Weekend Business Standard SATURDAY, 29 FEBRUARY 2020 • MUMBAI (CITY) ₹10.00

THE MARKETS ON F	RIDAY	chg#
Sensex	38,297.3 🔻	1,448.4
Nifty	11,201.8 🔻	431.5
Nifty Futures*	11,149.2 🔻	52.6
Dollar	₹72.2	₹71.6*
Euro	₹79.5	₹78.3*
Brent crude (\$/bbl)	49.3##	50.8*
Gold (10 gm)***	₹42,354.0 ▼	₹88.0
*(March) Discount on Nifty Sp # Over previous close; ## At	9 pm IST;	

AJAY TYAGI GETS 6-MTH EXTENSION AS SEBI CHAIRMAN

The government is believed to have given a six-month extension to incumbent Securities and Exchange Board of India (Sebi) Chairman Ajay Tyagi, amidst a continuing process of selecting a new chief for the capital market regulatory body. A1984-batch IAS officer of the Himachal Pradesh cadre, Tyagi became Sebi



chief on March 1, 2017. Initially, Tyagi was appointed for three years and was eligible for an extension of two years. However, the government decided to

> call in for a fresh selection 18 process.

BACK PAGE P20 Delhi death toll at 42 as city searches for peace

The death toll in Delhi's communal violence has gone up to 42 with four more fatalities being recorded at the city's GTB Hospital on Friday, officials said. The number stood at 38 till Thursday. More than 250 people were injured and 148 first information reports were registered with 630 people either arrested or detained so far.



WEEKEND RUMINATIONS Looking beyond green shoots

9 While growth will bounce back from the current sub-5 per cent, it will stay lower than the already inadequate long-term average of 6.6 per cent, if long-neglected tasks remain unaddressed, writes TN NINAN

NATIONAL INTEREST Root of a riot

Delhi riots are an urgent reminder to reflect on the root cause of the CAA-NRC poison toxifying India. Unfortunately, it comes from a malevolent creeper bush planted by the Supreme Court. SHEKHAR GUPTA writes

ECONOMY & PUBLIC AFFAIRS P6

Telcos to wait as DCC fails to decide on AGR relief

A meeting of the Digital Communications Commission (DCC), which was expected to come up with relief measures for the financially-stressed telecom sector, remained inconclusive on Friday ov



of the contagion on economies and

forced Japan to close its schools for

a month. Iran, where top officials

contracted coronavirus, cancelled

Friday prayers in many cities, and

Brent crude fell 12 per cent over

"Last time, we had a virus like this

was short-lived. The reason for that

was China was not as big an economy

will

Many brokerages

take

corporate profitability.

As of Friday, more

BACK PAGE P20 UK FAST-TRACKS VISA PROCESS FOR THE BRIGHTEST AND BEST



PUBLISHED SIMULTANEOUSLY FROM AHMEDABAD, BENGALURU, BHUBANESWAR, CHANDIGARH, CHENNAI, HYDERABAD, KOCHI, KOLKATA, LUCKNOW, MUMBAI (ALSO PRINTED IN BHOPAL), NEW DELHI AND PUNE

Black Friday for markets

39,746

Feb 27

TechM

M&M

SRI

Metal

Infra

Auto

Indices see biggest single-day drop in 5 years; **COVID-19** 5-day sell-off wipes off ₹12-trn investor wealth

SUNDAR SETHURAMAN Mumbai, 28 February

he global rout triggered by than 83,000 people, in the spread of coronavirus at least 53 countries, hit the Indian markets hard have been infected by the dreaded virus. In on Friday, with the benchmark indices suffering their worst the past few days, more cases have been reported outside China. The single-day decline in five years. unabated spread of coronavirus has

Taking a cue from the near 5 per cent fall in the Dow Jones index of the US, the domestic markets opened gap down and witnessed selling pressure throughout the day.

The Sensex dropped 1,448 points, Saudi Arabia barred pilgrims from its or 3.6 per cent, to end at 38,297 — the holiest sites. lowest close since October 14, 2019 - while the Nifty plunged 432 the past week and ended the week at points, or 3.7 per cent, to close at \$50.8 per barrel. 11,202, breaching key support levels. was the SARS crisis in 2003, and that

The rupee fell nearly 0.9 per cent to end at 72.17 against the US dollar — the lowest level for the domestic currency in seven months.

as it is today, it was not as embedded All the sectoral indices of the BSE in global supply chain, and the size and all Sensex components, with the of global trade it had was smaller. exception of one, ended with losses Even if the spreads are contained, on Friday. The Sensex ended the restoring normalcy and week with a 7 per cent loss, its worst confidence months," said Shankar weekly setback since December 2009, with about ₹12 trillion of investor Sharma, founder and vicewealth being destroyed. chairman, First Global.

The Dow was down about 500 points, or 1.9 per cent, as of 11:50 pm have lowered their on Friday.

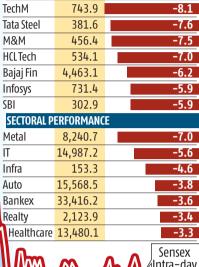
earnings forecasts The World Health Organization after pencilling in (WHO) warned that coronavirus had lower global growth reached pandemic potential, promptin the coming quaring governments to assess the impact ters. Turn to Page 10

Fight coronavirus first, worry about stimulus later: Rajan

The best economic tonic for the coronavirus shock is to contain its spread and worry about stimulus later, said Raghuram Rajan, former head of the Reserve Bank of India. There's little central banks can do, and while more governmentspending

should be convincing companies and households that the virus is under control, he said. "People want to have a sensethatthereisalimittothe spread of this virus because of containmentmeasuresor because there is hope that some kind of viral solution can be found." Rajan said.







-1,448 points 38.297 Feb 28

THE SMART INVESTOR **COMMODITIES FALL PREY TO SELL-OFFS NO BOTTOM-FISHING OPPORTUNITY EVEN AS OUTBREAK INTENSIFIES MARKET WELL-BEING TIED**

TO CORONAVIRUS CURE WORST WEEK SINCE '08 AS GLOBAL INDICES NOSEDIVE

PROMOTERS TAKE A HIT Current stake value Change on Feb 28

















₹1.19 trn

-₹455 cr

GDPgrowth slowstonear 7-yr low in Q3 Growth at 4.7% as investments slump

ABHISHEK WAGHMARE New Delhi, 28 February

Unprecedented contraction in investment and manufacturing output in two successive quarters dragged down India's economic growth to a 27-quarter low of 4.7 per cent in the quarter ended December 2019 (with the previous quarter's growth having been corrected).

Looking ahead, gross domestic product (GDP) growth is set to stagnate at 4.7 per cent in the March quarter (Q4) too, according to the annual estimate of 5 per cent by the National Statistical Office (NSO). DOWNSLIDE

CONTINUES

Even in annual terms investment is set to show a contraction of 0.6 per cent, according to the second advance estimate for FY20 released by the NSO.

Manufacturing is set to show 0.9 per cent growth, the lowest since 2012-13 in the current GDP series.

Still, two areas have offered a respite. First, consistent growth above 6 per cent in the services sector, which occupies more than half the space in the economy, has kept the economy afloat. Secondly, positive signals on farm output in the rabi season are seen to gradually push agricultural growth above 3 per cent.

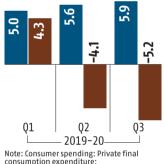
Consumer spending (private final consumption expenditure), on the other hand, is seen growing below 6 per cent for many quarters. Balancing this, government spending has grown strongly at 13.2 per cent and 11.8 per cent in the second and third quarters (Q2 and Q3), respectively.

Responding to the data released by the NSO, the Department of Economic Affairs said GDP growth had bottomed out, and that postive growth in core sector output bode well for the PAGE 4 manufacturing sector in this quarter and later.

Real GDP growth (% YoY) _10 -9.4 2 01 FY17 Q3 FY20

Source: National Statistical Office

INVESTMENT GROWTH COLLAPSES Real growth (% YoY) Consumer spending Investments



Note: Consumer spending: Private final consumption expenditure; Investments: Gross fixed capital formation At constant 2011–12 prices



Aviation firms rejig routes as skies shrink

would help, the priority

issues, a senior official in the Department of Telecommunications (DoT) said

COMPANIES P2

Ready for BS-VI roll-out on April 1: Indian Oil

Indian Oil Corporation (IOC) on Friday said the company would meet the April deadline for introducing BS–VI emission norms. The firm expected the issue of price hike for the cleaner fuel to be settled before the roll-out. The three public sector oil firms – IOC, Bharat Petroleum and Hindustan Petroleum – have spent₹35.000 crore on refinerv upgrade.

COMPANIES P3

India ahead of US with fewer FDA warnings

Heightened regulatory scrutiny by the US drug regulator for Indian pharma is a concern for the industry. However, the long-term data shows that Indian sites have received few warning letters from the US regulator, compared to China and the US.



- IndiGo, SpiceJet, Air India Express likely to cut flights to Saudi Arabia
- Vistara faces challenge on launching its Tokyo flight, its first wide-body aircraft destination, as Japan declares emergency
- Airlines may postpone launch of flights to destinations like Dammam and Ras Al Khaimah
- Shares of IndiGo and SpiceJet plunged 4.8% and 4.7%, respectively, on Friday

ARINDAM MAJUMDER & ANEESH PHADNIS New Delhi/Mumbai, 28 February

For Tata-Singapore Airlines joint venture Vistara, the deployment of the first Boeing 787 Dreamliner is a milestone in its journey. Medium and long-haul international flights mark the second phase of growth for the airline, which has faced severe challenges from low-cost airlines in the domestic market. But Vistara finds itself cornered as Japan, the long-planned airline's maiden destination with Dreamliner, is increasingly feeling the coronavirus heat.

Industry executives say that with Japan declaring a state of emergency, bookings may be hit for the carrier though the route launch is more than a month away

"It seems a little worrying but by April or May with the sun coming out in full force, I think the situation will improve," an airline executive said.

Vistara cancelled 20 flights between Delhi and Bangkok and eight between Delhi and Singapore in March. It will also cancel 26 flights between Mumbai and Singapore.

P10

Reduction in fuel price was supposed to bring back good luck for Indian But with the global spread airlines. of coronavirus, airlines are being forced to rejig their network, cut flights, and delay launches.

Adding to the worry is a slowdown in the number of tourists coming to India with multiple countries issuing advisories for their citizens after the communal riots in Delhi. International passenger traffic growth in the Indian aviation industry could see an impact of 19.5 to 23.8 per cent, Kinjal Shah, vice president, ICRA, said.

This is negative for the Indian aviation industry, which is already reeling from significant passenger traffic slowdown, with the international traffic growth for the first nine months of fiscal 2020 having witnessed a decline of 8.4 per cent," Shah noted.

IndiGo, SpiceJet and Air India Express are planning to cut the number of flights to Saudi Arabia and Dammam as West Asian countries have come under the grip of the virus. Turn to Page 10



Interestingly, the GDP estimates for FY19 have been revised downwards significantly, pushing up quarterly growth estimates for the current financial year.

For example, Q2 GDP growth of 4.5 per cent has now been revised to 5.1 per cent. Turn to Page 10

'STEADINESS' IN ECONOMY IS A GOOD SIGN: SITHARAMAN

Finance Minister Nirmala Sitharaman on Friday said the "steadiness" in the economy was a good sign, soon after the official data showed December quarter GDP growth at 4.7 per cent.



awards event, Sitharaman made it clear that she was not expecting a jump in the number either. On the impact of coronavirus on the economy, she said there was no need to immediately press the "panic button". but admitted that it might get challenging if the issues prolonged for another two or three weeks, citing her conversations with industry players over the last few days. PTI Turn to Page 10

Lenders to seek fresh bids for Lavasa in debt resolution reset

NCLT allows consolidation of firm, its 49 subsidiaries

DEV CHATTERJEE & RAGHU MOHAN

Mumbai, 28 February

The lenders to Lavasa Corporation - the company developing a hill city near Pune — will invite fresh bids for the debt-laden firm and its 49 subsidiaries, after the National Company Law Tribunal (NCLT) decided to have a single consolidated resolution plan for all of them.

Lavasa and its subsidiaries defaulted on their debt obligations totalling about ₹7,700 crore, which led the lenders to send the company to the NCLT for debt resolution in August 2018.

"All the previous bidders for Lavasa may not have the financial strength to take over Lavasa and its subsidiaries at the same time. Hence, the lenders have decided to call fresh bids from anyone who is interested in taking over the entire township along with its infrastructure," said a source close to the development. Several companies had submitted offers for Lavasa as a standalone entity. These included Delhi-based food major Haldiram Snacks, Pune-based builder Aniruddha Deshpande, and UV Asset Reconstruction Company (UV ARC). Oberoi Realty and US-based fund Interups Inc also joined the race at a later stage.

Originally set up by HCC in 2000, Lavasa was developed as a picturesque hill station. It defaulted on bank loans after the environment ministry issued a stop-work order to the project in 2010. Since then, the city has turned into a ghost town with few tourists visiting it during weekends. Many buyers are awaiting possession of their houses, while several others who had received keys to their houses have moved out.

During the NCLT hearing, the resolution professional of Lavasa mentioned that a few bidders had proposed extinguishing the debt of all Lavasa companies, instead of the resolution of stand-



alone debt of LCL worth ₹6.200 crore. However. the resolution professional informed the tribunal that taking a call on such conditions was not in Lavasa's control because there were several other legal entities with different sets of bankers.

DELAYED RESOLUTION

2018 2019 AUG: Lavasa sent May: Three for debt resolution companies

Jan: Oberoi Realty, US fund Interups Lavasa companies ioin race

The court was also told that due to the symbiotic relationship with the parent, several of Lavasa subsidiaries would lose their revenue streams. Hence it made sense to consolidate all resolution plans.

These companies were providing captive power to Lavasa, apart from running basic transport, maintaining and running the convention centre, and running retail operations on the premises of Lavasa Corporation. A separate company was operating a luxury hotel.

Therefore, the NCLT was of the opinion that the inter-linkages and synergies between these companies to keep Lavasa as a running township was important and, to achieve maximisation value for all the companies, it was imperative that all bidders made a single offer for these companies by way of a single offering.

Interestingly, the first set of three bidders had put "consolidation" as a precondition to the resolution plan. Therefore, it will be harder to find a resolution plan for any of these companies on a standalone basis if the supply and demand from the rest of the companies are not guaranteed. "However, if the group companies of LCL are resolved in a coordinated/consolidated manner, a much more value-maximising resolution could be achieved," the NCLT said.













by lenders submit offers; bidders seek Nov: Eols invited consolidation of from potential bidders 2020

consolidation of all

all Lavasa firms Feb: NCLT allows

2 COMPANIES

IN BRIEF **Amul Dairy to acquire Punjab** plant of Heritage Foods



Gujarat Cooperative Milk Marketing Federation (GCMMF)'s Amul Dairy is set to acquire Heritage Foods' dairy plant in Punjab for ₹21.2 crore. "Heritage Foods' board of directors on Friday approved the sale of 'all tangible assets' of the dairy plant at Bhambri village of Fatehgarh Sahib district in

DataCore to launch

centre in Bengaluru

DataCore announced it will

largest global R&D centre in

efforts out of the Bangaluru

Bengaluru. DataCore plans to

2nd-largest R&D

be setting up its second

drive major global R&D

centre which will cater to

clients across the US and

and Africa) for now.

EMEA (Europe, Middle East,

Thomas Cook India

Thomas Cook India on Friday

said its board has approved a

share buyback programme

for a total consideration of

up to ₹150 crore. The board of

directors of the company at

approved buyback of around

equity shares of ₹1 each at a

Thomas Cook India said in a

Japanese retailer

UNIOLO to open 3rd

store in Delhi-NCR

its meeting held on Friday

2.60 crore fully paid up

price of ₹57.5 per share

regulatory filing.

board approves

share buyback

PTI

exchange filings. The move is part of its business rationalisation in northern India. The board approved the sale to Anand-based Kaira District Milk Producers Union (Amul Dairy), the flagship dairy under GCMMF. On its part, GCMMF is evaluating the acquisition proposal. The company's Board is likely to take a call soon. VINAY UMARJI

Affle to acquire **Mediasmart in** ₹41 crore deal

Affle on Friday said it will acquire Spanish firm Mediasmart in a €5.12 million (₹40.87 crore) deal. Mediasmart provides advertisers, trading desks and agencies an integrated mobile advertising platform. Its proximity marketing solutions allow it to deliver location targeted campaigns with real time footfall tracking and offline attribution. PTI

Godrej Properties buys 3-acre land in Mumbai for ₹153 cr



Godrej Properties has bought about 3-acre land parcel in Mumbai from DIC India for ₹153 crore. The company said in a statement that it has "entered into an agreement to purchase land in the upcoming & fast developing micro-market of Chandivali, Mumbai." Spread across about 3 acres, this project will offer 0.45 million square feet of saleable area primarily comprising residential apartments with a small amount of PTI retail space.

Shriram Transport plans to raise funds via debt securities

Shriram Transport Finance Company on Friday said that its planning to raise funds through the issuance of debt securities. "The company is considering raising of funds through various options of borrowings including by way of issue of debt securities in onshore/offshore market by public issue and/or private placement basis and commercial papers," the ΡΤΙ company said.

Mumbai, 28 February

ates of Suzlon Energy will infuse up to ₹400 crore as equity into the troubled renewable energy company, through various securities as part of the proposed restructuring plan.

ABHIJIT LELE

The entities pumping in money include Tanti Holdings Pvt (promoter), Shanghvi Finance and associates.

he promoters and associ-

The board of directors, in a late night meeting on Thursday. approved a proposal for restructuring debt of the company and its certain identified subsidiaries, the company said in its filing with the BSE. Suzlon's stock closed 5.9 per cent lower at ₹2.69 per share on the BSE on Friday.

Under the debt recast plan, the Tulsi Tanti-controlled entity will issue securities - shares, convertible bonds and warrants — to 17 $\,$ lenders for converting part of the debt into equity. Some of the lenders include State Bank of India, Axis Bank, Bank of Baroda, ICICI Bank, IDBI Bank and YES Bank, The Pune-based entity will also dispose of some of its investment, assets

and also dilute stake in some of the units in line with the approved plan. However, the company did not specify the assets it would sell to reduce stake.

The board also gave nod to a proposal to appoint Sameer Shah, a chartered accountant, as independent director of the company for a five-year term, commencing February 27, 2020. His appointment is subject to regularisation by the shareholders at the next annual general meeting.

On issuing securities to lenders. the company said it will give one billion shares of ₹2 each. It will also issue 0.41 million secured optionally convertible debentures of ₹1 lakh each and 500 million warrants of ₹1 each.

