selling holiday ornaments and a bottle opener displaying images of the Nazi concentration camp Auschwitz after the Auschwitz-Birkenau museum called the products "disturbing and disrespectful" on social media

But Amazon takes a different approach with books than it does with home goods. "Amazon's Offensive Products policies apply to all products except books, music, video and DVD," the retailer's guidelines state.

Nonetheless, Amazon has ramped up its policing of some hate-filled texts. In recent months, it has removed several titles by George Lincoln Rockwell, the founder of the American Nazi Party. A web address for My Awakening: A Path to Racial Understanding by David Duke, a former leader of the Ku Klux Klan, now directs to a page featuring a picture of an Amazon employee's dog. In July, LGBTQ activists convinced Amazon to stop selling A Parent's Guide to

Preventing Homosexuality, written by a vocal proponent of the discredited practice of using "conversion therapy" to turn gay people straight.

Some third-party booksellers that sell titles on Amazon told The Times earlier this year that they would welcome more clarity about why some texts are prohibited and not others. They also urged the company to publish a list of prohibited books.

One argument in favour of allowing the sale of hateful texts is that they may be useful to historians and educators.

Pollock of the Holocaust Educational Trust said she did not believe that all of Streicher's books should be destroyed. "But there's a difference between being available at a museum/educational institution and just finding it online among toys, gifts and trivia," she wrote in an email.

She said that Amazon had told the trust that it was investigating the matter and would get back to her in three days.

10 DEMOCRACY AT WORK

CHATTERBO) Andhra-Delhi bonhomie

All of last week, Andhra Pradesh Chief Minister Y S Jagan Mohan Reddy shuttled between the state and Delhi, and met Prime Minister Narendra Modi at least once to get his support to make Visakhapatnam the executive capital of the state, while retaining the Assembly at Amaravati and shifting the High Court to Kurnool. Modi reportedly advised Reddy to meet Union Home Minister Amit Shah separately. Having met Modi on Wednesday, Jagan returned to Delhi Friday to make a presentation before the Home Minister on the nitty-gritty of shifting the capital to Visakhapatnam. Reddy also told the PM about his other demands: abolition of AP Legislative Council and granting of special category status to Andhra Pradesh. In return, the possibility was discussed of YSR Congress joining the BJP-led National Democratic Alliance (NDA). However, the final word on this is yet to be said. The Andhra Assembly has already passed a unanimous resolution recommending abolition of the Legislative Council and has sent it to the Centre for a Parliamentary resolution. After Presidential assent, it will become law and the Council will stand abolished, possibly in the second leg of the ongoing Budget session of Parliament. No formal assent of the Centre is required for the creation of an executive capital. But Reddy has taken the PM into confidence, possibly eyeing political gains from the gesture. Meanwhile, he has invited Modi to Andhra Pradesh on March 25 for Telugu festival Ugadi, when a housing scheme for around 25 lakh poor families in the state will be launched. The PM has not yet visited Andhra Pradesh in his second term. He is likely to accept the invitation.

DID THEY REALLY SAY THAT?



"THE PROBLEM OF STRAY ANIMALS... ISSUE OF PAYMENT OF SUGARCANE... COMPENSATION FOR CROP WASTAGE OF FARMERS IS ALSO MISSING." Congress leader Privanka Gandhi Vadra on the UP Budget, February 19 in Delhi

CHECKLIST THE POLITICS OF CORONAVIRUS

South Korea: General elections are due mid April and the government led by President Moon Jae-in's Democratic Party is expected to do well in the upcoming election, though how his government manages the spread of the virus and its economic fallout will likely loom large on voters' minds. The last government's delayed reaction to the outbreak of Middle East Respiratory Syndrome in 2015 led to president Park Gyun Hae's impeachment in 2017 and later her defeat.

Philippines: President Rodrigo Duterte, who has developed a close relationship with his Chinese counterpart Xi Jinping, has been reluctant to order a total ban on tourists from China into Philippines. Now, criticism of his handling the contagion is rising. "The President's late decision to issue a temporary travel ban has nothing to do with protecting us, but to preserve his political capital because he felt

BY BINAY

LLUSTRATION

the nation's anger," Opposition politician and former solicitor general Florin Hilbay said.

Thailand: Tourism accounts for more than 12 per cent of Thailand's GDP and nearly a third of it derives from Chinese visitors. While restrictions and bans on Chinese tourists could stifle growth, the reluctance of the government to put restrictions is raising the outcry against President Prayut Chan-o-cha for putting the Thai public at risk.

Cambodia: Other countries organised airlifting of people trapped in Wuhan. But Cambodian President Hun Sen said he would not ferry Cambodian students home because they should be "joining with Chinese to fight this disease." Cambodia is heavily dependent on Chinese investment, but in absence of domestic opposition (the President has dissolved the main Opposition party), criticism of the actions is now being heard on the streets.



'Five MoUs are under discussion with the US'

uestion: Data localization has been quite a sticky point with the US, have there been any talks on this topic r we expect something to come up regarding this?

Question: What are going to be the major deliverables of this visit?

Official Spokesperson, Shri Raveesh Kumar: On H1B visa you are aware that we have remained engaged with the administration and the Congress on this issue of movement of Indian professionals. In our engagement we have highlighted the role, which is being played by Indian professionals in the partnership. We feel that Indian skilled professionals have contributed to the growth and development of the US economy and they have also helped the US in retaining the competitive edge and innovation. It is a matter which is very important to us and we do expect that the movement of Indian professionals is part of the agenda which could come up for discussion. There are different formats of talks and what exactly happens we will brief you on the day of the visit, but we do expect to come up because it is important topic to us.

On the first lady's visit, this is being organised by the US Embassy... at this point of time I do not have any confirmation about any visit to a school.

On Howdy Modi program, whether who all are being invited, this is an event which is being organised by Donald Trump Naagrik Abhinandan Samiti. They are the ones who are taking a decision on who to be invited so this question should be addressed to them.