Lenders and the company have hammered a restructuring plan under the Reserve Bank of India

(Prudential Framework for Resolution of Stressed Assets) said the company is facing a severe Directions, 2019. They had inked an liquidity stress. Consequently, there inter-creditor agreement (ICA) on is material uncertainty that may July 1, 2019, and the standstill cast a significant doubt about the period under this expired on company's ability to continue as a January 7, 2020. Lenders are in the process of executing the amendment agreement for extending the period under the ICA till April 30.



Promoters Lenders Plan to to infuse to convert divest and equity up to partof sell certain debt into assets equity

₹400 cr

Suzlon set to get ₹400-cr infusion

moderate extra equity risk Its auditors, in a review report, share capital and alteration of the

Enabling

resolution

to issue

₹1,000 cr

They have also cleared the enabling resolution to issue equity shares/equity-linked instruments to an extent of ₹1.000 crore. This step

going concern. The directors also gave nod to amending the Articles of securities at an appropriate time Association, increase in authorised should that be required.

Capital Clause of the Memorandum, it added.

CRISIL

assigns

"RP4" rating

to plan with

is to facilitate the company to issue

According to the auditors' observations in the filing with the BSE, the company continued to incur losses during the current period, primarily due to lower volumes, finance costs, provision for impairment and negative net worth of ₹9,407 crore as on December 31, 2019.

The net current liabilities in the standalone financial results were ₹11,581 crore.

The company defaulted on repayment of loans (including foreign currency convertible bonds (FCCBs) of ₹1,263 crore) and interest aggregating to ₹7,682 crore, as on December 31, 2019.

It also defaulted in making payments to most of the trade creditors out of the total outstanding of ₹1,149 crore as on December 31, 2019.

Some creditors have issued notices to the company under the Insolvency and Bankruptcy Code and few have filed insolvency proceedings against the company with the National Company Law Tribunal (NCLT).

During the quarter ended December 31, 2019, one of the lenders had recalled outstanding borrowings amounting to ₹597 crore (as on December 31, 2019) from the company.

upgrade while IndianOil is

India's attempt to curb vehic-

April this year, is allowing

vehicles compliant with only

BS-VI to be sold and regis-

tered in the country. Oil com-

panies are expected to make

BS-VI fuel available to ensure

a smooth transition to these

pany's petrochemicals busi-

ness, Singh said he expected

petrochemicals to contribute

around 30 per cent to profit

contributed roughly 16 per

cent to profit before tax

In FY19, petrochemicals

in the next five years.

Commenting on the com-

Upgrade to BS VI is part of

Part of this effort, starting

seeking 50 paise-₹1 a litre.

ular pollution.

new norms.

Price hike on BS-VI will not hurt consumers, says IOC

ΔΜΡΙΤΗΔ ΡΙΙΙΔΥ Mumbai, 28 February

Indian Oil Corporation (IOC) on Friday said the company would meet the April deadline for introducing BS-VI emission

Company executives, including Chairman Sanjiv Singh, said they expected the matter of price hike for the cleaner fuel to be settled before the roll-out.

27,702 IndianOil, Petroleum Petroleum spent ₹35,000 crore on refin-

"If the industry has spent

refineries are supplying BS-VI fuels and its terminals and



125 Retail outlets (including Terminals

Kisan Seva Kendra ROs) and depots Source: Company annual report 2019

terms of retail outlets, Singh said states such as Maharashtra and Rajasthan

had moved to BS-VI. The country's largest fuel retailer had last year introduced higher-grade fuels in added. the National Capital Region, one the world's most polluted regions.

Singh pointed out diesel and petrol prices would be depots have switched to the benchmarked to Euro VI increase of 70 paise to ₹1.30

IV, with effect from April 1. "The international prices for Euro IV and Euro VI are marginally different, but it does not take care of the capital expenditure," Singh

9

Operating

refineries

differential, he The added, is currently a couple of cents and will allow for variable delta in pricing. air batteries.

BPCL is looking for a price It is also in discussion with leading auto companies cleaner version of the fuel. In instead of the current Euro a litre hike on account of the for field trials for this.

OLX People launched its first BETWEEN 2018 & 2019 60% Increase in number ofcandidate profiles registered on the platform 18%

women 7X

monthly active users and over 426 active clients

selections made-to-jobs posted was 33.85 per cent in 2018, and more than doubled to 70 per cent in 2019. Industry estimates suggest the logistics sector will create employment for at least 3 million people by 2022, said OLX People. NEHA ALAWADHI

stagnant between 2018 and 2019. With over 1.3 million

present across over 200 cities, the conversion ratio of

phones, household items and real estate. Logistics remained the top job function for demand in blue-collar jobs, followed by sales and customer service. Manufacturing remained

RIGH

Japanese apparel retailer UNIQLO, which will launch its third store in the city on Saturday, looks to establish itself in the Delhi NCR market before expanding to other regions and tapping into the online retail channel, a top company official said on Friday. The company entered

PTI

the Indian market in October last year. ΡΤΙ annual study on the bluecollar jobs industry, titled Blue Collar Jobs Digest 2020, as part of the OLX group the customer marketplace for jobs, pre-owned cars and motorbikes, mobile

Increase in number of job posts for

Increase in female applicants in the logistics space

State-run norms.

The three public-sector oil companies Bharat Corporation (BPCL), and Hindustan Corporation (HPCL) - have

ery upgrade for BS-VI. IndianOil has spent around ₹17,000 crore.

so much, we presume there should be some consideration for this ... let me assure you the price increase will not pinch (the retail consumers)," said Singh.

At present, all of IndianOil

Singh said the company was exploring battery manufacturing based on India's liquefied petroleum gas (LPG) model, where the cylinders

(PBT).

are owned by the companies. IndianOil and Phinergy of Israel signed a joint venture in February to produce metal

Patent office rejects Google's application for wearables

GIREESH BABU

Chennai, 28 February

The Indian Patent Office on Thursday rejected Google's application on wearable electronic devices, observing that it lacks inventive steps and the use and method by which it is to be performed is not fully described in complete specification.

The company, in its patent specification, said that the invention comprises of electronic devices provided in shoes or ankle bracelets.

The patent application for 'System and method for wear-

able models including a shoe that can communicate data to the user, electronic communication devices attached to clothes, wireless ear pieces and ankle bracelets that can transmit updated information from the body to the user. The drawings the company submitted to the patent office also show the design of a shoe that can be a

able electronic devices', filed in

2007. mentions various wear-

wearable electronic device. The device mounted on the shoe includes a display to show time, caller ID information, temperature, and pulse rate, and such wearables are



expected to provide functions features like calendar informanot present in existing devices such as cellular phones, and receiver, motion sensing unit, personal digital assistants, camera, vibrator, temperature according to the application. The wearable device has

tion, satellite navigation sensor, humidity sensor and air pressure sensor, among others.

designs, said that the specifica-One of the objections raised by the patent office was that the tion should "disclose the best claims lack inventive step as method of performing the invention", for which the applirequired under the Indian cant can claim protection. Patent Act, as the claims of the apparel being used as personal The description should be devices to transmit data and sufficient to enable a person display them on a personal "possessing average skill and device, was already known as average knowledge" to work the

invention and obtain the per the available documents. The claims relating to transmitresults claimed for the inventing and receiving calls on a tion, the order read. portable device worn the wrist "Still the invention and its

are also known. There has also operation or use and the been lack of proper specificamethod by which it is to be pertion and disclosure as required formed is not fully and particuby the Act, the patents office larly described in the complete specification," the assistant said. In the order, the assistant controller of patents and controller held.

Total gets 37.4% in Adani Gas for ₹5,152 crore



AMRITHA DILLAY & SHINE IACOR Mumbai/New Delhi, 28 February

French energy giant Total on Friday acquired 37.4 per cent stake in Gautam Adani-led Adani Gas, in a bulk deal worth ₹5.152 crore.

Through the deal, Total Holdings SAS bought a stake from several Adani Group companies including Adani Tradeline, Afro Asia Trade and Investments, S B Adani Family Trust, Universal Trade and Investments and Worldwide Emerging Market

Holding. In October last year, Total had announced its plans to buy Adani Group's stake in Adani Gas through a mix of promoters. It was only on February 21 this year that the deal got the approval of the Petroleum and Natural Gas Regulatory Board (PNGRB).

The downstream regulator had raised doubts and issued a show cause notice, given there were restrictions in the restructuring of city gas distribution (CGD) companies being granted. The nod to coast of India.

Instagram woos influencers to boost biz on platform

AVISHEK RAKSHIT

Kolkata, 28 February

Facebook-owned Instagram is stepping up its presence across India by roping in more content and creators empowering influencers on its platform. It feels it can boost commerce on the platform in this way.

During the fourth quarter (Q4) earnings call, Facebook Chief Executive Officer Mark Zuckerberg said that commerce and payments were key focus areas for the company and its goal was to make sure every small business has the same opportunity and access to sophisticated tools that only big firms have had access to historically.

To further its presence, Instagram has rolled out the Born On Instagram initiative, which helps influencers and users on its platforms better leverage the app



Instagram has rolled out the 'Born On Instagram' initiative, which helps influencers and users on its platforms better leverage the app

and hone their storytelling capabilities. The programme is being rolled out in 15 cities across the country.

Asked if the aim was to promote of commerce and brand sales by leveraging the platform, Manish Chopra, head of partnerships at Facebook India, said, "For us, these influencers

and content creators are like micro-entrepreneurs whom we can mentor. Brands can connect with them via the platform. Brands can also advertise on Instagram and get loyal users". Zuckerberg, in the call, noted

that Pura Vida — a jewelry company based in San Diego - ran ads on Facebook and Instagram for

a 50 per cent discount, and sold more than 300,000 bracelets within nine days.

Instagram Stories is another front that Facebook is bullish on. As of December 2019, Stories had 4 million advertisers globally, double the number from December 2018.

The platform claimed that Bombas, a sock and apparel company, used Instagram Stories to show people wearing their socks while ice skating and gift wrapping, which resulted in a 60 per cent increase in purchases from people under the age of 35.

In Q4, the total consolidated number of ad impressions served across Facebook's services increased by 31 per cent, while the average price per ad decreased by 5 per cent. Impressions growth was driven primarily by Facebook News Feed, Instagram Stories, and Instagram Feed.

According to Dave Wehner,

Facebook's chief financial officer, the year-on-year decline in average price per ad was primarily driven by the ongoing mix shift towards ads on Instagram Stories and in geographies that monetise at lower rates.

Last year, Instagram rolled out Branded Content Ads, which allow advertisers to reach out to audiences.

In the call, Zuckerberg had said that on the payments front, Facebook was focusing on different places with different products.

"For things like Instagram, and even a lot of what we're doing on Facebook, it's a lot more developed countries: for WhatsApp, it's the biggest countries on WhatsApp. So that's countries like India and Mexico and Brazil and Indonesia, which will make up a large part of the community on WhatsApp," Zuckerberg said.

PNGRB was given considering the importance of foreign participation in the CGD segment, and the need to expand

the country's network. Total had said late last year that CGD was a natural extension of the plans of both part-

ners to invest in infrastructure and assets worth over \$1 bilwhich included lion, Liquefied Natural Gas (LNG) infrastructure, as well as the marketing and fuel retail business Adani Group has city gas

network operational in five cities, and has 84 compressed natural gas (CNG) stations in these areas. It is also in the process of setting up a network in 14 other geographical open offer and purchase from areas (GA). It has eight operational GAs in a joint venture with Indian Oil Corporation (IOC), while 11 are in the implementation stage.

Adani Gas is also planning to set up 1.500 fuel stations, offering top-of-theline products in the coming years. The expanded partnership will develop regasification terminals, including within five years of the licence Dhamra LNG, on the east







FDA action: India ahead of US with less warnings

SOHINI DAS Mumbai, 28 February

eightened regulatory scrutiny by the US drug regulator for Indian pharma is a concern for the industry. However, long-term data shows that Indian sites have received fewer warning letters from the US regulator. compared to China and the US itself.

Between 2014-15 and 2018-19 (FY19), sites in India received 66 warning letters from the US Food and Drug Administration (USFDA), while those in China received 73 warning letters, and plants in the US received 97 warning letters.

The data shared by Francis Godwin, director, office of manufacturing quality, office of compliance, USFDA, at an event here showed that India fared better than its neighbour China, even as it enjoyed a larger share of supplies of both formulations and bulk drugs to the US.

USFDA follows an October-September financial vear, According to the USFDA. India accounted for nearly 18 per cent of the active pharmaceutical ingredients (APIs) sourced by the US, while China accounted for 13 per cent. The European Union (EU) had 26 per cent share, while US-based facilities accounted for 28 per cent.

India accounted for 11 per



According to the USFDA, India accounted for nearly 18 per cent of the active pharmaceutical ingredients (APIs) sourced by the US

Dr Reddy's gets 1 observation

Dr Reddy's Laboratories on Friday said the US health regulator has issued a Form 483 with one observation after inspecting one of its formulation plants in Hyderabad. Earlier in the day, the drug

Form 483 with two and Drug Administration (US

India thus, has a high share

FDA) investigator has subsequently issued a revised Form 483 with one observation only, in place of two observations intimated earlier," Dr Reddy's said in a regulatory filing. The company will address the said observation comprehensively

major had said that the US health regulator has issued a observations. "We wish to inform you that the US Food

cent of the finished dosage when it comes to supplies to from manufacturing facilities the US pharma market. that supply to the US, while China accounted for only 7 per received 17 warning letters cent, EU 18 per cent, and the from the US, while China got rest of the world 13 per cent. 14 and US sites got 54 warning letters. The number of warning

letters issued to US sites jumped from 19 in 2017-18 (FY18) to 54 in FY19. The total number of warning letters issued by the USFDA, however, 94 in FY18 to 98 in FY19.

Godwin said a majority of the sites in India (about 83 per cent) were found to be compliant with current good manufacturing practices.

However, when compared to other countries, the compliance rate in India was markedly' lower, he added.

Sample this: In China, 90 per cent of the drug manufacturing facilities had acceptable final outcomes of inspections (i.e., no action indicated or voluntary action indicated certificates issued by the USFDA after inspection), while for India that is 83 per cent. India's numbers look worse, compared to EU, which has 98 per cent compliance rate.

Most warning letters issued to Indian manufacturers have been around contamination, lack of established lab controls, data issues, equipment cleaning, and maintenance.

The USFDA's foreign site inspections have increased from around 189 in 2003 to 966 in 2019.

Godwin also highlighted that the time taken to issue warning letters (after inspection), too, has come down from 11.6 months in 2015 to 6.5 months in 2019.

Meril's stent gets exemption from price control

SOHINI DAS Mumbai, 28 February

In a move that may pave the way for differential pricing of cardiac stents - a medical device that currently has a price cap — the country's drug and medical devices pricing regulator has allowed an exemption for Guiarat-based Meril Lifesciences' bioresorbable stent from price control. The company had sought

differential pricing for the stents on the grounds that it met specific unmet clinical needs and was distinct from other stents available in the market. The National

Pharmaceutical Pricing Authority (NPPA) invoked para 32 (ii) of the Drug Price Control Order, 2013, to grant the exemption. Experts feel this may

prompt other companies, including multinationals, to follow suit. Meril's application had been pending for long and was reviewed by several multidisciplinary committees in recent vears. Meril's MeRes 100 is a bioabsorbable cardiac stent that dissolves in the blood vessel after its work is done.

This is different from the other coronary stents as those are bare metal and drug-eluting stents. The Bioresorbable Vascular Scaffold (BVS), or simply put biodegradable

stents, are currently also under price control.

Stent prices are capped around ₹30,000 for a single device.

Patient advocacy group AIDAN (All India Drug Action Network) said, "We do not know the basis for the experts to be satisfied by the (safety & efficacy) data of the stent. It

has been our concern that the only data submitted by Meril are limited to a small, non-randomised, single-arm trial, which was inadequate to prove safety. While close monitoring has been recommended, we are concerned that no specific plan has been drawn up for post-marketing evaluation of safety and efficacy, against the current standard of care - a DES stent, as far as we are

aware. AIDAN has also challenged the exemption provisions of the DPCO 2013 in the Delhi High Court.



Engine woes in the rear view for Rolls-Royce

BIOOMBERG 28 February

> Rolls-Royce Holdings said it's getting a grip on cost overruns from Boeing 787 engines that have blighted earnings and cash flow in recent years.

> The stock rose the most in 18 months on Thursday after Chief Executive Officer Warren East said estimated charges against the Trent 1000 turbine remain at £2.4 billion (\$3.1 billion) through 2023. He said there's been good progress in resolving the engine's last outstanding issue with a faulty blade.

> Rolls Royce predicts underlying operating profit will gain 15 per cent this year after increasing by a quarter in 2019, and East said the Londonbased company is finally delivering the momentum in cost improvements needed to achieve a step-change in performance. The number of 787s idled for shop visits should drop to single digits by the end

of the second quarter.

confident," Jefferies International analyst Sandy Morris said in a note. "The key long-term drivers were powerfully positive," Rolls-Rovce rose as much as 6.6 per cent. the biggest intraday gain since August 2018, and were trading 5.2 per cent higher as of 8:11 a.m. in London. The company expects to deliver 450 of the wide-body

"Rolls-Royce sounds rather

engines in which it specialises this year, a drop of about 12 per cent from 2019 as both Boeing and Airbus SE trim build rates for some larger planes. That's unlikely to immediately impact earnings as turbine makers generally make a loss on new sales, deriving the bulk of profit from through-life

maintenance. East said the coronavirus outbreak may hurt air-traffic growth in the near term but that long-term trends most affecting Rolls remain intact. The company excluded any possible material impact from its 2020 projections.

Oriental pegs capital needs at ₹3K cr for FY21



NAMRATA ACHARYA Kolkata, 28 February

ing on consolidating its business in 2019-20, is looking to

Powered by hydrogen, Hyundai's trucks aim to conquer Swiss Alps

Frankfurt/Zurich, 28 February

RELITERS

within the stipulated timeline,

Dr Reddy's shares ended

apiece on the BSE on Friday. PTI

In 2019, Indian sites

4.66 per cent up at ₹2,925.80

it added.

Hyundai's hydrogen-powered 18-tonne trucks are set to hit the roads in Switzerland next month as the South Korean automaker looks to establish a case for its zero-emissions tech in a low carbon world.

Invented nearly two centuries ago, hydrogen fuel cells first lost out to combustion engines and now trail electric batteries in the push for greener transport because they are expensive, hydrogen is hard to store, and most of it is extracted from natural gas in a process that produces carbon emissions.

But when it comes to trucks, Hvundai and its partners argue that electric batteries won't always do the job because the bigger the payload, the bigger and heavier - the battery, and that's a problem for crawling up Swiss mountains.

from hydropower, the country has the potential to extract "green" hydrogen from water with electrolysis, an energyintensive but carbon-free process if powered by renewable electricity.

"It is not enough to produce a truck. You have to take care of the entire ecosystem, find like-minded partners and show this all makes sense for the customer." said Mark Frevmueller. chief executive of Hyundai Hydrogen Mobility (HHM).

To be sure, Switzerland's green hydrogen is far more expensive than diesel now but Hyundai hopes that as govern-And with more than half of ments clamp down on carbon

Switzerland's energy coming emissions and the cost of producing the clean fuel drops, the numbers could start to add up.

may need around ₹3,000 crore capital infusion to fund its growth in 2020-21.

A V Girijakumar, chairman-cum-managing director of Oriental Insurance Company, says the capital would be needed to fund growth and maintain solvency

However, the actual growth plan would be finalised on the basis of capital support the insurer gets from the government

The company's board is slated to meet on March 18 to examine the budget for growth in the coming fiscal.

"While we may require a capital in the vicinity of ₹3,000 crore for growth and meeting regulatory solvency requirements in FY21, the business plan (growth plan) would be made in line with the capital support that we get," Girijakumar told newspersons on the sidelines of a session on insurance. The event was organised by the Merchants' Chamber of Commerce and Industry on Friday.

"The growth (in business motor accounts for 34-35 per premium) next year would be tailored to the capital support we get." he added.

The Union Budget for 2020 had earmarked ₹6,950 crore for recapitalisation of the three public sector general insurance companies — National Insurance, Oriental Insurance and United India Insurance. The three firms are in dire need of capital to maintain solvencv ratio.

According to Girijakumar, in Q3 of this financial year, the company registered a loss of ₹50 crore, against ₹330 crore loss in Q2. Also, the solvency ratio is just at about the regulatory norm of 1.50 per cent. Oriental Insurance's solvency ratio was 1.56 in Q1FY20.

insurer, which has been focus- merger plan.

Oriental Insurance Company cent this financial year, with premium collection of about ₹14,250 crore by March 2020. Last

financial year, Oriental Insurance saw business growth of over 15 per cent.

The insurer has been doing conciliation of motor third party cases, and has gone for price corrections in group health policy and property insurance. It is monitoring loss

making businesses with a view to reprice them. According to Girijakumar.

the focus has been on "economics of business" rather than growing the business.

"Our focus this year has been on reviewing claims and settling them as quickly as we can. We had set a target of conciliation of close to 24,000 motor third party cases this fiscal. Of this, we have already completed 18,000 cases and are hopeful of achieving the remaining by the end of this fiscal. This will give us a big relief," he said.

At present, health insurance accounts for nearly 30 per cent of the total premium,

cent, while crop insurance makes up around 17 per cent of the total business of the firm. In the February 2018 Budget, the Centre had announced a plan to merge National Insurance, United India Insurance and Oriental Insurance, and list the merged entity on the stock

exchanges However, there has been little progress on the merger, even as financial health of the firms deteriorated in terms of losses, falling market share and poor solvency ratios.

The three insurers, under the aegis of the General Insurance Public Sector Association (GIPSA), had earlier appointed consultant EY

The state-owned general to draw a blueprint for the

Zudio the new engine driving Trent growth

VIVEAT SUSAN PINTO Mumbai, 28 February

Retail giant Trent, best known for its Westside apparel stores in India, has a new growth engine. That is the apparel chain Zudio. Launched three years ago by Trent, which is owned by the Tata group. Zudio now contributes 13 per cent to Trent's overall revenue, say retail analysts tracking the company.

It is likely to touch 20 per cent in terms of topline contribution (for Trent) in the next few quarters, they say, at a time when a consumption slowdown is pushing consumers to cut back on spending.

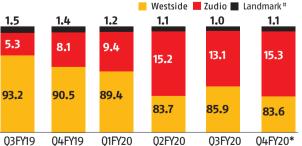
Westside, on the other hand, which currently contributes around 85-86 per cent to Trent's topline, will see revenue contribution pare to about 79-80 per cent in the coming months, experts said. While the rise of Zudio, said industry sources, is linked in part with Trent's need to reduce dependence on Westside, the retailer has also put building blocks in

place to ensure Zudio continues growing in good and bad times.

However, officials at Trent were not immediately available for comments. For one, Zudio remains a value brand within the Trent portfolio. with merchandise priced affordably and led completely by private labels, says Arvind chairman of Singhal, Technopak. In contrast, he says, Westside is a mid-priced



REVENUE MIX: LAST SIX OUARTERS



#Landmark is Trent's books and stationary chain; *estimates Source: Motilal Oswal/Industry

is part of the joint venture Aliasgar Shakir, research ana-Inditex Trent, is targeted at the brand-conscious.

"There is a clear price and consumer segmentation with Trent's retail offerings," Singhal says. "Zudio is also being pushed into tier-II and III markets where Westside may not be able to go," he says. Industry sources that Zudio's traction has been high on the ground, prompting Trent to fast-forward its store additions in the last few quarters.

In the first nine months of financial year 2019-20 (FY20), Trent is estimated to have brand, targeting a mature added 60 Zudio stores, taking audience in cities. Zara, which its total outlet count to 100, said

lyst at brokerage Motilal Oswal. This is faster than

Westside's rollout of new stores in the same period, Shakir said, which stands at around 25 outlets. Also, Zudio has avoided malls and shopping centres, choosing to have a standalone store presence at inexpensive locations.

No merchandise is priced above ₹1.000, sources in the know said, with 50 per cent of the apparels within Zudio stores available for ₹500 and below (a piece), lower than competitor Max's pricing strategy. Max is the value retail



malcy returning to infrastructure

segment after a long pause, as both

steel and cement output rose in

January, albeit by smaller margins.

Both sectors have been in the grips

of volatility in the current year.

Steel production rose by 2.2 per

cent, after the 4.3 per cent growth

seen in December. On the other

hand, cement production rose by

5 per cent, down from the 5.5 per

industrial slowdown caught up

Interestingly, the engulfing

Experts predicted industrial

going ahead. "For January, indus-

trial growth could be in the region

of 2-3 per cent, based on this growth

number. The impact of corona

virus is unlikely to be witnessed in

IIP this month, and would surface

more likely in end-Feb and March,'

cent rise in the previous month.

4 ECONOMY

April–Jan fiscal deficit reaches 128.5% of RE

New Delhi, 28 February

he Centre's fiscal deficit for the April-January period came in at ₹9.85 trillion, or 128.5 per cent of the 2019-20 revised estimates of ₹7.7 trillion, against 121.5 per cent for the same period last year. This came largely on the back of higher capital expenditure and lower tax and divestment receipts the official data released on Friday showed.

As a percentage of the Budget estimates of ₹7.04 trillion, the fiscal deficit was a staggering 140 per cent.

Additionally, with the October-December 2019-20 quarter gross domestic product data also released on Friday, it can now be calculated that the fiscal deficit for April-December was 6.18 per cent. Finance Minister Nirmala Sitharaman has revised the fiscal deficit target for the full year to 3.8 per cent from 3.3 per cent.

According to the data released by the Controller General of Accounts, revenue receipts during April-January were at ₹12.5 trillion or 67.6 per cent of the revised estimates for 2019-20, against 68.3 per cent for the same period last year. Total receipts were at 66.4 per cent, against 67.5 per cent in the yearago period.

Non-debt capital receipts, which includes divestment, were at 40 per cent of the full year revised estimates compared with 52.9 per cent for the same period last year. Net tax revenue was 66.3 the government's net tax reveper cent, compared to 68.7 per cent. nues," said Aditi Nayar, principal



FINANCIALS

Non-tax revenue

Total revenue

Non-debt capital receipt

Revenue expenditure

Capital expenditure

Total expenditure

Source: cga.nic.ir

Fiscal deficit

(All figures in ₹trillion unless specified otherwise)

uncertainty regarding the magnitude and the timing of the actual payments that would be made by 2019-20* the telecom and non-telecom 15.05 9.98 (66.3) license holders to the Centre to set-3.45 2.52 (73.0) tle the adjusted gross revenue 0.82 0.33 (40.1) dues. Therefore, it remains unclear 19.32 12.83 (66.4) to what extent the collections of 23.5 20.0 (85.1) the Centre from other communi-3.48 2.68 (76.9) cation services will differ from the 27.0 22.68 (84.1) revised estimates," Navar said. 7.67 9.85 (128.5) *% of full year target in brackets

economist, ICRA.

"There remains considerable

Nayar said there remained lack of certainty regarding whether the Centre would meet its full disinvestment target, which has been "Typically, the Centre's revised to ₹65,000 crore from

receipts tend to sharply exceed its ₹1.05 trillion. For April-January, total expenexpenditures in the last few months of each fiscal year, which diture was ₹22.68 trillion or 84.1 aids in reining in the full year fisper cent of revised estimates, cal deficit. While we estimate the higher than 81.5 per cent in the Centre's gross tax receipts to be corresponding period of the last considerably lower than the fiscal year. Revenue expenditure was 85 per cent compared with revised estimates, lower tax devolution to the states would bolster 82.7 per cent, and capital expenditure was 76.9 per cent compared with 72.7 per cent.

Core sector output rises 2.2% in Jan SUBHAYAN CHAKRABORTY

New Delhi, 28 February

The output of eight core sectors of the economy managed to rise for a second straight month in January, growing by 2.2 per cent as key sectors like refinery products and electricity continued to see slow growth.

Core output had contracted for four months till November as a broad-based decline gripped most sectors. As a result, core sector output in the April-January period of the current fiscal year (FY20) dropped to 0.6 per cent, compared to 4.4 per cent in the corresponding period of the previous year.

The data released by the commerce and industry ministry on Friday showed output of refinery products rose by 1.9 per cent in January, down from 3 per cent growth seen in December. While the sector has remained volatile in FY20. officials continue to claim a solid recovery in production is underway as key refining units,

which were closed earlier, have contraction in December. Experts



In January, coal production saw the highest uptick in output, rising by 8 per cent, up from 6 per cent in the previous month. The sector saw contraction remain entrenched till November, after a 24-month growth period ended in July. Elsewhere in the energy space, crude oil production continued its downward spiral, having completed a continuous chain of contraction for the past 16 months.

Production reduced by 5.3 per cent, lower than the 7.4 per cent **GROWTH TRAJECTORY**

Core sector growth in last 1 year (% YoY) 8.0 2.2-40 -1.5 -8.0lan '19 Jan '20 Source : Commerce and Industry Ministry

> said this was usual when oil price with the fertilizer sector in January remained low as production was as production shrank marginally by 0.1 per cent. Production had less remunerative. Natural gas prorisen by double-digit figures over duction also contracted for a 10th straight month, reducing by 9.1 per the past three months. cent in January. production would remain subdued

However, overall electricity generation rose by 2.8 per cent in January, giving hope to a revival in manufacturing. Generation rose by 2.8 per cent after contracting for the previous five months as sluggishness in manufacturing is understood to have led to a steep fall in the power demand.

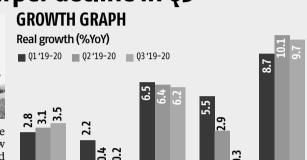
Madan Sabnavis, chief economist The latest data signalled norat CARE Ratings, said.

Construction sector witnesses sharper decline in Q3

Among various sectors, growth in agriculture rose in the second and the third quarters of the current fiscal year, compared to the previous quarters of FY20. On the other hand, services saw the exact opposite trend even as growth rates remained above 6 per cent in each quarter. Growth in government spending, which drives economy these times, was up in the second quarter and down in the third, compared to the previous quarters. Construction saw a similar trend of services with the difference that the deceleration was much sharper 2 per cent in the first quarter.



in the second and third quarter in the former than later. Manufacturing saw contraction in the second and third quarters, against growth of just above



Agriculture Manufacturing Services Construction Govt spendin

Major segments drag down GDP growth

MAIN INDICATORS FOR GDP CALCULATION

			(% YoY	growth)
	OCT-DEC '18-19	OCT-DEC '19-20	APR-DEC '18-19	APR-DEC '19-20
Production of coal	5.1	-4.3	7.9	-3.8
Production of crude oil	-4.3	-6.2	-3.7	-6
Production of natural gas	1.5	-6.6	-0.2	-3.2
Production of cement	12.9	0.6	13.9	0.7
Consumption of steel	8.2	0.3	9.1	3.5
Sales of commercial vehicles	6.7	-17.3	25.9	-21.1
Cargo handled at major sea ports	1.4	0.1	3.8	1
Cargo handled at airports	2.2	-7.2	3.8	-7.5
Passengers handled at airports	10.7	4.6	14.5	1.8
Railways: net tonne kilometers	5.7	-4.7	6.9	-3.6
Railways: passenger kilometers	-2.4	-1	-0.6	-1.1
Aggregate bank deposits	8.9	9.7	7.9	9.8
Aggregate bank credits	13.9	7	12.4	9.2
CPI inflation	2.6	5.8	3.7	4.1
WPI inflation	4.5	1	4.7	1.5
GDP growth	5.6	4.7	6.3	5.1

INDIVJAL DHASMANA New Delhi, 28 February

Major indicators that are part of the calculation of the gross domestic product (GDP) — like production of coal and crude oil, sales of commercial vehicles, and cargo handled at airports - recorded lacklustre performance in the third quarter of financial year 2019-20 (Q3FY20), compared to the corresponding period of the previous year.

For instance, sales of commercial vehicles contracted 17.3 per cent in Q3, against a growth rate of 6.7 per cent in the corresponding period a year ago. Similarly, proagainst a growth of 5.1 per cent a vear ago. Some segments, such as cement, steel, and cargo at major created and there is uncertainty on ports, saw growth but at a rate that various investment instruments," Q3FY19. For instance, consump- advisor at EY.

tion of steel rose by just 0.3 per cent in the period, while it was 8.2 per cent a year ago. Similarly, cargo handled at major sea ports saw an increase of just 0.1 per cent in Q3FY20, against 1.4 per cent in the year-ago period.

The only two indicators that rew at higher rates in Q3 of the current fiscal than the previous year were aggregate bank deposits and the consumer price index (CPI)based inflation rate.

The rise in aggregate bank deposits by 9.7 per cent in Q3FY20, against 8.9 per cent increase in the same period of the previous year, reflected lack of investment opporat an increasing rate because the investment climate is not getting miniscule compared to said D K Srivastava, chief policy

In percentages (QoQ)

Constant

prices

3.8

2.5

2

2018-19

Current

Diff*

2.9

0.4

0.3

prices

6.7

2.9

2.3

nce is sometimes taken as proxy for

On the other hand, CPI inflation rose to 5.8 per cent in Q3, compared to 2.6 per cent a year ago. Its wholesale price index counterpart. however, dipped to 1 per cent against 4.5 per cent the previous year. Both CPI and WPI figures are taken into account in GDP data depending on the sectors in question.

The net effect of these price movements is that while GDP at current prices stood at 7.7 per cent in Q3FY20, as against 11.4 per cent a year ago. GDP at constant prices expanded by 4.7 per cent, against 5.6 per cent in the year-ago period.

Among the sectors that rose at a slower pace in Q3 than a year ago was aggregate bank credits, which grew by 7 per cent, against 13.9 per cent a year ago, affecting investment growth. Gross fixed capital formation (GFCF) contracted 5.1 per cent, against a growth of 11.4 per cent the previous year.

Drop in commodity prices is silver lining

4.5 per cent in that quarter from 4.8 per cent in Q2.

Although the pace of expansion of public administration and defence eased in Q3 relative to the last quarter, it was crucial of growth, remaining the fastest growing subsector for the second consecutive quarter. Excluding public administration and defence, which reflects government non-interest revenue spending, the GVA growth would have printed at an even more anaemic 3.7 per cent in Q3.

Based on the CSO's advance estimate of GDP growth for FY20 of 5.0 per cent, the pace of expansion for Q4 is implicitly estimated at 4.7 per cent, unchanged from the level in Q3. However, the embedded GVA growth is pegged to rise markedly to 5.0 per cent in this quarter from 4.5 and O2FY20 has been revised per cent in Q3.

On the positive side, the outlook demand has improved appreciably following the expansion in rabi sowing and abundant moisture conditions. But, the lead indicators for the industrial and services sectors portray an unfavourable picture for January, including the 6 per cent contraction in the Centre's expenditure in that month. Moreover, the rapid spread of the coronavirus is likely to have an adverse impact on various sectors of Indian manufacturing, trade and tourism, and dent business and risk sentiment, in the first half of 2020. The only silver lining is the fall in commodity prices would give some cushion to earnings in the near term. Overall, incoming information on the spread and duration of the coronavirus outbreak poses the key downside risk to our GVA and GDP growth forecasts of 4.8 per cent and 5.0 per cent, respectively, for FY20. The MPC may well undertake a final rate cut in FY2021. However, this will be forthcoming only when there is clear evidence of the CPI inflation reversing towards 4 per cent, which suggests a high likelihood of a pause in the next 2-3 policy reviews.

duction of coal fell by 4.3 per cent, tunities. "Bank deposits are rising

Net tax revenue

Farm sector records 3.5% growth on good harvest

SANJEEB MUKHERJEE

Source: NSO

New Delhi, 28 February

India's farm sector recorded a robust 3.5 per cent growth in the third quarter of 2019-20 (October to December) on the back of good kharif harvest and expected bumper rabi crop. In the same period the output might have fetched good price to farmers as inflation (difference between growth in current and constant prices, which sometimes is used as a proxy for farm incomes) is estimated at 10.2 per cent — the best in past several quarters.

As a consequence of steady rise in the third quarter, the National Statistical Office (NSO) estimated that the farm sector growth in 2019-20 fiscal year will now be at 3.7 per cent, up from 2.4 per cent during 2018-19. Farm sector growth at current prices is projected at 11.3 per cent in 2019-20, up from 4.5 per cent in 2018-19, largely due to higher prices of food items primarily for the allied

in agriculture produce in 2019-20



is estimated at 7.6 per cent.

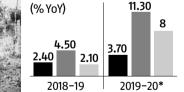
"The allied sector, largely live-

stock, fisheries, and horticulture, showed that the estimated wheat is expected to fetch better price production in 2019-20 crop year. to growers and this constitutes which started in July 2019, is 2.61 almost 45 per cent of the total million tonnes more than the share of agriculture and allied 2018-19 harvest and 5.71 million activities, which is why the tonnes more than the target for growth in current prices is prothis vear. It also showed that among jected at 11.3 per cent," Madan Sabnavis, chief economist, CARE other major rabi crops, produc-

Ratings, told Business Standard. The second advance estimate sector. This entails that inflation of foodgrain production released cent from last year. Output of a few days ago estimated the mustard, the biggest oilseed crop

Gross value added in agriculture and allied activities ■ Constant prices (2011–12) Current prices Inflation (proxy for farm prices)

A LOOK AT AGRI SECTOR



Source: NSO

grown during the rabi season is projected to fall marginally to 9.11 million tonnes, down 1.54 per cent from last year.