On the key deliverables, I think we have to understand this visit and see this visit in the context of a certain maturity which we have reached in the relationship and this is something which is missed time and again... There is a growing comfort level between the two countries. There is a good chemistry between the two leaders and also the visit is taking place in the context of regular meetings at high levels between the two countries.

We are aware that both leaders have personally invested in this relationship. Over the years we have seen how the canvas of the relationship has expanded to include newer areas of cooperation and if you can break it down you actually see that there has been huge support to the relationship. A bipartisan support in the Congress as well as from the executive branch and that is reflected in the kind of growth and expansion which we have seen in this relationship in the last few years.

If you look at the intensity of ministry level exchanges, I ink that is unprecedented India-US, the two-plus-two



Although expectation about actual deliverables from President Donald Trump's India visit are low, ASHLEY J TELLIS, senior fellow at the Carnegie Endowment for International Peace and formerly senior adviser to the US undersecretary of State for political affairs, tells Aditi Phadnis India will not be able to put off crucial trade and other decisions in its dealing with the US much longer

"With Trump, often symbolism is the substance"

What do you expect will be the outcome of the US President Donald Trump's India visit? Both President Trump and Prime Minister Narendra Modi want this visit to showcase the strength of the US-Indian strategic partnership. Any state visit by an American president would ordinarily have such an objective, but this one is special because of Trump's unconventional presidency and the changing attitudes among key US elites toward India. Remember, Trump's "America First" agenda could have radically undermined India's traditional hopes for asymmetrical US support. That hasn't happened to the degree that if could have. So Modi has every reason to be gratified that his persistent engagement of Trump has paid off — at least for now. Despite India not delivering on the one thing he cares about — a trade deal — Trump is headed to India. As he himself admitted, "We're not treated very well by India, but I happen to like Prime Minister Modi a lot."

their domestic constituencies and for their foreign rivals - I expect that the visit will be dominated by discussions on strategic issues where there is strong convergence, such as the Indo-Pacific, sustainable infrastructure development and terrorism. Because the trade deal has proven to be elusive, closing on defence sales, especially those with big dollar signs, will be important. I suspect India will be looking for ways to show Trump that it intends to be a good economic partner by accelerating the purchase of the US energy and collaborating on development projects in third countries. So there will be tangible outcomes beyond the optics

India visit despite recognising that the trade deal was slipping - domestic electoral concerns, Modi's charms and strong advocacy by Ambassador Ken Juster probably explain that outcome. But Trump hasn't forgotten, and if the modest issues on which the administration is asking for progress are not resolved, the visit's aftermath may not prove to be as happy as the visit itself. And if Trump is reelected, the Modi government will simply be unable to put off addressing these issues.

The recent Indian domestic political developments have raised concerns even within the administration, but senior officials have been careful enough not to make this an issue publicly. This public silence should not be misinterpreted as an absence of anxiety, though the depth of the apprehensions varies depending on the individual. For a president who was

elected with strong evangelical support, issues of religious freedom for Christians are obviously important. But for other administration officials, how the Indian state treats all its minorities is of concern. In the Congress, the press and among NGOs, the dismay about the Indian government's policies has been much more vocal. I don't view these reactions as fatal to the US-India

relationship right now, but the growing cleavages between the executive and the legislative branches and between Republicans and Democrats will, if not repaired, make the task of advancing the relationship more difficult. We don't need relations with India to become a new subject of controversy within the United States.

We now know that former prime minister Manmohan Singh was ready to face elections, but did not give up on the Indo-US nuclear deal. Do you think India and the US have optimised returns after that huge

political gamble? Who has let whom down? Completing the deal served the basic purposes that we in the Bush administration had intended: to remove the biggest decades-old impediment that cemented India's suspicions of the United States; to bring India into the non-proliferation order without it having to give up its nuclear weapons; and, to permit the more liberal sharing of restricted technologies to aid the growth of Indian power in order to better balance China. I would contend that all these objectives have been satisfied.

Was the deal overly favorable to India?

Absolutely — but by design. Where we fell short, at least thus far, was in regard to commercial sales of the US nuclear reactors to India. Many in the administration had hoped that India would buy a substantial number of US reactors. But India's mismanagement of the nuclear liability legislation and the Fukushima disaster made this much harder. I still believe we will get to reactor sales eventually — what elsewhere takes years requires decades to accomplish in India - but when you look at the deal in terms of its fundamentally-transformative impact on the US-Indian relations, there is no doubt in my mind that our core objectives have been achieved. The dramatic deepening of the US-Indian cooperation on critical issues such as balancing China in the Indo-Pacific, the rising defence trade, and the growing willingness of

both sides to actively collaborate in the Indian Ocean amply corroborates that judgment.

We are looking, almost certainly, at an abortive Indo-US trade deal. India has already walked out of RCEP. What are the prospects of an agreement on trade in the future and won't it always be in collision with **America First?**

The Modi government's failure to resolve the trade disputes with the US administration is disappointing, could be potentially costly to India, and remains a conspicuous blot on the otherwise unexpectedly successful strategic partnership under Trump. Unlike in other cases where Trump has focused on correcting the US trade balances itself, the issues that Trump has pursued with India are few and could have been addressed without major cost to Modi's

larger objectives. But the eco-

nomic slowdown, the Modi gov-

ernment's protectionist instincts,

and the return of the ambition of self-reliance all conspired to pre-

vent India from offering satisfactory solutions. Even bigger prob-

lems promise to come down the

pike: e-commerce policy, data

localisation requirements, and

the like. India's curmudgeonly



Senior fellow at Carnegie Endowment for International Peace

attitude to trade liberalisation remains at stark odds with its expressed desire to participate in networked manufacturing, to integrate itself into global supply chains, and to consummate its "Act East" policy.