01

Q2

Q3

Total rabi foodgrains, which also include pulses and coarse grains, according to the second advanced estimate was projected at 149.60 million tonnes, up 4.10

per cent than last year. Together with kharif food-

tion of gram is estimated to be grain production, India is 11.22 million tonnes, up 12.80 per expected to harvest 291.95 mil-20, which is 2.36 per cent more

than 2018-19. The government has also marginally lowered its kharif production estimates for 2019-20 for pulses in the second advanced estimates released on Friday from the first advanced estimates that was released in September last year.

2019-20

Diff*

5.6

10.2

5

Current

prices

8.4

8.1

13.7

Constant

prices

2.8

3.1

3.5

According to the second estimate, pulses production in 2019-20 kharif season is estimated to 7.92 million tonnes — down from lion tonnes of foodgrain in 2019- 8.23 million tonnes in the first advanced estimate.

upwards by the CSO to 56 per cent and 5.1 per cent, respectively, albeit for the agricultural sector and rural on the back of a lower base for the corresponding quarters of FY2019. However, this reveals the unsavoury implication that the slowdown in the growth momentum continued in the just-concluded quarter, belving our expectation that the GDP growth had bottomed out in Q2FY20.

The latest data released by the

Central Statistics Office (CSO) indi-

cates that GDP growth stood at a sub-

dued 4.7 per cent in Q3FY20, which

is in line with our estimates.

Encouragingly, the reassessed pace

of economic expansion in Q1FY20

ADITI NAYAR

The further dip in the year-onyear (YoY) GDP growth to a 27-quarter low 4.7 per cent in Q3 from 5.1 per cent in the last quarter was driven by a moderation in the pace of expansion of government consumption, an inevitable fallout of the growing revenue risks at the central and state government level.

Additionally, gross fixed capital formation contracted by 5.2 per cent in Q3, the worst performance for the 2011-12 series, underscoring the faltering investment sentiment, modest capacity utilisation levels, as well as the YoY decline in capital spending by the state governments. But, the momentum of private consumption expenditure recorded a modest uptick in Q3, preventing a sharper slowdown in growth.

Unsurprisingly, the contraction in manufacturing and electricity in Q3 emerged as the chief drag to

GVA growth, which decelerated to The writer is principal economist at ICRA

SBI sees green shoots in roads, city gas distribution, renewables

NAMRATA ACHARYA & ISHITA AYAN DUTT Kolkata, 28 February

Even though corporate lending has been sluggish, there are green shoots in sectors like roads, city gas distribution and renewables, said P N Prasad, deputy managing director of commercial clients group, State Bank of India (SBI), on Friday.

We are seeing fresh interest in several sectors on the project finance side — particularly in sectors like roads, city gas distribution and renewables. SBI has been involved in lending to

large proposals in renewals or amidst predictions of record appraising the projects. So we low credit growth. According are seeing green shoots in these sectors," said Prasad.

He was speaking on the sidelines of a seminar on the Insolvency and Bankruptcy Code organised by the Confederation of Indian Industry (CII). "We do find, in the last quarter credit offtake was high. So we are expecting credit demand to pick up on account of demand from

public sector undertakings (PSUs). Credit offtake will surge to 5-7 per cent," Prasad said. The comments come

to a recent report by credit rating agency ICRA, bank credit was expected to grow at 6.5-7 per cent during the current financial year, the

lowest in 58 years. The overall corporate lending growth, which is normally 7-8 per cent at SBI, has been muted this year at 0.5-1 per cent. Many companies are also not utilising their working capital credit lines and some are returning it back, Prasad added.

"We perceive that there



could be two reasons: Companies are not investing in fresh projects and since they don't want to keep the money idle, they are paying back the working capital loan to reduce

their cost. Alternatively, there is no increase in demand because of which they are reducing utilisation of working capital," said Prasad.

According to recent data

released by the National Statistical Organisation (NSO), the index of industrial production shrank 0.3 per cent in December.

Some sectors that have seen stress are thermal power projects, non-banking financial companies (NBFCs) and commercial real estate. In the NBFC segment, the bank has an exposure of ₹1.70 trillion, including investments, he said.

However, with proactive measures to contain NPAs (non-performing assets), fresh slippage has slowed in corporate banking, said Prasad.

Measures taken by Centre in Budget will boost economic growth: SBI MD

Slowdown in the Indian economy has bottomed out and measures taken by the Centre in the recent Budget to improve capacity to spend in rural sector, infrastructure creation and inviting foreign investments will boost growth, Dinesh Khara (pictured), MD of SBI, has said. Khara said to achieve its ambition of becoming a \$5-trillion economy, it



required a 10–11 per cent growth rate. Economic growth slipped to hit an over six-year low of 4.5 per cent in July-September 2019. He underlined that many initiatives and measures have been taken by the Centre, including reduction in tax rates, terming it a "landmark decision" that will go a long way in attracting investment. PT

inflation and farmers' inco *Second advanced estimates wheat output at an all-time high of 106.21 million tonnes. The data

6 ECONOMY & PUBLIC AFFAIRS

IN BRIEF

Slowdown temporary, caused by external turbulence: RIL CMD



The current economic slowdown is "temporary" and caused by external turbulence, and the country has reasons to be more optimistic for the next decade, richest Indian Mukesh Ambani (pictured) said on Friday. The chairman and managing director of Reliance Industries said the coming decade presents a "historic opportunity" for businesses to excel and

place India among the top three economies of the world. "I think while we have seen temporary pains, with the leadership that the finance minister provided we're just going to get out of it. External turbulence (has) hit us, but I am very PTI very optimistic," he said.

Forex reserves up by \$29 mn to lifetime high of \$476.12 bn



India's foreign exchange reserves inched up by \$29 million to a fresh lifetime high of \$476 12 billion in the week to February 21, aided by an increase in the value of gold holdings, Reserve Bank data showed on Friday. The forex kitty had zoomed by \$3 billion to \$476.092 billion in the previous reporting week Foreign currency assets fell by \$490 million to \$441.458 billion in the reporting week, ending a multi-week surge.

Maharashtra may give 5% education quota to Muslims

An NCP minister in the Maha Vikas Aghadi (MVA) government in Maharashtra announced on Friday a law would be enacted to give 5 per cent quota to Muslims in education, but a senior Shiv Sena minister later said no such decision had been taken. Minority Affairs Minister Nawab Malik said the government would ensure that a law giving the quota to Muslims in education is passed soon. PT

Nirbhaya convict **Pawan Gupta files** curative plea in SC

One of the four death row convicts, Pawan Kumar Gupta, in the 2012 Nirbhaya gang rape and murder case moved a curative plea in the Supreme Court on Friday seeking commutation of his death penalty to life imprisonment. He has also sought a stay on the execution of the black warrant issued by the trial court for the hanging on PTI March 3.

DGTR recommends anti-dumping duty on zinc-coated items



The commerce ministry's dumping probe arm DGTR has recommended antidumping duty on aluminium and zinccoated flat products from China, Vietnam and Korea to guard domestic players from cheap imports, according to a notification. It has recommended duty in the range of \$14.3–173.1 per tonne on PTI the imports.

Centre plans to promote 250 new FPOs in 2020-21

SANJEEB MUKHERJEE New Delhi, 28 February

he Centre plans to promote at least 250 new farmer-producer organisations (FPOs) in the next fiscal year (2020-21). This is towards meeting its target of creating 10.000 new FPOs in the next five years, said Neelkamal Darbari, managing director of Small Farmers Agri-Business Consortium (SFAC). The consortium is one of the nodal agencies to promote FPOs.

According to the new guidelines issued by the government, FPOs will have to have a minimum 300 members, down from the existing requirement of 1,000. Prime Minister Narendra Modi will kick-start the scheme at an event in Chitrakoot (Uttar Pradesh) on Saturday. Currently, the country has

roughly 5,000 FPOs/farmerproducer companies (FPCs), of which almost 2,100 have been promoted by the National Bank for Agriculture and Rural Development (Nabard) in the

last few years. Sources said around 30 per cent of these were operating viably while 20 per cent are struggling to survive. The remaining 50 per cent are still in the phase of mobilisation. equity collection and business

planning, among others. The Union Cabinet last week sanctioned ₹6,868 crore for the new FPO scheme.

That apart, it also cleared a credit guarantee fund of ₹1,000 crore to be created in Nabard for FPOs and another ₹500 crore in National Cooperative Development Corporation (NCDC) for enabling easy credit option to FPOs.

"We will have a three-tier



TAKING STOCK

0s/	FPCs currently in operat	tion
	Promoting agency	Numbers
1	SFAC	902
2	Nabard	2,086
3	State government (Funded by leveraging RKVY or World Bankfunds)	510
4	NRLM (under ministry of rural development)	131
ō*	Other organisations/ trusts	1,371

*These include Bill and Melinda Gates Foundation Tata Trusts, Reliance Foundation, Ambuja Cement Foundation; Source: SFAC and government agencies

structure for speeding up the Management Agency (NPMA), promotion of 10,000 FPOs," said Darbari.

She said the structure will have cluster-based business organisations (CBBOs), which will play the function of resource institutes (RIs) on the ground-level. But they will have much better professional expertise to be provided by people who are recruited from outside.

These CBBOs will then be manned and monitored a National Project bv

10.000 FPOs' NEELKAMAL DARBARI, MD, SFAC

"THE RESOURCE

INSTITUTIONS WILL

FOR THE ALREADY

ONLY BE FOR NEW

CONTINUE TO WORK

CREATED 5,000 FPOs

BUT THESE CBBOS WILL

comprising top sectoral experts, banks and management professionals, among others. On top of all these will

On CBBOs, Darbari said that the decision to appoint such organisations was taken to ensure cluster-based growth of FPOs in the country.

on the ground and could be business support organisatrusts, tions. societies. foundations, corporate CSR

cells and ICAR-institutions like Krishi Vigyan Kendra, among others.

The typical work of RIs will be subsumed by the CBBOs which will undertake the required expanded scope of the work. At present, the RIs are the first line of support for the FPOs for all sorts of work, be it filing of returns, accessing markets, clearing regulatory hurdles and even mundane daily paperwork. Most of them are well-established social organisations and NGOs working in various fields.

"The RIs will continue to work for the already created 5,000 FPOs, but these CBBOs will only be for the new 10,000 FPOs," Darbari said.

The CBBOs will also help in registration and training of FPOs, appointment of professional expertise, assist in regular interface with stakeholders, assist in facilitating traceability, market-linkage for products both local and global and also work with the state governments to ensure that FPOs get all the benefits that are accorded to cooperatives.

The CBBOs will be selected through an open national-level bidding process.

The NPMA will comprise separate teams such as technical and marketing units. incubation services provider teams and helpdesk teams, among others.

The NPMA will not only assist in selecting the CBBOs and could be a global consulting firm with expertise in promoting agri-business startups, among others.

The credit guarantee scheme for FPOs is also being re-structured in the new model and is being raised by two times.

Telcos need to wait more for **relief on AGR**

it would not be able to pay the

Supreme Court-mandated

dues, estimated at more than

₹50.000 crore, unless state

support was extended in terms

of relaxed payment tenure

along with lower licence fee

Vodafone Idea, in a letter

the tune of ₹8.000

crore against its

ators' Association

of India, a body

representing the

telecom industry,

had on Thursday

urged the Union

government to

step in so that the

could be brought

immediate cut in

the licence fee levy

to 3 per cent from

COAI sought an

back on track.

sector

telecom

COAI had pressed for a floor

price "to ensure the sector was

October last year, upheld the

government's position on

including revenue from non-

core businesses in calculating

AGR of telecom companies, a

share of which is paid as

licence and spectrum fee to

the exchequer. The top court,

earlier this month, rejected a

The Supreme Court, in

sustainable".

Cellular Oper-

to the DoT, had even sought

adjustment of Goods and

Services Tax (GST) refund to

AGR dues.

eight times.

MEGHA MANCHANDA New Delhi, 28 February

Inadequate data seems to be a hurdle for the Union government while deciding on a relief package for the telecom industry facing a ₹1.47-trillion and a tariff floor that would licence fee and spectrum raise the minimum charges by charge demand linked to adjusted gross revenue (AGR).

A meeting of the Digital Communications Commission (DCC), which was expected to come up

with relief measures for the financiallystressed sector. remained inconclusive on Friday over data issues, a senior official in the Department of

highest

Telecommunications (DoT) said. DCC, the **A meeting of** decision- DCC, which was making body, is grapexpected to pling with discrepcome up with ancy in data for relief measures, calculation of AGR, remained it's learnt. DCC, inconclusive headed by the DOT **over data issues**

secretary, includes secretaries across ministries of 8 per cent, as well as a reducfinance, commerce, and tion in the spectrum usage Electronics and Information charges. Citing India's low Technology, as well as CEO of average revenue per user (ARPU) compared to markets NITI Aayog. like China, Brazil and Russia,

Members of the DCC refused to comment on the discussions held during the two-hour meet. More details are required for reconciliation of AGR data, sources said. The panel is likely to meet again in

the coming days. However, DoT officials maintained the meeting did not focus on AGR issues but on project implementation for PPP (public-private-partnership) on Bharat Net project. In fact, just days ahead of

plea by Airtel and Vodafone this meeting, Vodafone Idea Idea seeking an extension in had told the government that the payment schedule.



BLOOMBERG Hong Kong, 28 February

The best economic tonic for the coronavirus shock is to contain its spread and worry about stimulus later, said Raghuram Rajan, former head of the Reserve Bank of India.

There's little central banks can do, and while more government spending would help, the priority should be on convincing companies and households that the virus is under control, he said.

"People want to have a sense at there is a limit to the sprea



Don't panic over supplies: Pharma Inc

SOHINI DAS & NEHA NEHA ALAWADHI Mumbai/New Delhi, 28 February

Amid rising cases of the novel coronapharma industry on Friday said there was no reason to panic over drug

supplies in the domestic market. The industry, however, was unanimous that high level of dependence on one geography for

with Chinese counterparts.

India is capable of making all the ingredients that it now imports. Satish Reddy, chairman of Dr Reddy's virus (Covid-19), the captains of Indian Laboratories, said India missed out to China due to several factors, economies of scale being one. "We can make

the ingredients here in India. We very much have According to the indus-

Virus outbreak to impact global smartphone sales: Report

The outbreak may hit supplies of smartphone components from China to other countries at least till the second quarter of this year, according to research from Counterpoint Research.

"Our initial expectation was that the virus would be contained within the technology and capa- two months and take three more bility to do so," Reddy said. months for things will get back to normal We now expect O1 PPC (People's

China reports 44 deaths, lowest rise in new cases

China reported 44 more deaths from the novel coronavirus epidemic on Friday and 327 fresh cases, the lowest daily figure for new infections in more than a month. The death toll now stands at 2,788 in mainland China, according to the National Health Commission. The number of fatalities – up from the 29 reported on Thursday - were all in Hubei province, the epicentre of the outbreak, except for two deaths in Beijing. In total, 78,824 people have now been infected with the COVID-19 strain in the mainland. REUTERS



The CBBOs will work

this virus perhaps because of containment measures or because there is hope that some kind of viral solution can be found," Rajan told Bloomberg Television's Haidi Stroud Watts and Shery Ahn.

"At this point I would say the best thing that governments can do is to really fight the epidemic rather than worry about stimulus measures that comes later," said Rajan, who is currently a professor at the Chicago Booth School of Business.

The spread of coronavirus is pushing the world economy toward its worst performance since the financial crisis more than a decade ago.

Bank of America Corp. economists warned clients Thursday that they now expect 2.8 per cent global growth this year, the weakest since 2009. "We have moved from extreme confidence in markets to extreme panic, all in the space of one week," said Rajan, who previously was chief economist at the guite badly."

RAGHURAM RAJAN. FORMER HEAD OF RBI **"PEOPLE WANT TO HAVE A SENSE** THAT THERE IS A LIMIT TO THE SPREAD OF THIS VIRUS PERHAPS

BECAUSE OF CONTAINMENT MEASURES OR BECAUSE THERE IS HOPE THAT SOME KIND OF VIRAL SOLUTION CAN BE FOUND"

International Monetary Fund.

The virus outbreak will force companies to rethink supply chains and overseas production facilities, he said.

"I think we will see a lot of rethinking on this, coming on the back of the trade disruption, now we have this," Rajan said. "Globalisation in production is going to be hit

key raw materials had to be reduced to mitigate risks. Meanwhile, Gujarat-

CORONAVIRUS based Cadila Healthcare has launched an acceler-OUTBREAK ated research programme

for developing a vaccine for Covid-19 with multiple teams in India and Europe. Pankaj R they did not carry buffer stock due to Patel, chairman of Cadila Healthcare, said the vaccine candidate should be ready in 8-10 months with support from the regulators. "We felt a moral responsibility to step in as we have

other flu vaccines, including swine flu, in our portfolio.' Sun Pharma's Dilip Shanghvi said the industry and government were working closely to reduce dependence

on one country. to make bulk drugs where manufacturers would be given incentives to produce low-value APIs. Concessions in terms of rates for power and water are likely to bring the industry on a par

try, all major players carry buffer stock of three months for key drugs and there is no need to worry immediately. Smaller firms have indicated that they were running out of raw material inventory as

working capital concerns.

Lupin Managing Director Nilesh Gupta said his company was not affected much due the Chinese crisis as it was only one major API where they were dependent on Chinese imports. The industry said supplies from China had started to resume, however, it would take some time before it stabilised.

The National Pharmaceutical Plan is to build a few large clusters Pricing Authority (NPPA) has asked states and Union Territories to keep a close watch on the availability of key raw materials that are imported from China and used in the production of all kinds of medicines.

Republic of China) sales to be down by around 25 per cent, compared to our original forecast. This is 18 per cent lower than Q1 last year. But this can worsen if the virus is not contained. Global sales will also go down 7 per cent compared to same period last year. Overall we think Q1 and Q2 will show negative growth both globally and in PRC before rebounding," said Peter Richardson, research director at Counterpoint, in a blog on Thursday.

Visa on arrival for Japanese nationals suspended

India has temporarily suspended visa on arrival services for nationals of Japan and South Korea in view of the surge in the number of coronavirus cases in the countries, the Indian embassy said on Friday. The development comes a day after India evacuated 119 Indians and 5 foreigners who were on board the coronavirushit cruise ship, Diamond Princess, moored off the Japanese coast.

5 countries report first cases, WHO says it's getting bigger

The rapid spread of coronavirus raised fears of a pandemic on Friday, with five countries reporting their first cases, the World Health Organization warning it could spread worldwide and Switzerland cancelling the giant Geneva car show. "The outbreak is getting bigger," WHO spokesman Christian Lindmeier told a news briefing in Geneva. REUTERS

Geneva car show cancelled in bid to contain outbreak

One of the auto industry's marguee events fell victim to the coronavirus epidemic, with organisers of the Geneva International Motor Show pulling the plug as the outbreak spreads in Europe. The trade fair, which was due to start on Monday, will return next year, Palexpo SA, which runs the Geneva convention centre, said on Friday in a video briefing to exhibitors. Swiss authorities have banned big events on health concerns. The virus reached Switzerland this week and neighbouring Italy reported hundreds of cases.

'If China cannot go back to work, firms there will need support'

Businesses affected by the coronavirus outbreak must be given support till the threat gets over, says HÉLÈNE REY, who teaches at London Business School. Rey, who is in Mumbai to deliver Exim Bank's commencement day annual lecture, told Anup Roy that India needs to undertake structural reforms before it can hope for proper monetary policy transmission. Edited excerpts:

How do you see the coronavirus outbreak impacting the world economy?

First, we thought the virus could probably be contained, and except for human lives in China, the consequences for the global economy would be not very serious. But now, it looks like that's not the case. We have seen cases in Europe, in the US and of course in the Middle East. So, it looks like this is going to be more long lasting. The problem now is that it's more like a supply shock, as well as a demand shock. From the supply side, it can be pretty serious because of integration of the global value chains with China. In case of India, too, there are a lot of intermediate inputs from China, in particular, in electronics, textiles, and pharmaceuticals. If China cannot go back to work, that's going to be an issue for a lot of companies and they would need some support. If the hit is big enough, it can have a macro effect on

demand. That is where there is a need for central banks and fiscal authorities to help people who will be most affected.

What kind of fiscal and monetary support is needed?

In particular, medium-sized enterprises and those that are exposed to the global supply chain can run out of liquidity, and so in very short run, they can go bankrupt unless they get some targeted help. Also, you could be helping liquidity support in the form of loans, or very cheap loans.

Could this virus outbreak work against the idea of globalisation? Do you think that companies and economies would want to distribute their production lines? Well, I think there are lots of things in the recent past that suggest that globalisation is being pulled back. I guess where it really started getting pulled back was by the

'America First' policy. Already, there are trade linkages coming under attack due to growing nationalism. The virus is just another kind of layer that is adding to that equation. There's the technological war between the US and China. It's also about not being dependent on key critical infrastructure, such as 5G. It is going to be a very long struggle as countries try to develop their own technology. I don't see this trend as a good thing. The lack of

multilateral organisations and

But is it inevitable?

multilateral trade cannot be good.

Well, as we've seen in history, there are

waves of globalisation, and then there is a

pull back, and again a globalisation wave.

by the standards of that time. The UK was

trading a lot. Then, there were wars, or

depression dragging down trades. And

Globalisation in the 19th century and in the

beginning of the 20th century was fairly big

after the war, people started saving we want

cooperation, we don't want walls, and we

HÉLÈNE REY

Business School

I have studied a lot of credit booms and financial crises around the world in emerging markets, and in the US and Europe. What I have found is that

after a credit boom, there are non-performing asset problems. India had also witnessed a credit boom earlier. And if you don't clean up these balance sheets quickly, then this is a drag on growth, because that's what's going to decrease credit growth. That's going to decrease investment. And obviously, there are lots of issues with the supply side. India needs to fix the education system, labour market and supply side policies need to be addressed. If you don't get the supply side working, it's very hard

want to have rules that apply to everyone.

we see this trend of nationalistic policies.

And it's very worrying.

So, we have multilateral exchange. And this

has worked quite well, for a while. And now,

India's growth is slowing.

also for monetary policy to really help. You cannot stimulate demand if the supply side is very rigid.

Is the US dollar losing its dominance? At this juncture, it's hard to see a dominant challenger. However, we do see the trend that the relative size of the US is going down in the world economy. And we do see the rise of China and India. So, we do see some shifting in geopolitical power. If a country is relatively smaller, it cannot provide liquidity the world economy needs in a credible way. The relative size of the US is declining. At some point, there will be a switch. But the alternative could be a multipolar system. The euro is the second-most major currency but there is no integrated bond market. But that may change. China is still a bit underdeveloped financially. At some point, digital currencies issued by central banks, not the private currencies like Bitcoin or Libra, can take over because these will have credibility of a fiscal authority. That would make global settlements and payments potentially much more efficient.



What needs to be done to arrest this slowdown?

Professor, London

ver since the inception of

large-scale and peaceful protests against the

Citizen's Amendment Act and the

National Population Register

spread across urban India, the rul-

ing Bharativa Janata Party (BJP)

has struggled to regain control of

the narrative. There was no easy

way of making villains of these

large crowds of non-violent pro-

testers, frequently led by women,

waving the national flag and read-

ing from the Constitution.

The uses of violence



MIHIR S SHARMA

It appears that it has now discovered one possible way: what used to be called "direct action", followed by disinformation. This approach was debuted in New Delhi's northeast, and has swiftly lived up to its dangerous potential. The violence there has now taken dozens of lives, both Hindu and Muslim, including a policeman.

The hope was that voters from the Hindu community would begin to feel unsafe and insecure because of largescale Muslim mobilisation: but that end was not achieved during the months of peaceful protests. A concerted attempt was made to stir up anger against perceived inconveniences caused by the protesters - but in a country accustomed to strikes, bandhs, political rallies, VIP movements, and just general everyday inconveniences, it is hard for such discontent to congeal into outrage. Violence on the streets, however, is quite another matter. When accompanied by the appropriate narrative, it will channel public opinion in the desired direction.

The disinformation that accompanies the violence is of a typically high order, as befits an operation that has been at the cutting edge of the 21st century's alternative-facts breakthroughs. It is framed as uncontrollable mob violence when reporters on the ground have carefully documented that in the clashes, the police have often been inactive when Muslims are being targeted. Even occasions when Muslims appear to have been acting in self-defence - say from the roof of a house that is being threatened with siege – are being spun as a story of Muslim aggression. That this spin comes on the anniversary of the horrific death of Ehsan Jafri and his neighbours in Gulberg Society is a dark reminder of where this method originates. After all, the Special Investigation Team investigating that matter had said that Jafri, who had fired perhaps eight rounds from his gun on the violent mob assaulting Gulberg Society, had provoked his own death.

No statewide violence of the sort that took Jafri's life and hundreds of others is necessary in an age of rampant disinformation. Fewer, but targeted and carefully-publicised incidents can achieve the same effect - of stiffening Hindu identity, intimidating Muslims, and inducing further ghettoisation and isolation of minorities. Collateral damage to the economy and to individual reputations will also be correspondingly less. It is easy therefore to see the appeal of these tactics.

Of course, if a longer view is taken, the consequences of such deliberately provoked violence and the state's complicity in its execution are disastrous. It is obvious to any reasonable observer that it is national suicide to set out to sow alienation, disaffection and fear in a large religious minority. So why has this course been chosen regardless? It is more than political calculation, though surely that plays a part on many, if not most, occasions. The true reason for choosing such self-destructive tactics is simply that many believe they are necessary. In other words, too many people, including those in the establishment, simply believe that Muslims are too distinctive, too assertive - and naturally predisposed towards violence. Such beliefs throughout history have led to the justification of "pre-emptive" acts, which is somehow magically rendered through this paranoid lens into self-defence.

Two additional points need to be considered for a full picture of this emerging model of social control. The first is that political campaigns are now not merely the end point of a process of incitement. The areas of northeast Delhi that were wracked by violence are also those that saw the most effective campaigning by the BJP in the recently concluded Assembly elections; five of the eight seats the party won are in the region. The campaign stoked hate, the hate exploded in violence. The violence begets more hate, which will then be used in the next campaign — in Bihar later this year, where many of the Purvanchali residents of the area will exercise their franchise. The second is the repeated reports of "outsiders" being bused in to stimulate the locals into violence. This is not the first time that this has happened in recent memory. There was violence on the streets of Kolkata before the last phase of the general elections that also reportedly featured "outsiders". As in war, in this strategy of sudden and targeted violence, the aggressor with exceptional resources and ability to move men has an unassailable advantage. Essentially, this amounts to exporting the neuroses, the resentments and the fury of Uttar Pradesh and Bihar to the rest of the country, through the use of shock troops from these heavily-populated regions. Thus the front lines being opened are not just religious. They are regional. There appears to be no end to the errors that our leaders are willing to commit and no risk they are unwilling to run.

Nationhood can't be built on charity alone

We can't afford the perception of a righteous judge being punished because he inconveniently refuses to act as guardian of a Hindu Rashtra



SUNANDA K DATTA-RAY

he suspicious timing of Justice S Muralidhar's transfer revives the old question of whether Partition solved anything. Putting it differently, can Hindu and Muslim live in harmony as equals in the new India that we fondly believe was born on August 15, 1947? It's a personally pertinent conundrum because of childhood memories of Delhi and communalism, family traditions in East Bengal that I didn't experience but whose constant retelling shaped my consciousness, as well as of experience in Calcutta.

In the late 1940s, my father was attached to Pandit Hridya Nath Kunzru's railway inquiry committee and began a peripatetic existence in Delhi, Simla and aboard the committee's special touring train. In Delhi, my father was allotted rooms in Western Court but to save expense moved in with a nephew in the Lodhi Road clerical quarters that look exactly the same today, 70-odd years later. My maternal grandmother's bearer Gafoor went with him as orderly.

We didn't think of Gafoor as Hindu or Muslim. He was just a Simultala man, as we all were in a sense, for my grandmother's father had built a house there in the 1890s and his friends and family followed suit. As a child in Simultala, I once found a small snake, bright green and vellow, curled up near the water vats in the back verandah and rushed to fetch Gafoor, expecting him to kill the dangerous creature. "It's only a 'Shiv-ki-jatha'," he explained "and quite

harmless". After a few months in Delhi, Gafoor suddenly reappeared looking distraught and haggard. They had tried to kill him, he said. He had escaped only by pretending his name was "Gokul". Gafoor wouldn't go back even to claim his official wages. When we visited my father shortly afterwards it was to find the atmosphere tense. Humayun's Tomb and Purana Qila were out of bounds, packed with refugees.

I could understand the tension, having grown up with an awareness of the distance (and difference) between Hindus and Muslims that legend and lifestyle kept alive.

A widowed aunt who lived with us would describe how Hindu and Muslim homes in the Tipperah district of her youth could be told apart by the poultry. Hindus kept ducks, Muslims hens. Eating together was out of the question. They didn't distinguish between the right and left hands. They had no concept of ento/jhuta/unclean in a ritual sense. No matter how rich or smart, they always travelled with a spouted metal allpurpose badna or lota.

It seemed to me during visits to East Pakistan that despite having come into their political and economic own, Muslims there acquiesced in what Muzaffar Ahmed of the National Awami Party called the "twohookah" culture with overtones of apartheid. Junior officials hummed and hawed about offering me hospitality, unsure whether a Hindu would eat in a Muslim home. A new assertiveness replaced this inhibition after liberation. A radical Bangladeshi politician's squeamishness about beef was mockingly attributed to his Hindu ideological comrades. East Bengal Muslims were getting their own back for years of segregation.

Calcutta had fewer complexes. But with so little mingling, one can't be certain old attitudes don't persist under the surface. Grumbling about Mamata Banerjee's perceived pandering of Muslims cuts across all social strata. Even well-to-do modern Muslims complain of the difficulty of renting accommodation. Several marriages across the religious divide in my family say as little about general inter-community relations as Indira Gandhi's elevation did about the female Indian condition.

There was an amusing exchange at one wedding. "Is the groom Bengali?" someone asked. "No, Muslim," replied the Hindu bride's aunt. "Absolutely right," the groom, overhearing, interjected. "We are Persian!" That was deliberately to rebut the suspicion that many Muslims are lower caste Hindu converts.

Yet, that makes them even more of the soil of India and even less the ghuspaithiya (intruders) that Amit Shah calls them. There might have been less friction if Shah's uninformed view were not shared by the hooligans in saffron headbands and tilaks who recently roamed the streets of North-eastern Delhi, stoning people, looting shops, ransacking houses and setting fire to a mosque after planting a saffron flag - symbol of Hindu supremacism — on its minaret to chants of "Bharat Mata Ki Jai" and "Jai Shri Ram"

If that rejectionist attitude persists, the situation can only drift towards civil war through increasingly frequent conflagrations. We can't afford the perception of a righteous judge being punished because he inconveniently refuses to act as guardian of a Hindu Rashtra. Hindus who provided refuge for persecuted Muslims do suggest a silver lining except that nationhood can't be built on charity alone.

LUNCH WITH BS > MARTIN SCHWENK | MD & CEO, MERCEEDS-BENZ INDIA **Enjoying the ride**

Schwenk talks to Pavan Lall about learning from foreign markets, issues that hold back luxury products sales in India and the route Mercedes takes to integrate with local systems and processes

engineer,

t was not a challenge but it did feel somewhat like a test when Martin Schwenk, managing director and CEO at Mercedes-Benz India, agreed to meet me at The Leela near the Mumbai airport at 8 am. That meant one had to set the alarm for 6 am. Cometh the time of our meeting and Schwenk, a lean German in his early-50s, is wide awake and bang on time, dressed in a half-sleeved Polo shirt with the AMG logo and khaki chinos. "This wasn't too early for you, was it?" he asks with a broad grin. "Not at all," I lie.

We find a quiet table at the bar of the

bustling restaurant before ordering coffee an Americano with milk for me and a cappuccino for Schwenk. Breakfast at The Leela, like any other five star hotel in the city, is offered buffet-style across multiple counters with a variety of options that range from Indian to continental fare. We disperse to serve ourselves and return in a few minutes.

After ordering a mushroom omelette. I join my guest at our

table, with cereal doused with almonds and raisins, plus baked beans and bacon. Schwenk has come back with a plate of sautéed vegetables that include zucchini, carrots and a bowl of what appears to be clear "Soun is great in the mornvegetable broth ing, something I got used to when I was living in China," he explains. Before he came to India a year ago he was CFO for Mercedes-Benz's joint venture in Beijing where he was stationed for three years. Born in Esslingen am Neckar, in Germany's Stuttgart Region, Schwenk, whose parents were teachers says the home environment was "very liberal, but still value-driven", which means he was never pushed to doing anything he didn't feel comfortable with. The eldest of three brothers, he went straight into military service after high school He found himself enlisted with the German armed forces or the Bundeswehr. While there, he specialised in setting up telecom operations for troops on the move. "Remember this was 1984 and we had retrograde technology from the 1970s in use, so

we would move around in huge trucks and set up telecom networks that a cellphone can probably overpower today." My omelette has arrived and as I tuck in I say, "Sounds like fun. Did you enjoy it?" Schwenk's answer is, "I hated it. The way people imposed their will over what I thought was an undemocratic structure - which could be no other way in the army - was a shock to my system but I learned a lot about people." To a youngster's mind, just because someone had more stripes on his shoulder didn't mean they always knew better, or so he thought.

Once he was through with the military,

Schwenk chose to become a mechanical enrolling at the Stuttgart University. Thereafter before programme

he joined Mercedes as a quality engineer at its international trainee programme. It was 1993 and a few months into the job when he was deputed to Argentina. He got on a business-class flight, which impressed him no end at the time, and headed for Buenos Aires. His mission there as a young engineer was to optimise production at Daimler's truck plant. Of course he did more than that. Between learning about commercial vehi-

or that your life only started when you got back home from office at 8 pm. Work was life and life was work and they had to be one and the same. It might be infused with a lot of Confucius but it got me thinking," Schwenk says. "With that approach the very concept of work-life balance is flawed."

Mercedes-Benz in India is in a good place at the moment. It retained its number 1 position for the fifth straight year for 2019. "We grew our business even in a tough year. But as a manager I would have liked it if we were trailing at number four because of the challenge." Is it of any significance that Schwenk today is the only expat German CEO running an auto brand while BMW, Audi, Jaguar Land Rover and even the Volkswagen Group have all hired Indian country heads? Schwenk says that his company sees itself as a unit integrated into the Indian system of business. Then, as if to reinforce his point, he asks me how many German employees does Mercedes-Benz India have? "Three," he offers the answer himself.

We are done with our coffees and breakfast. Volumes for India's luxury auto market are a fraction of what they are in larger markets like China. "It would be in our interest to have some sort of free trade agreement that llows lower duties and that has been communicated to our embassies but the bigger issue is the taxation structure which includes both GST and the road tax that pushes prices very high,' Schwenk says, adding that the other big difference between China and India boils down to the issue of embracing consumerism. "The Chinese are 'consumers' while Indians are not fully subscribed to the idea of spending on themselves and that they have one life to do it in. But you do see some changes creeping in among younger audiences and that will eventually drive the economy and the luxury business. So which one is Schwenk's favorite Mercedes car? His answer is the R107 referring to the sports cars that were made by Mercedes-Benz from 1971 through 1989. "It was a dream car when I was young, and still is... even today."

Once he was through with the military, Schwenk chose to become a mechanical engineer, enrolling at the Stuttgart University. Thereafter before he joined Mercedes as a quality engineer at its international trainee

> Argentine beef grilled on a *parilla* he met a young economist from Germany whom he later married.

cles and acquiring a taste for grass-fed

When he returned to Germany he continued as quality engineer, and then executive assistant and manager, finance and controlling, until 2005. He moved to South Africa in 2006, as divisional manager of finance and controlling. Four years later, he wound up and moved again to Austria as CFO for Mercedes-Benz G GmbH in Graz for a short stint. In 2010, he moved to Mercedes-Benz in the USA as CFO. In 2015, Schwenk shifted to Beijing with his family as CFO for Beijing Mercedes-Benz Sales Service Co. a joint venture between Daimler and Chinese partner BAIC, before finally landing in Pune in November 2018.

Was there an overarching takeaway from his travels? Too many to recall, Schwenk says but the one that has stayed with him came



from China where he lived for three years. At a management workshop the head of the trade union there was addressing the team. There were interpreters and the conversation veered to work-life balance. He asked what that meant. "In the trade union leader's view there was no such thing because it meant that you had no life when you were working

Some hard questions for us



PEOPLE LIKE THEM **GEETANJALI KRISHNA**

n the last few days, like so many others across India. I too have watched northeast Delhi descend into mad violence. A week before all this happened, I was right there, having the cockles of my heart warmed by the ladies of Sunder Nagri. The week prior, I was roused by the fiery protest poetry of the burkha-clad Sugra Khatun, the bard of Jaffrabad. Today, as I compulsively watch footage of the horrors that have unfolded there, I dread spotting familiar faces, familiar places. I still don't know if the inspirational women, I've met who've been fighting to keep our Constitution alive, are safe, but one thing I'm sure of: Delhi's violence hasn't just wounded people's hearts and sensibilities — its repercussions will be felt on

their pockets for years to come. I dug out data on northeast Delhi from the 2011 Census (believe me, it took quite a bit of digging) to see if the numbers matched my impression of this district being one of the poorest, most densely populated and least developed in the city. Here's what I found.

Northeast Delhi has the highest population density in Delhi-NCR - 36,155 people per square kilometre. Compare it to Central Delhi, ranked second with 27,730 people per square kilometre. Anyone who's seen the narrow, claustrophobic and crowded lanes of Jaffrabad and Maujpur will know these areas are an urban planner's nightmare, tinderboxes waiting to burn. And burn they did ...