India and the US may be able to cobble a ragged truce on trade if they try hard enough in the future, but unless there is a major transformation in India's attitude to trade, the costs to India's long-term economic growth will be significant. The truth of the matter is that the US market remains the most lucrative market in the world and all countries that grew at remarkable rates in the post-war period grew in part because of their privileged access to the US market. If India finds itself shut out of this market because of its own regressive trade policies and the growing US inclination to make access to its markets dependent on reciprocal access — an attitude that may outlive Trump - India stands to lose far more than the United States potentially will. This simple fact should force the Modi government to rethink its attitude to trade openness in regard to the US.

The peace process in Afghanistan is to start next month and will be remote-controlled by the US. How much chance does India have of finding a place in the new equations?

India has grudgingly come to terms with the reality of the eventual US withdrawal from Afghanistan and the likelihood of a Taliban ntegration into the Afghan state I don't belie

logue, which took place in December last year, very successful outcome rich meeting. Our defence relations have expanded significantly and you are familiar with the two agreements... like LEMOA and COMCASA. We have initiated a joint Tri-Services HADR Exercise named Tiger Triumph as an annual exercise. The US now is the largest trading partner in goods and services and this is growing at a very healthy pace. There is a growing cooperation in counter-terrorism: there is good exchange of views on Indo-Pacific where we have established a very promising partnership. When visits take place, we do expect all these aspects of the relationship to further strengthen, so when you say key deliverables, you know there is a huge canvas and we do expect that during the visit all these areas will be further strengthened. Of course, when a visit takes place the two leaders will meet, there will be an exchange of views on regional and global issues as well but overall we are looking at this visit to strengthen the strategic global partnership between India and the United States.

On data localisation, you see I can't really say in what context it will really come up. There is quite a big agenda which the leaders will have in front of them. This will not be the first time that the discussion will take place. Our views are known and let's hope that we will be able to share some details on some of the discussions which we have with the US side on the 25th.

Question: You mentioned about energy security, is there any specific thing likely to happen on the nuclear front because the nuclear deal is kind of stalemated somewhere?

...Kumar: On the nuclear cooperation front Westinghouse and NPCIL they are in discussion to build six, 1,100 MW reactors at Kovvada. A(Andhra)P. Following resolution of Westinghouse's bankruptcy issues, the two sides are in discussion regarding the division of responsibility of the work. NPCIL has visited the US reference plant to understand the Westinghouse's modular construction methodology.

Question: If there (is) no trade deal..., when do you hope there will be one?

...Kumar: ...you are aware that we have been engaging with the US for quite some time now. We do hope to reach an understanding with an outcome that strikes the right balance for both sides and these are complex negotiations. We would not like to rush into a deal as... there are many decisions which actually could affect or impact lives of millions of people on the ground and some also with long-term economic consequences. So we don't want to create any artificial deadline... if you look at the history of such trade negotiations and deals, they have taken their own time and... just creating an artificial deadline..., I don't think it is a wise decision. I think it is counter-productive. So for us the interest of the people is paramount and when we approach a discussion and enter into such negotiations I think that is right at the top of our mind. At the same time the relationship which we see in terms of trade and services, ...investments, they have grown year-on-year. The trade itself has grown 10 per cent per annum over the last two years. We are also looking at a much more balanced trade with India importing civil aircrafts and securing energy supplies from the US. Around five MoUs are under discussion in the areas of intellectual property, homeland security. We are also looking at a joint statement, which will basically capture the essence of the partnership ...

Edited excerpts from a briefing by Raveesh Kumar, spokesman, Ministry of External Affairs, February 20, in New Delhi

So will this visit be only about optics then?

With Trump, the symbolism often is the substance, but that may not be a bad thing in this case. Given the goal, the two leaders have showcasing the strategic partnership both for but the extravaganza Trump is expecting will probably overshadow the substance.

How much has the Indian government's domestic political agenda hurt Indo-US relations?

That's a complicated question because the Modi government's agenda has economic and political components. The creeping return toward import substitution and self-reliance that seems to characterise the current Indian attitude toward foreign trade has left the Trump administration quite unhappy. In fact, I'm surprised that Trump proceeded with his

that Washington can stage manage India's future role in Afghanistan. Much will depend on the choices India itself makes in the context of parallel decisions by others. But India has significant assets here: there is strong support for an Indian presence in Afghanistan across the Afghan political spectrum: Washington welcomes India's constructive role already: and all of Afghanistan's neighbours, barring Pakistan, would be willing to collaborate with India to preserve a stable Afghan state. The big question is whether the Afghans themselves can and will collaborate to produce this outcome - at this point, that's anyone's guess.

Below 1% trafficking victims get compensation

Some outfits in West Bengal take up cudgels to find out the lacunae through RTI pleas and creating awareness among survivors, writes Swarnami Mondal

ultana (name changed), a human trafficking survivor from West Bengal, is one among only three in the state to get compensation from the State Legal Services Authority (SLSA) under the West Bengal Victim Compensation Scheme between 2012 and 2019 — that too after a legal tussle of four years.

"In order to prove that I had been a victim

of human trafficking, I had to go through multiple rounds of questioning by police. This was followed by a legal tussle and multiple rounds of hearing at the district court, which did not yield any result. I filed the case in 2016 and I received a compensation of about ₹4 lakh seven months back after battling it out in the Calcutta High Court," says the resident of South 24 Parganas district.

According to the National Crime Records Bureau (NCRB), West Bengal topped the country's trafficking list in 2018, with 3,500 cases being recorded between 2012 and 2019.

As far as the entire country is concerned. less than one per cent of trafficking survivors have received compensation during the period, says an action report by Kolkata-based research and anti-trafficking NGO, Sanjog - prepared by a team of five lawyers.

The team now plans to ramp up their research efforts by filing applications under Right to Information (RTI) Act and producing a nationwide ground report, which will cover victim compensation orders and disbursal of compensation by the District Legal Services Authorities (DLSAs) and State Legal Services Authorities (SLSAs). They also aim to produce findings of reports from National Legal Services Authority (NLSA) in the near future.

One of them, Vipan Kumar, tells Business Standard the NCRB data shows 38,503 victims across the country filed cases with

respective state police between 2010 and 2017. "We filed applications under Right to Information (RTI) Act with the state and district legal agencies to find out how many of these victims received compensation. The RTI information reveals only 107 survivors applied for compensation since 2011 and courts awarded compensation to another 102. Out of these 102 survivors, the

respective DLSAs disbursed compensation to only 77 survivors," he says.

The DLSAs and SLSAs are responsible for providing compensation to the human-trafficking victims, he adds,

He further says, "During our research, we found most of the victims did not even know that they were eligible to get compensated by the government. The onus of providing proof of human trafficking falls on the victim and it requires submitting copies of multiple FIRs one lodged at the police station, under whose jurisdiction, the victim was rescued, and the



police station, under whose jurisdiction the victim was trafficked. The task of proving to the legal authorities that they have been victims of trafficking is arduous and uphill. The DLSA and SLSA appoint lawyers to help the victims avail legal help, but more often, these lawyers are ill-informed. The High Court lawyers are mostly interested in prosecution and they charge high fees.'

The stakeholders involved in the process of rehabilitating the victims - like shelter homes, where they often stay for months before being resuscitated - often do not inform them about compensation.

"One of the major roadblocks in compensating is the lack of documentation. Not all cases of trafficking are reported, not all pleas of victim compensation are documented properly by the state DLSAs and SLSAs," Kumar adds.

Subhashree Raptan, co-ordinator of Goranbose Gram Bikash Kendra in West Bengal's South 24 Parganas, said victims have to deal with social and internal stigma throughout the long-drawn process of fighting a legal battle to get their compensation. "Access to lawyers, attending repeated hearings only to recount their ordeal to prove that the rescued victims are eligible for compensation is an uphill task. We are struggling for justice, official rehabilitation and compensation," says Raptan who also works with Canning-based Bandhan Mukti Survivors Collective.

A victim of human trafficking, who was rescued from Pune, says she did not know of any such scheme. "Also travelling all the way to Kolkata for repeated hearings becomes economically unsustainable. The lawyers couldn't help me out. The survivors' network established by Bandhan Mukti Collective helped me."

Budgetary allocation

Kumar further says a major question in the RTI applications was about the budgetary allocation towards compensating human trafficking victims and how much of that has been used, "Answers by the Odisha SLSA to this RTI query revealed that the state had spent 104 per cent of the budgetary allocation towards compensating the victims. Karnataka SLSA responded that entire budgetary allocation towards compensating the victims was utilised. The Bidar DLSA of the state, however, said only 50 per cent of the sum set aside was used to compensate victims," Kumar says.



OPINION 11

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The genie is out of the bottle

Deepfake's proliferation poses huge challenges

he Bharatiya Janata Party (BJP) deployed a new artificial intelligence-based (AI-based) technology, Deepfake, during the campaign for the Delhi assembly elections. This is the first time Deepfake was officially deployed in a political campaign, although it has been used earlier to disseminate fake politicalslanted news. Deepfake is a portmanteau word combining "Deep learning" and Fake. It can be used to create realistic videos of somebody doing, and saying, things they have not done or said. The technology has been around for three years. It is now being commoditised with many programmes easily available.

In the Delhi campaign, Manoj Tiwari

was used with Mr Tiwari's consent. But the realistic nature of such content makes it hard to fact-check and, thus, makes Deepfake a powerful tool of disinformation. The technology has often been misused for malicious and nefarious purposes.

Apart from unique faces, voices, and figures, individuals have unique postures,

was featured delivering short speeches in

English and Haryanvi. The "base" video fea-

tured Mr Tiwari actually speaking Hindi.

Deepfake was used to lip sync and dub new

videos in what sounds like Mr Tiwari's voice.

A Chandigarh-based communications outfit,

The Ideaz Factory, created the content and

the BJP pushed it out to over 5,000

WhatsApp groups. In this instance, Deepfake

expressions, speech patterns, and movements. AI can analyse video footage to extrapolate how an individual would say or do something. Most Deepfake programs use Generative Adversorial Networks (GAN) with two algorithms: One forges deepfakes while the other points out flaws in the forgery, which are then corrected. Related technologies like the DeepNude program can guess what a clothed person looks like without clothes. Ageing and de-ageing programs can accurately guess past or future appearances. It is even possible to create "synthetics" full-body moving, talking images of nonexistent people.

Hence, Deepfake videos can, for example, feature Donald Trump chanting in Sanskrit, or Lionel Messi playing cricket. Mark Zuckerberg, Barack Obama, and other well-known people have already been victims of Deepfake videos. Deepfakes have "embedded" Nicholas Cage, the late James Dean, and the late Carrie Fisher into films,

and depicted a young Harrison Ford. There are now ongoing lawsuits by the estates of several dead actors to prevent Deepfaking.

Most Deepfake content has been banned by Facebook and Twitter, with only content labelled for humorous and satirical purposes allowed on these platforms. TikTok also claims to be against Deepfake deployment but it has an embedded feature, Face Swap, which makes Deepfake easier to produce. The state of California is legislating a ban on Deepfake pornography since it is often used to target celebs, and to create "revenge porn" to embarrass former partners. As of now, it's estimated that over 95 per cent of publicly available Deepfake videos consist of pornography. But Deepfake is likely to see ever-wider deployment in political campaigns, as the technology catches on. It also provides a convenient excuse for politicians to disavow recorded statements they have actually made.

The technology presents a thorny prob-

lem for law enforcement, and it is also likely to be misused by authoritarian regimes to manufacture fake evidence against "antinationals". At the same time, it can be used creatively for sports and linguistics training, and creating content with "synthetic" actors and musicians. This particular genie is out of the bottle and the technology cannot be controlled or legislated out of existence.

Deepfakes' GAN is specifically designed to help it pass forgery tests, which makes it very hard to detect. Facebook is investing \$10 million in creating better recognition systems, hiring actors to make videos for training recognition algorithms. Google has released a publicly available dataset of 3,000odd deepfake videos, to help train AI to identify deepfakes. But the technology for creating Deepfakes is also constantly improving. If recognition systems cannot keep pace with the new technology, Deepfake proliferation could absolutely destroy the credibility of our information dissemination systems.