I also found that a whopping 70.5 per cent of northeast Delhi's population is non-working, the highest among Delhi's districts (at 58.1 per cent, New Delhi is the best off). This means that at the very least, every working individual has several dependents. The violence of the last few days has destroyed shops, wrecked small businesses and forced people to flee for safety. Every job lost there, every day's wage unearned and every day's sales forfeited will affect many more lives in Maujpur than in it would in Chanakyapuri.

This data also reminded me of an argument I've often made in this column that we must relook at our definition of poverty. Delhi government defines it thus: Poverty is a situation where the individual or communities lack the resources, ability and environment to meet the basic needs of life. Sadly, it leaves out a sizeable section which might earn enough to not fall below the poverty line, but remains vulnerable to economic stresses.

The 2011 Census suggests many such beople live in northeast Delhi. I'd wager in the months ahead we're likely to see many households below the poverty line here slide into further destitution and many households just above the poverty line. sliding down that slippery slope to penury. I'm also thinking of the preteens and teenagers (the 2011 Census recorded 301,947 children under six years of age here, 13.47 per cent of the total). How many will drop out of school/college to support their families struggling to find a new normal? How will they and their families recover from the economic (and we're not even getting into the emotional) aftermath of this violence? And even more crucially, how much love are they likely to have for the country that they feel has betrayed them?

Such questions have no easy answers, I know. But that's no reason to stop asking them.

Gujarat's guilty pleasures



PEOPLE LIKE US KISHORE SINGH

onald Trump is an avowed teetotaller, so abstinence of alcoholic spirits in Ahmedabad would not have occupied his mind, yet it does beg the question: Why should a state the size of a European nation be penalised for being the birthplace of Mahatma Gandhi? India's relationship with spirits is at best ambiguous and at worst hypocritical the state frowns on liquor at official functions, and even some private ones where prominent leaders might be present, while reaping the benefits that come from its taxation. It is a guilty pleasure that comes with high office, since the subsidised watering holes of the Gymkhana, or India International Centre, are at least as popular with bureaucrats as with their counterparts from the political class, if

never openly referred to.

Contrary to popular myth, the Gujarati enjoys his tipple and will go to any length to obtain it. The medical permit that allows a certain quota is discriminatory and restrictive, which is the reason the Gujarati (next only to the Bengali) is the most mobile of Indian travellers - driving across the border to neighbouring states for an evening of binge drinking without fear of falling foul of the law. Adjoining parts of Rajasthan and Maharashtra enjoy high revenues from this lucrative tourism.

Now, it seems, Goa is mining Gujarat for yet another vice — gambling. Goa is no Macau, and its gaming industry is largely sustained by Indian tourists, among whom next-door Gujarat tops the list. So profitable is the business that flights cater specially to this segment with connections to Panjim perfectly timed for sundowners, and departing on incredible early red-eyes, allowing revellers enough time to drink and play the slot machines or roulette before heading back home for work. Over a weekend in Goa, I have it on good authority, the Gujarati sleeps by day and gambles by night.

If a large majority suffer from alcoholic austerities in Gujarat, for a minuscule minority prohibition brings no deterrence to their consumption of rare vintage wines, or, indeed, selected malts and other alcoholic beverages. Last weekend, as Trump was on his way across the Atlantic, I was being offered evidence of Gujarati wine snobbery with the last pour of a 1979 red of which, alas, no more bottles were available. But there was plenty of wine, if of a slightly inferior label; the following morning began with a champagne breakfast, and, indeed, the flow of alcohol did not cease through the day – remarkable enough for a dry state, but even more incredible in the presence of officials of that state.

The mind makes its own connections, associating prohibition somewhat organically with vegetarianism. Gujarat is no more vegetarian than adjacent Rajasthan or Maharashtra, but chicken tikka, like a gin-and-tonic, tends to be consumed surreptitiously rather than openly. The Gujarati thali is a delight, but one to be enjoyed occasionally rather than frequently. Which is why my host's ability to serve the finest seafood served with all the flourish of a Michelin-rated kitchen was the more startling. The following evening's smorgasbord of lamb, chicken and fish would have put any Delhi wedding to shame. If at all anyone was surprised by the lavishness, it was us out-oftowners who'd been anticipating less inspiring fare. Despite its evident availability, great food, like alcohol, remains one of Gujarat's guilty pleasures.

Weekend Business Standard

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T N NINAN

Looking beyond green shoots

he government is probably right to argue that the economy has bottomed out. That view gets support from the quarterly growth figures released on Friday, and has been broadly endorsed by economists in the investment banks. International organisations like the World Bank and International Monetary Fund also forecast a mild recovery for India in the coming year. The consensus is that the worst is over, and the downturn has ended. This has encouraged government spokesmen to argue that what the economy has been through is little more than a cyclical trough — abetted by troubles in the financial sector, which too are coming to an end.

We should be careful about such partial analysis of predominantly domestic factors. For, however weak India's economic linkages are with the rest of the world, its economic performance seems to move in line with global trends, though not in lock step. Thus the years of rapid growth for India in the first decade of the new century mirrored exceptional global growth, which averaged 4.2 per cent (World Bank numbers). Compared with that, the five years till 2019 saw global growth drop by a third, to 2.8 per cent. Indian growth too has dropped sharply in the most recent years.

The other Brics economies tell a broadly similar story, though not for exactly the same years. Russian growth has dropped from about 7 per cent in the high-growth years to half of 1 per cent in the most recent period. Brazil, prone to large swings, recorded 4 per cent growth in the four years to 2013 before slipping deep into negative territory. It has managed barely 1 per cent in the three most recent years. China too has slowed, managing growth at just half the rate in its best years, and will slip further in the wake of the coronavirus.

Other emerging markets tell a similar story: Turkey's drop, for instance, is from 8 per cent in the best years to 5.5 per cent, and now to less than 3 per cent in the last couple of years. When these very different economies tell the same story of rapid growth yielding to more modest numbers, we should be paying more attention to international trends, especially those in other emerging markets.

Four issues are of note. The first is the danger of the coronavirus becoming a pandemic - a risk that has entered the consciousness of markets everywhere. The second is the slowdown in the global growth of trade. The World Trade Organization puts growth in global merchandise trade at the same rate as economic growth, when for nearly two decades, trade growth had averaged a 40 per cent faster rate than that of the world economy. The change is partly because of friction between countries and consequential protectionism, but there are other reasons as well. No quick recovery of trade should be expected.

A third factor is what the World Bank notes as a slowdown in productivity growth across emerging markets. This is certainly evident in India, since economic growth has dropped more than investment rates. In other words, India now needs more investment than before, for delivering the same rate of growth. Finally, there are the risks that come with the global pile-up of debt, creating abnormal money markets with an abundance of negative investment rates. A former chief economic adviser has suggested that India is one of the countries more vulnerable to potential shocks.

All these come on top of the domestic challenges of raising savings and investment rates, improving human resources, boosting productivity levels on farms (mostly at barely half of international levels), finding solutions for the worsening fiscal stress, creating jobs through the right mix of policies, and making government intervention in markets less disruptive. Even as the cyclical factors play out, the speed and quality of the recovery will depend on these long-neglected tasks being addressed. Absent that, while growth will bounce back from the current sub-5 per cent, it will stay lower than the already inadequate long-term average of 6.6 per cent. As unsatisfactory as that may be, in the current global context it will nevertheless be something to be grateful for.

Root of a riot

Delhi riots are an urgent reminder to reflect on the root cause of the CAA–NRC poison toxifying India. Unfortunately, it comes from a malevolent creeper bush planted by the Supreme Court

a problem at the precise moment Delhi is burning because of it? And when the death toll has already crossed 40, making it the highest

ever in a Hindu-Muslim riot in the city's post-Partition history? This, in India's most protected city, in an arc

between 6 and 10 km of Rashtrapati Bhavan, where the glory of the republic sits, flanked by South and North Blocks housing the entire and humongously formidable homeland and military security machinery built to protect it, and its people?

Can't you leave it for later, when passions calm and leave everybody, especially the institutions critical to restoring normalcy, the government and the judiciary free to do the immediate job first? Intellectual debates can wait, until the fires - and emotions - cool.

Any debate on a strife, mass dissatisfaction, insurgency, or terrorism usually stalls when it runs into a wall: The root-cause theory. Antagonists invariably take inflexible, ossified positions for or against it, and nothing moves. Watch Pakistan invoke it on cross-border terrorism and India's response, for example.

There are also risks in raising uncomfortable questions now. A minister or an army of social media "influencers" could rise to charge you with anything they wish, from instiga-

tion to sedition and, for all you know, a court will also issue you notice That's the reason television channels were issued dire warnings to abide by the broadcast code, of course, after the damage had been done. We are so chastened and quaking in fear, therefore, that we aren't fighting with the government for now for failing their citizens living just 6 NATIONAL INTEREST km away from them.

We aren't, however, so cowardly yet that we won't pick an

argument with another institution which failed the same citizens. And in its case, the distance from the victims is even less, just 5 km. This, mind you, isn't a case of complicity, incompetence, or ideology, the charges we usually throw at governments.

It is a misapplication of mind, a waste of institutional and moral capital of the one institution that matters when the chips are down, the last goalkeeper. The root causes to the burning and humiliation of Delhi, of the many fires that are smouldering across the country, lie in the one institution which should have known better. Surely, the wisest and most respected men and women chosen to run the Supreme Court can't

s it the right time to discuss the root causes of be so oblivious of the inevitability of unintended consequences.

> he CAA-NPR-NRC (Citizenship Amendment Act-National Population Register-National Register of Citizens) poison currently toxifying India, unfortunately, comes from a malevolent creeper bush planted by the Supreme Court of India when a Bench of Justices Ranian Gogoi and Rohinton Nariman passed that landmark order to begin the NRC process in Assam, under its direct supervision.

> In fairness, we should underline that this wasn't a sudden brainwave on the part of the judges. There is a "foreign nationals" issue peculiar to Assam and its messy history of immigration. A massively popular movement against it had paralysed the state in the early 1980s, to the extent that the government's writ did not run for more than three years. To such an extent that it was unable to even ensure that a drop of crude oil produced by Assam's oil fields could reach the 'mainland" refineries.

> The anger — that Bengali-speaking "infiltrators" (the term originated there) were overwhelming indigenous culture, political power, and economics — was near unanimous among ethnic Assamese. As it invariably happens in such situations, the largely peaceful move-

ment grew some nasty, militant offshoots as well.

Peace and normalcy were restored in the winter of 1985. after Rajiv Gandhi, then prime minister, signed an accord with the agitation leaders. Among its many clauses was one promising a thorough NRC scrutiny, identifying illegal foreign nationals and deleting their names from electoral roles to begin with, and then deportation.

context was Assam, there was a cut-off date -March 25, 1971 — when the Pakistani army's crackdown on what was then East Pakistan began. The idea was what is familiar again now: Millions of Hindus had left East Pakistan to escape persecution for Assam since 1947. They deserved refuge in India. To simplify things, anyone who came in until it was Pakistan was to be left unquestioned, unsuspected, and untouched. After March 25, 1971, the responsibility of looking after the Hindu minority was that of the friendly Bangladesh government.

It follows, therefore, that anyone who came in after that cut-off date was an illegal foreigner and would be sent back and Bangladesh was committed to resettle them — anyone, Muslim or Byspecial arrangement with ThePrint

Hindu. That accord made no such distinction. Certainly, it wasn't also the judges' intention to make one. The Bench was ruling on a petition seeking the implementation of this key clause of the Accord that all its signatories had conveniently forgotten.

You can take a purely legal view and ask, quite justifiably, why the judges should let the sleeping dogs lie just because it may be politically and pragmatically expedient?

The rest is a recent flashback and we can run it in fast-forward. The NRC process began, supervised and expedited by a Supreme Court Bench. with a zeal matching that of the apex court's epochal cricket Bench. I dare say, with about similar results in the end. Except that one became a joke, the other is a tragedy.

The court had the head of the NRC process report to it directly, and put a gag on him so he couldn't speak to anyone, including the media. This gave the process an aura of fear and opacity. It also ordered that massive detention centres to house those found to be illegal be constructed. And then, when the stuff hit the fan, or the truth emerged, everything changed. Some were furious with what the facts brought, but others more powerful saw an opportunity.

First of all, the "foreigners" identified were a fraction of the old popular fantasy. Then, more than two-thirds of those still not proven legal are Hindu Bengalis. The ethnic Assamese won't accept the Hindus, nor would the logic of the 1985 Accord or the Supreme Court order to implement it. And could the BJP ever expel the Hindus?

Where do we stand now? The BJP spotted an opportunity. The Hindu "infiltrators" of Assam could be protected with the new CAA and Muslims dealt with. And now that the highest court had legitimised it for one state and also written a diabolical chronology and playbook, right up to detention centres, why not take it across the nation? It was an all-conquering polarising dog-whistle.

That's where we stand now. A new ball, the constitutionality of the CAA, is bouncing in the same court. Meanwhile, the poison-ivy it sowed with the best of intentions is creeping on India. Even in Assam, the BJP government now says it's Again, because the specific unhappy with the NRC and intends to do it all over again. The officer who led it, directly under the court's supervision and protection, is being hounded. Probably because he didn't bring the 'right" numbers. So far, we haven't seen the Supreme Court defend what was done under its own watch, to say it won't allow a repeat NRC in Assam, or gross undermining of its own intention through the CAA.

Delhi was just one riot. Add Bengal, Assam, Uttar Pradesh and you can count a few scores dead. It could, regrettably, be just the beginning of a very long, dark phase for India. That's why the time to reflect on the root cause is now

The flawed idea of eugenics



on the basis of these supposedly scientific principles. It was understandable if not condon- other able, given that scientists are men of their time, sharing com- with race. mon social attitudes. White men

Various countries formulated in the sophistication of our when he suggested it might have laws to prevent the breeding of understanding of statistical varipeople with undesirable traits ables. Genomic studies conclusively prove that skin colour, along with shape of skulls, and external physical characteristics have little to do

Human populations everyruled the world in Galton's time. where carry a mixture of genes for humans? Facts ignore ideo- course records were set decades Various American states took from all over the world because logy." He clarified in a sub- ago. Wild horses tend to outrun ings further by forcibly sterilmigrations started in pre-his-

scientific evidence in its favour. Dawkins said: "It's one thing to deplore eugenics on ideological. moral, political grounds. It's another to suggest it doesn't work in practice. It works for sequent tweet. "Just as we breed

to have physical issues and health problems that mixed breeds don't. They don't live longer. Nor are they noticeably more intelligent. Indeed, wolves have regis-

tered as more intelligent than pedigreed dogs in multiple studies, and pedigreed dogs are the descendants of wolves. Thoroughbred horses hit a dead cows, horses, pigs and roses. end about 50 years ago when it Why on earth would it not work comes to speed-most racethoroughbreds in end have not been bred for anything records in every successive Olympics.

Brands, good and bad

EYE CULTURE

UTTARAN DAS GUPTA

• ontemplating a future in crime to be more specific, smuggling — Vijay, an Angry Young Man character played by Amitabh Bachchan in *Deewar* (1975), sips slowly from a green bottle of whiskey. To anyone acquainted with popular Hindi cinema of the 1960s and 1970s the bottle is too familiar: VAT 69. The brand was almost synonymous with Bollywood baddies, Bachchan's character in Don, an underworld boss, finds comfort in the amber liquid. It is almost as if the villainv of the characters in these two films — as well as those played by Pran, Prem Chopra or Ajit — flowed from these bottles like Popeye's strength is sourced from spinach. In *Dil Diya Dard Liya* (1966), Pran chugs an entire bottle of it; in Azad (1969) and Zanieer (1973). Aiit famous for his sidekicks and molls can be seen sinisterly sipping the whiskey. In Do Anjaane (1976), Prem Chopra — playing the seducer Ranjit Mallik — offered his easily inebriated friend Amit Roy (Bachchan) Black Label for a change but was soon back to VAT 69 in other films. "We never got to drink the actual whiskey," Chopra told Hindustan Times in an interview in 2009. "It was Coca-Cola which we actually got to drink." The thing is, he added, VAT 69 was the only branded whiskey people knew about. But this was not a drink for the morally upright — or uptight, if you will - hero of Bollywood. Take for instance Guru Dutt's character in Pyaasa (1957); the bhadralok poet, also called Vijay, would not be caught dead drinking or drinking himself to death - VAT 69. "It was a drink that the smuggler gave the hero who was on the brink and battling his conscience," film director Mahesh Bhatt told The Times of India. Its disappearance from the silver screen coincided with liberalisation, as imported whiskey became more easily available in the country and one did not need to be a smuggler to be able to get a bottle of single malt, or for that matter, afford one. This current contemplation on brands and their on-screen associations was sparked by a recent news report on how Apple does not allow bad characters in films to use its iPhone. Rian Johnson, the writer and director of the whodunit Knives Out (2019), recently revealed this in an interview to Vanity Fair. In the film, starring Daniel "James Bond" Craig, characters who are suspects are seen carrying the phone. "Apple, they let vou use iPhones in movies, but, and this is very pivotal, if you're ever watching a mystery movie, bad guys

cannot have iPhones on camera," Johnson said. "Every single filmmaker who has a bad guy in their movie that's supposed to be a secret wants to murder me right now." Of course, next time you are watching a mystery, you might want to eliminate suspects by checking out who is carrying the iconic device.

Brand associations of this nature can have an everlasting effect. For instance, the Aston Martin, which every James Bond from Connery to Craig — has driven. The car made its debut as 007's favoured mode of road transport in Goldfinger (1964) and will be seen in the 25th Bond film, No Time to Die. The source of this are the novels written by Ian Fleming, where he let the super spy drive this particular brand. My favourite Bond car has to be the invisible one - described as "the ultimate in British engineering" - that Pierce Brosnan drove around in Die Another Day (2002). As VAT 69 ceased to be the preferred drink of Bollywood villains thanks to Liberalisation. Coca-Cola made a re-entry into the country and into the hearts of Bollywood aficionados. A brief detour: In his last film, Agantuk (1991), Satvajit Rav, who had begun his professional career as an ad man, acknowledged the growing popularity of soft drinks with a brief exchange of dialogues on Thums Up. Manomohan Mitra (Utpal Dutt), the stranger of the title, is offered a glass of the drink on arrival at the home of his niece Anila (Mamata Shankar). "A replacement for Coke, is it?" he asks, adding to his grandnephew: "I hope you don't spell thumb like this." Film director Subhash Ghai seems to have a close relationship with Coca-Cola: The popular drink served purposes of the plot in his films Taal (1999) and Yaadein (2001). (During the #MeToo Movement, which swept through Bollywood in 2018, Ghai was accused - anonymously - of spiking the drink of a woman and raping her; he has categorically denied the charge.) In the early years of this century, barely 10 years after liberalisation, drinking Coke was still cool: now. more healthconscious consumers are reluctant to have a carbonated soft drink. Its popularity in Hindi cinema, however, remains undiminished: The 2019 Kartik Aaryan and Kriti Sanon starrer Luka Chuppi even had a popular Coca-Cola song. The fate of the film at the box office though reflected the diminishing popularity of soft drinks in the country.