Financing infrastructure

India's infrastructure deficit can be reversed only by development finance institutions that have the domain expertise to both borrow and lend long-term

ASHOK HALDIA

he National Infrastructure Pipeline (NIP) laid out a blueprint for expenditure of ₹102 trillion over the 2020-25 quinquennium to change the infrastructure landscape in the country. Conspicuously lacking, however, were measures for mobilising funds to finance such a whopping requirement, particularly in the face of the vawning fiscal deficit, the limited lending capacity of banks, an underdeveloped bond market, the current state of the capital market and the week finances of companies. The Union Budget has missed yet another opportunity to comprehensively address issues that are core to infrastructure development in the country.

The NIP has estimated the share of the private sector over this five-year period at ₹22 trillion, frontloaded, as against an investment of ₹2-3 trillion per year in recent years, which is drying up. In this backdrop, the Budget was expected to announce measures impinging upon the institutional framework, financing instruments and products, and fiscal incentives to step up the pace and scale of private sector investment.

The Budget has proposed isolated measures like increase in limits for foreign portfolio investment in corporate bonds from 9 per cent to 15 per cent (while the existing limit is utilised by only 58 per cent) and extending the concessional tax rate of 5 per cent on the interest income of non-resident Indians on masala bonds for another three years. These are welcome, but will have little incremental impact. Amid bottlenecks in infrastructure projects, it is to be seen how far tax exemptions on income on long-term bonds and equity will incentivise sovereign funds to invest in infrastructure.

The above and a few other similar measures will hardly boost the much-needed growth of the corporate bond market. In the past as well, ad hoc and half-hearted measures taken, for example, in regard to infrastructure investment trusts (InvITs), real estate investment trusts, credit enhancement, and participation of pension funds and insurance companies, have not helped. In fact, the Budget proposal to tax dividends in the hands of unit holders/investors will prove counterproductive for the growth of InvITs at a time when these are showing green shoots and expected to grow five-fold in the next two years. It is therefore not surprising that the corporate bond market in India is smaller than even those of countries such as Thailand and Malaysia in Asia. The potential for the corporate bond market is evident from estimates that increase in its size from about 16 per cent of gross domestic product to 20 per cent in the next five years will release an additional ₹30 trillion for private sector investment. This would, however, need a suitable institutional apparatus, regulatory reforms, and introduction of new instruments and a hedging mechanism. The Budget has failed to provide direction on how debt finance of the size envisaged in the NIP and for tenures of up to 20-25 years would be made available on a non-recourse basis for infrastructure projects, in both the public and private sector. Infrastructure projects raise 45-80 per cent of their funding requirements from commercial banks which, ironically, do not have the domain expertise to lend to infrastructure projects.



The National Infrastructure Pipeline has laid out a blueprint for spending ₹102 trillion between 2020 and 2025, of which the private sector's contribution will be ₹22 trillion

assets, it was expected that the Budget may announce the setting up of development finance institutions (DFIs) that can borrow long-term and lend long-term, with a better understanding of the risk profile and distinctive characteristics of infrastructure projects. The Budget proposes to fund a government-owned DFI, namely, India Infrastructure Finance Company Limited (IIFCL), to leverage private sector investment. But the efficacy of the measure is questionable, as IIFCI . set up in 2006 for financing infrastructure projects, has so far not had any impact, because it lacked autonomy to act as a vibrant financial institution. DFIs with ownership and management structures like those of the erstwhile Industrial Credit and Investment Corporation of India are needed to

investment

viability.

risk and

uncertainty

ects and their continued viability. As many as 386 projects have been delayed by more than one year and beyond six years. Investors are extremely concerned about risk and uncertainty surrounding regulations and regulatory actions, contract enforcement, delays in obtaining approvals and realisation of dues from concessionaires that are government entities.

In the last decade, India has rolled out one of the rgest public-private partnership programmes (PPP) worldwide. The experience of the PPP model at the ground level has, however, been far from satisfactory because of imprudent allocation of associated risks between the public authority and the private partner, and an inefficient dispute resolution mechanism. It is necessary that the government lays emphasis on confidence-building measures before extending the PPP model to other areas of economic and social infrastructure, as proposed in the Budget, by providing for a framework for time-bound approvals, coordination between implementation agencies, enforceability of contracts, timely resolution of disputes, and fast-track implementation of stalled projects. Considering the enormity of the challenges, it is time for the government to create a separate ministry for infrastructure development that will also focus on the structural reforms needed for financing infrastructure projects. Otherwise, the NIP as an instrument for achieving a \$5 trillion economy will remain an illusion.

'Yes, it's rational' doesn't mean it works

JIGAR MISTRY

"For every complex problem, there is an answer that is clear, simple and ... wrong."

hile the American essayist H L Mencken had written a version of the above statement in 1920, Germany had proved it a few decades earlier. Towards the end of the 19th century, Germany had a novel idea. Since certain trees provided greater capital returns, it made "sense" to create homogenous forests of these trees alone. To do so, existing forests were cleared of underbrush and new trees were planted in straight lines to facilitate counting and cutting. To duplicate the original forests, the state also created birdhouses and anthills, and even imported spiders. This experiment failed miserably and the "scientific forests" died, largely due to what's better known these days as the problems of monoculture (all complex systems need their ecosystem to survive).

James C Scott writes about this example in his book, Seeing Like a State (about how modern states simplify complex phenomena of societies that they wish to control). He introduces the idea of "legibility" essentially to suggest that when we see a complex natural system, we assume that just because it "looks" messy, it must be out of order. We then impose our own order to make it "legible". However, eliminating messiness removes the essential components of the system that we couldn't grasp, and the system fails.

The recipe for disaster, then, is fairly straightforward: (a) Look at a complex and confusing reality; (b) fail to understand all the subtleties of how complex reality actually works; (c) mistake your own inability to understand for the irrationality of what you see: (d) come up with plain vanilla vision of what reality "ought" to look like; (e) argue that relative simplicity and orderliness represent rationality; and then (f) watch your rational utopia fail miserably.