DEVANGSHU DATTA

acists often try to justify their prejudices by pseudoscientific arguments. They will claim that kids of a certain skin colour, or kids born into a certain caste, are smarter. This leads to the cesspit known as eugenics — the selective breeding of human beings to eliminate undesirable traits and enhance desirable ones.

Eugenics was put on a pedestal by scientists in the colonial era. Francis Galton, the father Charles Darwin's cousin) was one of its earliest advocates.

Germany took it to the logical and horrible extreme, through "final solution" which involved the extermination of Jews, Gypsies, mentally challenged people and others who were identified as undesirables in the nazi population register. Meanwhile India perpetrated its own brand of eugenics through endogamous intra-caste unions in a eugenics experiment that

started millennia ago. As nationalism and neo fascism makes a comeback, of modern statistics (also eugenics has raised its ugly head again. This is despite huge advances in the biosciences and

its

ising the "undesirables". Nazi tory. As a result, two individuals with the same skin colour may have more variations in their genetic mix, than two individuals with different skin colours. That's at the genomic level. On the behavioural scale, when we control for variables such as degree and quality of education, and cultural backgrounds, there is little apparent difference in the intelligence of various populations. Again, individual variations are large, and don't cor-

relate to colour of skin or caste. Does eugenics work at all? Biologist and atheist philosopher, Richard Dawkins recently set the cat among the pigeons

cows to yield more milk, we tests. Meanwhile, humans who could breed humans to jump higher or run faster. But heaven in particular continue to break forbid that we should do it."

Ignoring the irony in a famous atheist calling upon divinity, Dawkins is arguably combination would be one that wrong in the assumption that eugenics works even in the narrow sphere of pure biology. Yes, domesticated animals have been bred for specific traits for mil- in domestic animals. We don't lennia. Yes, they may yield more milk or meat.

"purebreds" But the frequently have problems that wild animals of the same species gevity. Eugenics appears dubido not. Pedigreed dogs and thoroughbred horses and cows tend

The most desirable genetic conveyed health, longevity and intelligence. Millennia of selective breeding doesn't seem to have optimised these qualities really know what genes to select for, and we don't know how much nurture contributes when it comes to brains, health, or lonous even in the narrow sense claimed by Dawkins.

> The writer's novel, Ritual, was published earlier this month

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

nomic theories are based on logic, - do well. Those like India that which is permanent, data is fleeting. Here today, gone tomorrow. So it's not very clever to forget the lessons of theory.

India and Trade Theory

LINE AND LENGTH TCA SRINIVASA-RAGHAVAN

onald Trump has come and gone. The visit may yield some standalone benefits to both sides. But will the underlying fault lines change? To answer this, it's necessary to revisit international trade theory.

After 1945 one of the most researched topics in economics used to be this. But in the 1970s the Americans lost interest in theorising, and took to imperial ways of gaining market access. So latter-day economists only make do with data analysis.

This has its uses, to be sure, especially for fine-tuning strategy and tactics, but it doesn't quite explain trade patterns between countries and how they should view trade between themselves.

This is because while eco-

don't do badly. **Other theories**

Then there was the famous prop-There are a few theories that osition contained in the classic are particularly relevant in the Heckscher-Ohlin Theorem. It context of India-US trade. And it extended Ricardo's comparative

is worth reminding readers about advantage theory and said that them because they set the limits countries exported products that within which India and the US used their abundant and cheap factors of production, and and indeed all countries — trade. The first of the theories came imported products that used the from David Ricardo, who said that countries' scarce factors. This seems obvious but it

merely the existence of profitable and internationally competitive depends for success completely industries wasn't enough. He on free-labour markets, which then proposed that it was better means hire-and-fire systems. to have only the most competitive Electoral politics makes this hard. So does EU style welfarindustries — these were the ones with a technological edge because in time the economic dis-Then in the early 1950s, Wassily Leontief tested the location caused by closing prof-Heckscher-Ohlin theory and itable but less competitive indus-

tries would be more than made came up with his famous paradox. After analysing the export data, up by the medium-term gains he found that the US, which was from trade. Although later economists a labour-scarce and capital-abunhave tried to refute this, by and large it still remains true because the key lies in accepting the political consequences of the unem-

dant country, was exporting labour-intensive things. There was a massive flutter in the economic dovecotes till someployment caused by closure of one came up with an explanation. several industries. Countries that This said that skilled labour is a accept these consequences form of capital. India exports a lot

which the US used to till recently of it now to the US.

The third theory was put forth duce most cheaply these days in 1941. It is called the Stolper-Samuelson theorem. It says that when the price of X in terms of Y

increased, the real return to the factor used most intensively in the been closely associated with production of X would increase. The opposite also happens.

Some years later Paul Samuelson restated this theory as the factor price equalisation theorem, which basically says that if you have completely open borders, the prices of labour and capital will equalise. So you can see why politics prevents this from happening. Who wants Chinese barbers in the US? Or Indian software workers?

Samuelson was making the theoretical case that GATT should go beyond trade in goods and tariff reductions. This was seen as the best counter to the skilled labour that it has it widespread appeal of communism.

As must be clear by now, the essence of all these theories is that countries export what they can make cheaply and import what they can't. China's trade success is a testimony to these theories as indeed is India's failure.

Enter finance

So, now, what does the US pro- trade as colonial exploitation.

and which is used most intensively in any product? Yes,

abundant factors of production, provided a country is independent politically. So China has labour and the US has dollars and the technology these dollars enable to be produced, which is plain vanilla Ricardo. Together and separately they wield immense trading power.

What does India have in abundance? Broadly speaking, nothing actually.

Ninety-nine per cent of its vast pool of labour is semiskilled or unskilled and therefore the abundance is irrelevant for trade. And the little highly exports, which doesn't yield much dollar income, nor therefore the ability to purchase technology

It is in this sense that India violates every necessary condition for beneficial trade. That's why it needs a refresher course in neoclassical trade theory to undo the effects of Left economics, which saw international

dollars Trading power has always

10 THE SMART INVESTOR

VIRUS MAYHEM

Commodities fall prey to sell-offs

DILIP KUMAR IHA Mumbai, 28 February

ne global equity sell-off has had a ripple effect, with prices of major global commodities taking a knock on Friday. This fall was because of the continuing spread of the coronavirus (Covid-19). However, in late trade (10.30 pm IST), all base metals were trading higher than their opening prices on the London Metal Exchange (LME), improving 1-2 per cent from opening rates on short covering.

Gold and silver fell sharply in late trade on profit booking. Crude oil futures were trading at \$49.7 per barrel in late trade.

The decline was not that sharp in India because of a near 1 per cent depreciation in the rupee, which closed at ₹72.17 against the dollar. The lower rupee made imports costlier and, hence, arrested the fall to an extent.

Indian markets suffered their worst

weekly setback in more than a decade,

amid a global sell-off in equities

because of the economic uncertainty

triggered by the spread of the novel

coronavirus (Covid-19). The big chal-

further. The answer to this

depends on whether the

world is able to contain

the virus, which has now

spread to more than 50

listed three scenarios on

how the disease could

that if the virus outbreak

impact the economy.

Morgan Stanley has

The brokerage says

is contained this quarter itself, and if

activity in China, the world's second-

largest economy, resumes back to nor-

mal by end of the next month, the dis-

ruptions will be limited. In that case,

"the global growth dips to 2.5 per cent

year-on-year (YoY) in Q1FY20 (from

2.9 per cent in Q4FY19), but recovers

meaningfully from Q2FY20," it savs.

from the point of view of markets.

Global markets could see a sharp

rebound, and the latest sell-off will

prove to be a good buying opportunity,

This is the best possible outcome

countries.

SAMIE MODAK

Mumbai, 28 February

LOSING SHEEN

Price movement of key commodities

LME – 3–month forward	28 Feb 2020	Change 1-day (%)
Silver (₹/kg)	45,515	-3.2
Zinc (\$/tonne)	1,970	-2.1
Nickel (\$/tonne)	12,185	-1.5
Crude oil (\$/bbl)	50.2	-1.2
Copper (\$/tonne)	5,552	-1.1
Aluminium (\$/tonne)	1,676	-0.8
Lead (\$/tonne)	1,795	-0.8
Gold (₹/10g)	42,354	-0.2

Source: London Metal Exchange, India Bullion & Jewellers Association

cent in London.

Market well-being tied

to coronavirus remedy

"Commodities' prices declined sharply on Friday due to global economic uncertainty following reports of new cases of coronavirus coming All base metals on the bench- in outside China. While China has mark LME reported a decline of already made efforts to contain the about 1.7 per cent in opening trade. virus, its widening spread in other Energy, including crude oil and nat- countries has caused a worry among ural gas, slumped by about 1.2 per the trading class. Until coronavirus is

-0.2 contained, recovery in global com-Priyanka Jhaveri, assistant vice-pres-

ident, Kotak Securities. Crude oil led the decline on Friday. The outbreak has lowered trade with countries that reported fresh virus cases, pushing the world into uncertainty. the benchmark Multi On



noon trade on Friday. The previous day's close was ₹3,395 a barrel. Base metals on the LME declined

to multi-year lows with three months forward aluminium prices plunging by 0.8 per cent to trade at \$1,676 a

tonne, the lowest in 40 months.

Similarly, the three-month zinc prices fell by 2.1 per cent to \$1,970.50 a tonne, its lowest since June 2016. The three-month nickel prices fell by 1.5 per cent to trade at \$12,185 a tonne and copper slipped by 1.1 per cent to \$5,552 a tonne on Friday. Lead was down 0.8 per cent at \$1,795 a tonne in early Friday trade in London.

"Base metals have witnessed vet another session of bloodbath as fear regarding coronavirus has sent shock waves from equities to bullion, and from energy to industrial metals," said Naveen Mathur, director (commodities and currencies), Anand Rathi Shares and Stockbrokers.

Gold prices fell marginally by 0.20 per cent to close at ₹42,354 per 10g on Friday, against ₹42,442 per 10g on Thursday. Silver declined 3.22 per cent to ₹45,515 a kg on Friday, compared to ₹47,030 the previous day. In late trade, Gold fell to \$1,570 while silver was trading at \$16,76 per ounce in US. On MCX gold futures was ₹41,700 and silver ₹44,450.

Analysts expect the US Fed to cut interest rates to support the economy. China has already pared its rates.

VOICES



"UNLIKE PRIOR SELL-OFFs SEEN THIS AND LAST WEEK, TODAY'S TRADE HAS THE FEEL OF A SHAKEOUT - THAT IS, LEVERED HOLDERS OF STOCKS AND OTHER WEAKER HANDS BEING FORCED OUT OF MARKETS IN AN INCREASINGLY DISORDERLY FASHION"



Head of India research, UBS **"THE SPREAD OF THE** CORONAVIRUS HAS THE POTENTIAL TO TAKE MARKETS DOWN FURTHER

MATERIALLY. IF THE OUTBREAK IS MORE PROLONGED, IT WILL HAVE A BIG IMPACT ON THE GLOBAL ECONOMIC ACTIVITY. HOWEVER, IF IT IS CONTAINED SHORTLY, THE RISK-REWARD IS VERY ATTRACTIVE AFTER THE LATEST CORRECTION"



Morgan Stanley "WEVIEW COVID-19 AS A TRANSITORY, EXOGENOUS SHOCK AS OPPOSED TO AN ECONOMIC SLOWDOWN WHICH IS CAUSED BY ENDOGENOUS PULLS AND

PRESSURES OF AN ECONOMY THAT IS OVERHEATING AND FUNDAMENTALLY CHALLENGED. WE REMAIN OF THE VIEW THAT THE **RECOVERY IS BEING DELAYED, BUT NOT DERAILED**"

ROBERT BUCKLAND Chief global equity strategist,



TOO OPTIMISTIC'

THE COMPASS

No bottom-fishing opportunity even as outbreak intensifies

Nifty 50 P/ E ratio

Feb 2,'1

Pandey.

Either

Compiled by BS Research Bureau

less, which will result in a

fall in revenues, or, sec-

ond is to maintain reve-

nue and take a hit on

operating margins," says

HAMSINI KARTHIK

On a day when heavyweights and investors' favourites such as Bajaj Finance. Tata Services, Consultancy Reliance Industries, and Hindustan Unilever which are also perceived to be relatively insulated from macroeconomic risks — fell 3-6 per cent, it is quite an indication of the problem the market is

anticipating. Amar Ambani, senior president, YES Securities, warns that unless one has a strong heart and wallet, the 7 per cent correction in the Sensex over the week doesn't present a

Agreeing

Ambani, Pankaj Pandey,

head of research at ICICI

Securities, doesn't rule

out the possibility of

further correction if more

coronavirus (Covid-19)

cases are reported across

believes that as against buying opportunity. double-digit revenue Only the brave can growth anticipated in the bottom fish in this sce-June quarter, the number may shrink to mid-single nario," he adds. with digits.

Reiterating Pandey's views, analysts at Prabhudas Lilladher also anticipate that shortage of goods and sharp increase in prices could impact growth rates in the June quarter.

_____18.00 Feb 27,'20

ways, he

Citing Hero MotoCorp's recent announcement of a 10 per cent cut in production, they say this is an indication of how it can lead to delay in recovery if Indian manufacturing industries exhaust

their raw materials inventory by mid-March. Moreover, coronavirus' impact on other

global economies and trade, and so India, isn't clear too. "At present, it is tough

to comment on how long it would take for the situation to normalise,"

Pandey adds. Until there is a

Inc's earnings.

Therefore, even if the

"Companies have two Normalisation is the options — one is to sell key, they caution.

the globe. While a section of domestic investors is optimistic that the virus' spread in China could open up the manufacturing floodgates for India, the near-term picture is different.

For instance, while China accounts for 14 per cent of India's imports and 5 per cent of its exports, about 30-40 per cent of raw materials in sectors such as bulk drugs, electronic compo-

nents, and engineering equipment comes from China. Even if the current quarter is protected in terms of raw material

other countries

Analysts say that consid-

ering the current demand

scenario, it will be tough

for manufacturers to pass

on costs.

decline/peaking in corosupplies, the question is whether there is enough navirus cases reported for production thereafter. worldwide, experts say it's Though migrating to tough to claim that equities have fully priced for supplies is an option, it in its impact on India entails additional costs.

market corrects further. most experts concur that investors shouldn't be tempted.

is that new cases continue to rise in other parts of the world, before peaking by May end. In this case, the global growth would average 2.4 per cent YoY in the first half of 2020, before picking up in the third quarter. This would mean that the market

correction would be more prolonged, and stocks will remain volatile for the lenge facing investors right now is the next few months. Also, stocks in secextent to which markets could slide tors such as tourism, aviation, metals, and others linked to global

supply chain will be hit. The US-based brokerage has said that if the outbreak persists till the

September quarter, it could lead to a recession, as it will encompass all the large economies.

damaging to corporate profitability. The markets

could enter a bear market zone, said experts. Morgan Stanley believes the second scenario is the most likely, and the virus will only make a temporary dent to the economy and the markets.

"From the perspective of evaluating the global business cycle, we view Covid-19 as a transitory, exogenous shock as opposed to an economic slowdown which is caused by endogenous pulls and pressures of an economy that is overheating and fundamentally challenged. We remain of the view that the recovery is being delayed, but not derailed," the brokerage wrote in a note

WORST WEEK SINCE '08 AS GLOBAL INDICES NOSEDIVE



2008 global financial crisis, as the coronavirus outbreak triggered a flight to safety among investors. While equity markets have tumbled.

yield on the US treasury dropping below 1.2 per cent its lowest since 2016. The velocity of the fall in stocks has been sharp across markets in Asia, Europe, and America. The S&P500 has made a record of entering a shortest time frame of just six trading sessions. Indian

INVESTORS' NIGHTMARE

Most global markets have seen their worst 5-day fall since the global financial crisis (% change)

			() = ======	
	One- day	0ne- week	Year to date	
Dow Jones	-4.4	-11.8	-9.7	
Thai Index	-3.9	-10.3	-15.1	
Shanghai Composite	-3.7	-5.2	-5.6	
Nifty 50	-3.7	-7.3	-7.9	
Nikkei 225	-3.7	-10.0	-10.6	
Dax	-3.5	-12.1	-9.9	
Коѕрі	-3.3	-8.1	-9.6	
Euro Stoxx 50	-3.1	-11.9	-10.6	
FTSE100	-3.0	-10.9	-12.6	
Ibovespa	-2.6	-10.4	-10.9	

Source: Bloomberg: Compiled by BS Research Bureau: As on 5:20nm IST

Morgan Stanley has listed three

scenarios on how the disease could impact the economy

This could prove to be

Morgan Stanley's second scenario on Fridav.

Most global indices suffered their

worst weekly setback since the

bond markets have rallied, with the

correction zone – a fall of over 10 per cent – in the markets, too, are close to entering correction territory.

On previous occasions in the past two years, domestic markets have rebounded sharply after such a fall. Whether the market will be able to bounce back this time as well will depend on whether the coronavirus spread is contained. SAMIE MODAK

STREET TALK

say experts.

Centre mops up ₹400 crore via Rites OFS

The government has moblilised nearly₹400 crore by divesting a little over 5 per cent stake in state-owned engineering firm Rites. The stake sale was done through the offer for sale (OFS) route. The OFS got bids for 13.2 million shares against 16.5 million shares on offer. The offering saw poor response from retail investors amid a sell-off in BS REPORTER the markets.

₹17– lakh fine levied on Motilal Oswal **Financial Services**

Markets regulator Sebi on Friday slapped a fine of ₹17 lakh on Motilal Oswal Financial Services for failing to comply with Sebi's circular that mandated stock brokers to segregate the funds and securities of clients.The order follows an inspection conducted by Sebi between April 2012 to March 2014. PTI

Antony Waste Handling to go public on March 6

Antony Waste Handling Cell will launch its ₹200-crore initial public offering next week. The issue comprises of ₹35 crore worth of fresh fund raising and ₹171 crore worth of secondary share sale. The price band for the IPO is ₹295 to ₹300 per share. At the IPO price, the firm is valued at ₹800 crore. PTI

Sebi asks investment advisors operating in IFSC to have net worth of at least \$700,000

PRESS TRUST OF INDIA New Delhi, 27 February

million.

Capital markets regulator Sebi on Friday said investment advisors operating in International Financial Services Centre (IFSC) are required to have a net worth of \$7,00,000 (around ₹5.05 crore).



Earlier, the net worth requirement for investment liability partnership) to proadvisor (IA) in IFSC was \$1.5 vide investment advisory services

Issuing clarifications on The regulator in January came out with guidelines for the guidelines, Sebi on Friday said "it is clarified entities operating as investment advisors in IFSC and that existing recognised said that any recognised entities in IFSC can also entity desirous of operating apply for IA registration in IFSC as an IA, may form a without forming a separate company or LLP (limited company or LLP."