Sounds familiar? How about the last time ou heard an expert making sense of t kets or how they have formulated a singular investment strategy that beats the market across cycles?

They represent the cumulative psyche of all participants, and yet, the view of the majority has little bearing on it, until they become participants at the margin. For example, let's assume that a company has 100 shareholders (each holding an equal number of shares, for simplicity's sake). While 95 of them believe it is a good investment and it should be held onto, five decide it's not worth it and start selling. The stock price on that day will be determined by those five shareholders. The opinion of the other 95 does not count, not unless they decide to turn buyers, i.e., become participants at the margin.

Devising a strategy that will outperform the broader markets all the time based on thorough back-testing of models is like creating a "scientific forest". It is bound to fail, as there will always be elements of the complex ecosystem that one would have failed to consider. Unless that investment strategy encounters market conditions on a real-time basis and ends up outperforming in different market cycles, the probability of correctly predicting that it ought to is meagre at best. As they say, in order to have a track record of a decade, you need to have been around for a decade.

I have collated the returns profile of five mutual fund schemes and transcribed my assessment of their investment styles in the accompanying table. Nevertheless, the probability that my assessment is incorrect should be assumed to be high. The critical point, however, is that in different market cycles, there is a different fund scheme - and possibly, different investment style as well - that outperformed others.

Like any complex organism, the markets are messy. Several factors, like global and domestic macro-economic indicators, demand and supply within the industry, product pricing, international asset allocation, the available share float and several other factors contribute to the complexity of the ecosystem that surrounds markets. Creating an allweather back-tested portfolio of stocks that outperforms in all market conditions is akin to creating the "scientific forests" that will eventually fail. Yes, it is "legible"; yes, it appears "rational"; unfortunately, like utopia, it simply does not exist.

(All figures in per cent)

Learning from the failure of commercial banks, as is evident from mounting non-performing match the challenges.

The success of small Private sector finance banks also suggests hinges on ease that infrastructure banks of setting up should be set up, following infrastructure horses-for-courses the projects, and approach adopted by the Reserve Bank of India in their continued recent years. These banks Investors are would have domain expertconcerned about ise and raise long-term deposits to lend long-term. Infrastructure finance companies currently reeling

under an acute asset-liability mismatch and funding constraints may be asked to transit to infrastructure banks over a period of one to three years. Last but not least, private sector investment

hinges on ease of setting up infrastructure proj-

The writer is former managing director, PTC India **Financial Services**

The reality, unfortunately, is much more complex than that. Markets (equity or otherwise) are an extremely complex ecosystem.

The writer is co-founder, Buoyant Capital

DIVERSE MUTUAL FUND INVESTMENT STYLES

(in induces in per certy)								
Years	Scheme 1	Scheme 2	Scheme 3	Scheme 4	Scheme 5			
2002 to 2007	2289	1143						
2008 to 2010	6	33						
2011 to 2015	61	44	121					
2016 to 2017	49	43	30	55	36			
2018 to 2019	-5	8	-4	-1	30			
Assessment of investment style	Bottom-up stock picking	Growth at reasonable price	Deep value	Quality + growth	Large- cap + growth			

▶ OTHER VIEWS

Public sector bank reforms vital to stop value erosion

Holding company structure will help insulate management from ownership

The pace at which private sector banks are gaining market share at the expense of their public sector counterparts is staggering. In 2016-19, the share of private banks in incremental deposits rose to 81 per cent, up from 19 per cent in 2011-15, while their share in incremental loans stood at 69 per cent in 2018-19. Though, at the aggregate level, public sector banks accounted for roughly 65 per cent of total deposits at the end of 2019, if these trends persist, it is conceivable that in the coming years, the share of private banks in both deposits and advances will be at par with that of public sector banks — fundamentally altering the structure of the banking sector in India.

So far, the government's strategy of turning around public banks, which rests on four pillars - recognition of bad loans, resolution and thus recovery of value from these stressed loans, and recapitalisation and reforms in banks — hasn't had the effect it had hoped for, largely because of the lack of reforms to address structural issues that continue to plague state-controlled banks. Since outright privatisation does not appear to be an option that is being considered, the government should consider transferring its stake to a bank holding company along the lines suggested by the P J Nayak committee. This



would help create a wall between ownership and management, allowing banks the freedom to take commercially viable decisions without interference from the government.

The Indian Express, February 21

India's quest for high growth

It should be ready for disruptions

The National Statistical Office (NSO) will release GDP numbers for the December quarter at the end of this month. The official position, also reflected in the first advanced estimates for the overall performance in fiscal year 2019-20, has been that the economy bottomed out in the September quarter. The GDP growth in the September quarter was 4.5 per cent, the lowest since March 2013. Unless there is a sustained acceleration in economic activity, the economy's midterm challenges will only increase. The global economy has not been able to regain its mojo even a decade after the financial 2008 crisis. Protectionism in developed countries, manifested in things such as United States-China trade war and Brexit, is

threatening to weaken tailwinds to economies of the global south from advanced country markets. Reconciling with effects of climate change and sharing costs of mitigating these effects is another big area of conflict.

Even as the world is struggling to come to terms with such structural challenges, there have been unanticipated disruptions. The coronavirus contagion in China is exactly that. While economists hope it will not lead to long-term damage, the spread of the epidemic can lead to supply chain disruptions and hit investor confidence. India cannot be complacent on the economic front, even if there is a shortterm recovery.

Hindustan Times, February 21

Trump visit may yield no deal

The narrative will be political

Ahead of US President Donald Trump's visit to India, some of the key deliverables from the trip, as well as the outcomes that may not be delivered after his meeting with Prime Minister Narendra Modi on Tuesday, are coming into view. The larger question remains as to whether the bonhomie between the two, who will be meeting for the fifth time in eight months, will also spur the bilateral relationship towards broader outcomes, with expectations centred at bilateral strategic ties, trade and energy relations as well as cooperation on India's regional environment. On the strategic front, India and the US are expected to take forward military cooperation and defence purchases totalling about \$3 billion. Mr Trump has cast a cloud

over the possibility of a trade deal being announced, but is expected to bring US Trade Representative Robert Lighthizer to give a last push towards the trade package being discussed for nearly two years. Both sides have lowered expectations of any major deal coming through, given that differences remain over a range of tariffs from both sides; market access for US products; and India's demand that the US restore its GSP (Generalised System of Preferences) status. However, it would be a setback if some sort of announcement on trade is not made. Despite the foreign ministry's statement to the contrary, the narrative will be political.

The Hindu, February 21

Mumbai meets Moscow as airlines add flights

By July, the Mumbai airport will have 18 weekly flights to Russia and Central Asia

ANEESH PHADNIS Mumbai, 22 February

oa's beaches and warm weather Jhave lured Russian tourists for years. Each winter, thousands of Russians come to Goa in chartered flights for sun and surf. However, regular air connectivity between the two countries is limited to Aeroflot's double-daily flights to New Delhi.

This will change this year, as Indian and Russian carriers introduce new services from Mumbai and Delhi to Moscow.

Aeroflot and Ural Airlines are introducing Moscow to Mumbai services for their summer schedule. Kazakhstan's Air Astana will also start four weekly flights between Almaty and Mumbai, increasing connectivity to Central Asia. Currently, Uzbekistan Airlines flies two flights per week to Mumbai. By July, the Mumbai airport will have 18 weekly flights to Russia and Central Asian states.

IndiGo and Vistara, too, are planning to introduce flights between Delhi and Moscow to tap growth in trade and tourism. "We do plan to introduce flights to Russia sometime during the course of

this year. The exact timelines are yet to be finalised," IndiGo said in a statement. We will be sharing details of our new

round 450,000 people

flew between India and

Russia in the 12-month

over the previous year

and revival of Jet Airways.

period ending December, 2019

boost air connectivity with Central Asia,

and growing interest of Russian investors

in India. Russian companies and govern-

ment-backed funds have showed inter-

est in high-speed rail projects in Gujarat,

India and Russia in the 12-month period

ending December, 2019 - a growth of

around 10 per cent over the previous year.

Around 450,000 people flew between

- a growth of around 10%

international destinations at an appropriate time," a Vistara spokesperson said. The new flights come in the backdrop of the Indian government's move to

Azerbaijan and Uzbekistan have seen 24 and 50 per cent year-on-year growth in passengers to/from India. Tajikistan's Somon Air, which launched two weekly flights to Delhi last December, sees a lot of tourist and student traffic from India. "Around 80 per cent of Russian tourists

> visit Goa and the rest visit Kerala, Delhi, and Agra. The new flights will bring more tourists to Mumbai, but will largely benefit outbound travel, as

Indians are now exploring new destinations," said H S Duggal, managing

director of Minar Travels, which specialises in inbound tourism. "Traveller interest in Russia and some

of the Commonwealth of Independent States has been growing steadily. In fact, Russia is among the top 10 countries booked by travellers from India on Cleartrip. The Russian government has also made visiting some key destinations in the country easier for Indian citizens by extending the e-visa facility. Azerbaijan, Armenia, Ukraine, and Kazakhstan are some of the other destinations in the region gaining popularity among tourists from India," said Balu Ramachandran, senior vice-president, Cleartrip.com

Traditional media should introspect on its role in society: Prez Kovind

PRESS TRUST OF INDIA New Delhi, 22 February

President Ram Nath Kovind on Saturday asked the traditional media to introspect on its role in society in the face of the new media, driven by the internet and social media, to earn the reader's full trust again.

"The new media is fast and popular and people can choose what they want to watch, hear or read. But only the traditional media has, over the years, developed skills to authenticate a news report, and that is a costly operation," he said in his inaugural speech at the fourth edition of The Huddle by English daily The Hindu.



The President said tradi-Speaking about the new tional media would have to media, the president said rapintrospect on its role in society idly evolving information and find ways to earn the readtechnology has impacted jourer's full trust again. "The project nalism in all its aspects, from of democracy is incomplete news gathering to delivering news to readers, and finally without informed citizens which means, without unbimaking money to sustain the ased journalism," he said. activity

And now – homegrown

public policy wonks

ISPP is the country's first institute of its kind



PRESS TRUST OF INDIA Mumbai, 22 February

India remained protected from the novel coronavirus because of its robust health surveillance system, Union health minister Harsh Vardhan said here on Saturday.

He also hailed qualified health professionals for "resisting" the Ebola, Nipah virus and Swine flu in the past

Speaking at the foundation stone laying ceremony of the academic and administrative building of the International Institute for Population Sciences (IIPS) here, the health minister said India is now in a position to achieve the WHO 'Health for All' goal

Need to enhance global risk monitoring, says finance minister

Should explore the scope for policy coordination, she adds



PRESS TRUST OF INDIA New Delhi, 22 February

Finance Minister Nirmala Sitharaman on Saturday emphasised the need to enhance global risk monitoring and explore the scope for policy coordination to deal with such risks.

Speaking at the G-20 Finance Ministers and Central Bank Governors meeting in Riyadh, she called upon all the member countries to enhance their efforts aimed at empowering women, youth and small and medium enterprises (SMEs). "Finance Minister Smt

@nsitharaman called upon the G20 to enhance global risk monitoring and explore the scope for policy coordination to deal with such global risks," a tweet by the Ministry of Finance said.

Sitharaman was the lead speaker during the session "Enhancing Access to Opportunities for All" in the G20 Finance Ministers and Central Bank Governors Meeting on Saturday. "Finance Minister Smt

@nsitharaman emphasised that growing inequality has slowed down the pace of inter-generational mobility globally.

She pointed out that identifying the causes and developing solutions require coordinated policy solutions," the ministry tweeted.

The minister also highlighted the initiatives undertaken by the Indian government for empowering women such as 'Stand Up India' and the STEP scheme. She emphasised the risk and collateral free Mudra scheme for the SME segment

in the meeting, the ministry said. Sitharaman held bilateral talks with her counterparts from other countries and the Organisation for Economic Cooperation and

Development officials on the sidelines of the G20 event.

She expressed empathy with the people of China, suffering from the coronavirus epidemic and extended India's support in this hour of need, the ministry said in a tweet

Coronavirus to shave 10 bps from global growth, says IMF

The fast-spreading coronavirus outbreak will likely lower China's economic growth this year to 5.6 per cent, down 0.4 percentage points from its January outlook, and shave 0.1 percentage points (10 basis points, or bps) from global growth, the IMF said on Saturday.

International Monetary Fund (IMF) Managing Director

India tells

citizens to

avoid non-

essential travel

to Singapore. Also, 46,218

people have

at Mumbai

January 18

airport since

been screened

Kristalina Georgieva presented the outlook to central bankers and finance ministers from the world's 20 largest economies gathered in Riyadh where the outbreak was a major topic of discussion, but said the IMF continued to look at more dire scenarios.

China, which did not send senior officials to the G20 meeting because of the crisis over the virus, reported a sharp fall in new deaths and cases on Saturday. But world health officials warned it was too early to make predictions about the outbreak as new infections continued to rise in other countries.

"In our current baseline scenario, announced policies are implemented and China's economy would return to normal in the second quarter. As a result, the impact on the world economy would be relatively minor and short-lived," Georgieva said. "But we are also looking at more dire scenarios where the spread of the virus continues for longer." REUTERS

ANJULI BHARGAVA New Delhi, 22 February

As the Indian youth engage more with the politics of the day and begin to grasp the critical role public policy plays in determining one's quality of life, there has been a rise in students heading West to join such prestigious institutes as the Harris School of Public Policy in Chicago, the Kennedy School at Harvard, the Blavatnik School of Government at Oxford University and Sciences PO in Paris. Closer home, the Lee Kuan Yew School of Public Policy is one of the more popular schools on their radar.

To give one example of the growing popularity of public policy, between 1988 and 2016, Harris School in Chicago had only 12 Indian students. In 2016, their number jumped to 18, followed by 24 in 2017 and 32 in 2018. Today, there are 45 Indian students studying at the institute.

Those who wanted to pursue the subject in India have had limited options. Courses in public policy are offered at institutions such as Jindal Global University, NLSIU, Bengaluru, and Xavier's Mumbai. However, in most of these places, the courses were added as an afterthought. By and large, these institutions are known for other disciplines. Hence, for students who wanted to take a deeper dive into the subject, heading out of the country was the only real option, albeit an expensive one. Some students manage a part scholarship, but many take loans of anywhere between \$100,000 and \$150,000 for a two-year course.

The Center for Civil Society (CCS), a body that drives social change through policy action, started courses in public policy and governance in 1998. Meant for college and post-graduate students, the courses ranged from 3 days to six weeks. Over 10,000 students have done these programmes so far, many of them heading West later to study the subject at greater length.

But CCS founder Parth J Shah says that when they spoke to former students, many would complain of not being able to return to India. "Reinventing their lives here became impossible for many of our students," explains Shah. Many would stay on to earn and pay back loans till their early 30s, and then find that they were "stuck" due to their circumstances.

That's when the idea of setting up the



and was looking at new avenues for growth. very high latent demand for policy profes-

Before setting up ISPP, Shah did some homework on global trends in higher education and came to three conclusions: First, he realised that specialisation was key, so any new school needed to offer public policy as its main offering, the same way that schools that specialised in medicine or management did. Second, that a public policy school could be asset light. The focus needed to be on technology and talent and highly qualified and competent teachers were more essential to success than a fancy campus. Shah realised that students needed to specialise even within public policy so that they were job ready once they finished the year-long programme.

Once the idea crystallised, Shah and CCS chairman Luis Miranda managed to secure the financial support of Nandan Nilekani, who had seen the lack of capacity in the system during his UIDAI tenure. Shubhashish Gangopadhyay, who had been advisor to former finance minister P Chidambaram, has been co-opted as the first dean. As of now, the board of the new school comprises Shah, Miranda and EdelGive Foundation CEO, Vidya Shah.

ISPP's first batch of one-year residential programme began in 2018 with 63 students. Housed in Delhi's Qutub Institutional Area, the programme is highly subsidised and currently costs ₹7 lakh a year. (It is expected to go up to ₹8 lakh from the next session, which begins this August.)

The students in the first batch range between 21 and 40 years in age. Many have work experience. The main faculty is visit-Indian School of Public Policy (ISPP) began ing and the school has learning associates to take shape in Shah's mind. Besides, by who bridge the gap between faculty and quality of its final product — the students.

2018, CCS itself had completed 20 years students. The founders argue that there is sionals in India, but the supply has not been convincing enough for employers. From industry bodies to government outfits, think tanks, advocacy bodies, multilateral and international development organisations, consultancy firms and even companies like Uber, Ola, Amazon, many hire MBAs to do policy jobs.

"If they believed that policy graduates would handle that work at least as effectively and, in addition, bring policy perspectives to the table, they would grab that opportunity," adds Shah.

The ISPP is working to put in place an effective placement plan for its students.

Viral Doshi, one of India's best-known education consultants, says public policy has emerged as a popular postgraduate option in recent times. "By the time a student finishes school, they are not yet fully aware of what policy studies means. So I don't see too many undergraduate students opting for it. But at the postgraduate level, the demand is growing," he says. He estimates that between them, policy schools in the US get at least 200-300 postgraduate applications from India in a year. So, the scope is substantial.

But whether students will pick an Indian course over established foreign options remains debatable. ISPP wins on lower costs and a potential network for those keen to work in India. But it cannot complete with established public policy schools abroad when it comes to international exposure or their brand value. Going forward, the success of ISPP will depend on how it manages to position itself and the