J&K extends amnesty schemes till June 30 for tax disputes

The Jammu and Kashmir cial spokesman said. The administration announced scheme can also be availed by the extension of amnesty all those dealers who had applied under the earlier scheme for the settlement of scheme, but had either failed unresolved issues in the old tax regime for smooth impleto deposit the payment in mentation of the GST. time or had missed any of the The scheme would con-

instalments. tinue till June 30, 2020. The The most attractive aspect administration expects the of the Scheme is that it proscheme to be availed by all vides relief to the dealers havthe dealers who could not ing arrears on account of Tax. avail the benefit of the interest and penalty by grantamnesty announced in 2018, ing full waiver of interest and provided they pay the penalty under the Jammu assessed and and Kashmir Value Added admitted. reassessed principal tax by or Tax Act and General Sales before June 30, 2020, an offi-Tax Act.

FROM PAGE 1

Black Friday for markets



"The spread of the coronavirus has the potential to take the markets down further materially. If the outbreak is more prolonged, it will have a big impact on global economic activity. However, if it is contained with shortly, the risk-reward is very attractive after the latest correction," said Gautam Chhaochharia, head of India research, UBS. Most global markets fell around 3 per cent. The US market fell 4.4 per cent on Thursday. When the Indian markets were open, the US futures trading indicated another lower opening on the Wall Street. "Today, we are not sure whether this spread will come to an end soon or end up as a pandemic. And that's why there is so much nervousness in the market. The virus is spreading quite fast compared to other outbreaks we have seen in the recent past. Most of them ended up being localised somewhere whereas this disease has spread across the globe," said Jyotivardhan Jaipuria, founder, Valentis Advisors.

Metal and IT stocks declined the most, with their sectoral indices dropping 7.1 per cent and 5.6 per cent, respectively. Analysts said broad-based selling was witnessed in these two sectors given their global exposure. Tech Mahindra, Tata Steel and M&M were the worst-performing Sensex stocks, declining over 7 per cent each. On an overall basis, 2,011 stocks declined, and 456 advanced on the BSE. FPIs on Friday sold shares worth ₹1,428 crore, extending their weekly selling to nearly ₹11,198 crore. Buying by domestic institutional investors was strong on ₹7,621 crore. Analysts said withdrawals by FPIs include passive fund outflows and those who withdrew from India to cover their redemption in neighbouring markets.

Aviation firms...

Following Saudi Arabia's ban on religious tours, IndiGo and SpiceJet executives said they were exploring where the capacity from the kingdom can be

diverted. Saudi Arabia is the second-largest air travel market for Indians in West Asia after the United Arab Emirates, and around 5.9 million passengers flew between the nations in 2019.

"We may reduce frequencies but will not exit the market completely," said a SpiceJet executive. The airline, which was supposed to launch Delhi- Ras Al Khaimah flight in the first week of March, is likely to defer it. An IndiGo executive also pointed out that the airline was likely to cut a flight per day to rationalise capacity. "There are enough places in the domestic routes where the capacity can be redeployed," he said.

However, a ban by Dammam on fresh labour visa issue and long stay visa is a big worry for the airline management. IndiGo, which is supposed to launch Dammam as a new destination on March 10, will take a call on it depending on the extent of visa ban.

"Schools are shut for two weeks in March and hence we see a healthy occupancy to Saudi Arabia during that period. We want clarification from the Saudi government on exactly who's allowed to travel and who's banned. If this stays for long, it will be a big hit," an Air India executive said. The airline has also decided to cut the frequency on Delhi-Seoul route from four daily flights to three. On the communal riots in Delhi, an executive working with a low-cost carrier said, "travel is anyway slower in this quarter due to school exams. However, with many countries issuing advisory we will also see a dip on tourist inflow which consequently will hit leisure travel in domestic routes". The US. France and Russia are among the countries to have issued alert to their citizens on Delhi unrest. According to data from the Bureau of Immigration, arrival of overseas tourists in India and the country's foreign exchange earnings from them grew at the slowest pace in a decade in 2019.

Sitharaman...

She also said the pharmaceutical and electronic industries, which depend heavily on imports from China for raw materials, have suggested airlifting of essential items and the government may consider the same. However, the logistics of the same, like aggregating the goods and getting them to a single place will have to be done by the industry itself, she said, promising help from the government through the consular staff.

Sitharaman said the government is "pushing the banks like never before" to lend as much as possible across all categories, including retail, home and agriculture segments. She, however, said that the government wants to learn from the experiences of the

2008-09 and ensure that there are no non-performing assets piled up for later years. Sitharaman said the government is working creating a development finance institution (DFI), as were bodies like ICICI and IDBI before they turned into full-fledged banks. The minister said that the ministry has managed to do whatever it can for the economy within the space offered by keeping the fiscal deficit under check and also added that it is not "closing options" on the same.

GDP growth...

The finance ministry has been highlighting "green shoots" in the economy, and several indicators have indeed shown improvement in O3 over O2.

But the extent of the economic downturn raises doubts over revival. Experts too said any uptick in growth was a tough ask.

"Despite the fact that Q3 shows strong results due to the festive season and higher rural spending driven by the kharif harvest, the growth slowdown is continuing," said Devendra Pant, chief economist at India Ratings. D K Srivastava, chief policy advisor at EY India, said: "The current slowdown is likely to continue at least for one more quarter. The Centre's gross tax revenues also show a contraction of 2 per cent during April-January FY20."

Capital investment, represented by gross fixed capital formation, contracted by 4.1 per cent and 5.2 per cent in Q2 and Q3, respectively. The investment rate, which is the ratio of capital formation to GDP, fell to 26.1 per cent in Q3, at least a decadal low. As a result, investments, which used to contribute 35 per cent to the economy in FY13, now contribute only a quarter (26.1 per cent).

While investments have stagnated in the past, a strong and a consistent contraction has happened for the first time in many years. Lowest-ever capacity utilisation in industry, at 69 per cent, suggests little chance of investment revival. Yet, the government expects that gross fixed capital formation will show an uptick in Q4, and a back-of-the-envelope calculation shows it growing at 2.5 per cent in the March quarter. The government expects bumper rabi output, and has factored in a 5 per cent increase in agriculture growth in Q4, sharply rising from 3.5 per cent growth in Q3. In FY20, low private consumer spending growth of 5.3 per cent is set to be compensated by 9.8 per cent growth in government spending. But this rests heavily on revenue mobilisation, which has shown poor growth compared to the previous year.



<u>317</u> 375

300

225

150

75

0

---- Number of investments (RHS)

275 253

Sebi chief Tyagi gets 6-month extension



Ajay Tyagi's extension was approved by the appointments committee of the Cabinet, headed by Prime Minister

SHRIMI CHOUDHARY New Delhi, 28 February

Ajay Tyagi will continue to be the head of India's capital and commodities markets regulator the Securities and Exchange Board of India (Sebi) for another six months. The Centre extended the appointment of Tyagi as Sebi chairman for a period of six months.

This is beyond February 29, 2020, or until further notice, whichever is earlier, the finance ministry said in a notification.

The extension comes on day the benchmark Sensex logged one of its worst-ever crashes amid a

global selloff due to the spread of Coronavirus.

Market players said the extension will given to ensure continuity at a time when heightened volatility has roiled the markets. Tyagi took Sebi

over as chief in 2017 for a three-vear term. Tyagi's

BLOOMBERG

28 February

extension was approved by the appointments committee of the Cabinet, headed by Prime Minister Narendra

Modi. Tyagi's predecessor UK Sinha, who was initially

appointed for a three-year term, was also given multiple extensions. He remained at the helm for six

years from 2011 to 2017. The government initiated the search for Tvagi's successor around January-end It gave only two weeks time till February 11 to file the applications. About a dozen applied for the chairman's post. Department of economic affairs secretary Atanu Chakraborty, current

whole-time member of Sebi Madhabi Puri Buch and corporate affairs secretary Injeti Srinivas were tipped to be the front-runners to replace Tyagi

The government is learnt to have called only Sebi chairman's a few applicants for interview last week. However, due to time constraints, it did not find the right candidate for the post, said sources. Sebi The chairman's position always

chairman GN Bajpai

Biggest sovereign fund raises India bets

10.0

STEADY RISE

Assets (in \$ billion) (LHS)

SACHIN P MAMPATTA Mumbai, 28 February

orway's Government Pension Fund Global, the biggest sovereign wealth fund in the world, has increased its bets on India by 27.2 per cent to \$9.4 billion. This is the highest since 2005. The number of equity investments has also risen. It is up from 253 in 2018 to 317 as of 2019-end.

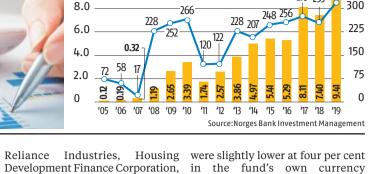
The fund makes annual disclosures on its portfolio. The latest one was out on 27th February, along with the release of its annual report. India was among its largest exposures in emerging markets

"Emerging markets (including frontier markets) accounted for 11.3 percent of the funds equity investments. Chinese equities returned 29.7 per cent in local currency, or 27.6 per cent in the funds currency basket. China accounted for 4.3 percent of the funds equity investments and was its single-largest emerging market, followed by Taiwan at 1.8 percent, and India at 1.2 percent," it said.

SHARING A MEAL

There are 83 companies in the equity portfolio which didn't have a place in the previous year's dis-Infosys, closures, shows an analysis of data from the past two years.

entrants The top new Beverages, include folio's total value. Varun HDFC Life Insurance Company, HDFC Bank, Info Edge India, PVR. IDFC First Bank, Hemisphere Properties India, AU Small Finance Bank, Manappuram Finance, and Godrej Properties. The largest equity hold-



in the fund's own currency Tata Consultancy basket. The currency basket is Services, and ICICI Bank. These five based on currencies in the fund's stocks account for \$2.5 billion, or benchmark indices. Norway set up nearly a quarter of the equity portits sovereign wealth fund after it discovered oil on its territory. The The company also has six Indian income from the fund serves to fixed income investments worth cushion fluctuations in oil revenue. \$2.4 billion. This represents an The Government Pension Fund increase in fixed income invest-Global invests in equity, debt, as

ments in India, as bets last year well as real estate. It owns 1.5 per were worth \$2.1 billion. cent of all shares in the world's Investments in India gave 6.6 per listed companies. The fund has also

ings in the portfolio include cent rupee returns. The returns lately been pushing for more sus- compared to others," he said.

tainable investments, keeping in mind environmental and social issues

Foreign portfolio investors were net buyers by ₹1 trillion in 2019, shows data from depositories, though they have been net sellers in recent days.

The current bout of selling is likely to be from investors with a more short-term horizon, according to Deven Choksey, managing director of KRChoksey Investment Managers. This can be an opportunity for entities like sovereign wealth funds or endowment funds willing to ride out the turmoil. according to him.

"The situation is...more favourable for those investors with money who are planning for (the) long-term," he said.

Jimmy Patel, managing director and chief executive officer at Ouantum Asset Management Company said that people are taking a short-term view for now as there is a scramble for safety. The relative position of India compared to its peers remains intact.

"India looks more attractive as

RIL plans to wind down Venezuelan oil buys in April

REUTERS 28 February

Indian refiners Reliance Industries and Nayara Energy are planning to wind down purchases of Venezuelan oil in April fearing future US sanctions could choke off all avenues to trade with staterun oil firm PDVSA, three

sources with knowledge of the matter said. Such a step by Reliance, which operates the world's biggest refining complex, and Navara - part owned by Russian oil major Rosneft

would severely curtail purchases by one of Venezuela's last big export destinations. India accounted for about a third of Venezuela's oil shipments in January.

The move comes as U.S. President Donald Trump warned in New Delhi this week of an increase in sanctions in a bid to oust Venezuela's President Nicolas Maduro, whose 2018 re-election was considered a sham

by most Western countries. Washington last year imposed tough sanctions on PDVSA that cut off Venezuela from the United States, its biggest customer, and severely curbed trading with other major buyers of its oil, the ment. nation main export

position has been always bureaucrats specifically IAS officers, except on one occasion when former LIC chairman GN Bajpai became the chairman

2002.

J&J ordered by jury to pay \$9 mn in talc-cancer case sure. The trial loss is the second for Kim Montagnino, a company tives knew since the late 1960s that claims just before a trial in state J&J this year over claims the com- spokes woman, said in an emailed talc mined in places such as pany knew some of its talc-based statement. J&J still faces almost Vermont and Italy contained trace products were laced with asbestos 18,000 lawsuits over the 135-year- amounts of asbestos but failed to by a Florida jury to pay \$9 million and hid it from consumers. Earlier old baby powder. A majority of the alert consumers or regulators. baby powder daily starting as a to an 82-year-old woman who this month, a jury in J&J's home- cases allege women who used the Asbestos is often found in mined young child. She was diagnosed

break for lunch at Naveen Niwas, in Bhubaneswar, on Friday

listed ingredients in J&J's haby

court in Manhattan was set to begin. In court filings, lawyers for Laura Shanahan said she used blamed asbestos-tainted talc for town of New Brunswick, New product got ovarian cancer, while talc, but the company says it is with the asbestos-linked cancer in her cancer, the latest court loss for Jersey, ordered the company to a smaller number claim links to removed when processed. The October. Terms of the settlement weren't made public

PHOTO: PTI

sations that it hid the country of origin of oil cargoes loaded

> at Venezuelan ports and later resold in Asia The U.S. set a May 20 deadline for companies to wind down purchases from **Rosneft**

Reliance, a long-time customer of PDVSA, has so far not placed requests for April car goes, one of the sources said. Nayara Energy, partially

owned by Rosneft, is planning to stop processing Venezuelan oil at its refineries after receiving two cargoes that are scheduled for loading in March, two of the sources said.

It will lift no shipments of Venezuelan crude in April "since RTSA (Rosneft Trading SA) was doing all that business and no one else will pick it up," one of the sources said, given

shipping times. PDVSA and Reliance did not reply to requests for comment.

Nayara said it is in compliance with all relevant and applicable US sanctions "We reaffirm our commitment to this position following the recent announcements", it said in an email to Reuters. Rosneft did not immediately respond to a request for com-

The caution over ship ments comes as the United States steps up its pressure campaign action against PDVSA. Reliance, an Indian conglomerate controlled by billionaire Mukesh Ambani, and Nayara have major operational and financial exposure in the United States.

in 2002 has been given to bureaucrats, especially Indian Administrative Services (IAS) officers, except on one occasion when former LIC Union Home Minister Amit Shah with Odisha Chief Minister Naveen Patnaik, West Bengal Chief Minister Mamata Banerjee, Bihar Chief Minister Nitish Kumar and Union Minister for Petroleum & Natural Gas and Steel Dharmendra Pradhan take a

became the chairman in

the company in U.S. litigation over pay \$750 million in punitive dam- mesothelioma. its iconic baby powder.

Johnson & Johnson was ordered

Jurors in Miami concluded on powder used by Blanca Mure-Cabrera over her lifetime contributed to the development of her ity finding and damage award. mesothelioma. David said That type of cancer has been specifically linked to asbestos expo- and was guided by sound science,"

ages to four people. A judge later reduced that award to \$186.5 mil-Thursday that asbestos in baby lion. J&J -- the world's largest as \$10 billion, according to been any asbestos in its baby powmaker of healthcare products -said it will appeal the jury's liabil-

Jagolinzer, one of her lawyers. the decades of evidence showing company for more than a century. number of lawsuits. Earlier this the company acted responsibly

tually cost the company as much Bloomberg Intelligence. Though der and that it marketed the prosmall fraction of J&J's annual reve- fought the claims at trial and on "Today's verdict is at odds with nue, it's been a core brand for the appeal, only settling a small Plaintiffs' lawyers claim inter-

The talc litigation may even- powder are talc and fragrance.J&J which contends there's never

week, J&J agreed to settle a 62nal J&J documents show execu- year-old woman's mesothelioma program."

"The decision to resolve any particular case in no way changes our overall position that our talc is safe, is asbestos free and does not baby powder accounts for only a duct properly -- has steadfastly cause cancer," Montagnino said in an emailed statement. "We do not have any organized program to settle Johnson's baby powder cases, nor are we planning a settlement

Venezuela's once-strong petroleum industry has withered amid a years-long economic crisis.

After several months with little action, the White House this month added Rosneft Trading SA, the Geneva-based unit Rosneft, to its list of sanctioned companies over accu-

Railway Board commissions survey to establish Mujnai-Nyoenpaling line

the

PRESS TRUST OF INDIA 28 Februarv

The Railway Board has commissioned a survey to establish the Mujnai - Nyoenpaling line that will provide a crossborder rail link between India and Bhutan, an official statement said on Friday.

Minister of Railways, and Commerce and Industry Piyush Goyal is in Bhutan, heading a business delegation in connection with the Bhutan - India Start-Up Summit 2020. said a team from Indian

Railways will visit the neighbouring country on Saturday to hold discussions with the State Mining Corporation of Bhutan on finalising an MoU for export of railway ballast from Bhutan to India.

India, Gandhinagar, Gujarat. The two sides also discussed designation and notification of new transit cuspackaging and branding, 30 toms stations at Jogighopa, Bhutanese entrepreneurs to forge stronger future busi-Pandu and Agartala. An and start-ups will undergo ness engagement across all agreement on making the hands-on training at the sectors.

land customs station at Indian Institute of Packaging. The commerce ministry Nagarkatta as a permanent It said that India will comcustoms station was also dismission a feasibility study for cussed. Further. India will be setting up fully sponsoring training of Entrepreneurship Development Institute in 100 Bhutanese trainers and Bhutan. Prominent business youth on entrepreneurship at

personalities, think tanks and academics will ideate, debate and collaborate on the identified themes during ment of capacity building in Start-Up Summit in Bhutan on Saturday with an objective

Power Minister dedicates 11 renewable energy management centres to nation

Entrepreneurship

Development Institute of

In light of the require-

Power Minister R K Singh on Friday dedicated to the nation 11 Renewable Energy Management Centres (REMCs) for renewable energy integration. Singh also inaugurated the Northern Region Renewable Energy Management Centre (NR-REMC) at a function here. "On the occasion, the Minister dedicated to the nation, eleven REMCs, placing India among a league of few nations, which have state-of-the-art management centers for renewable energy integration," a power ministry statement said.

Speaking on the occasion, Singh congratulated all those who planned the Green Corridors and REMCs and said that they are showing more vision than that shown by Europe and US when they started renewable energy management.

The government's target of 175 GW renewable energy (RE) capacity by 2022 poses challenges to grid management due to intermittent and variable nature of RE generation.

The REMCs are equipped with artificial intelligence-based RE forecasting and scheduling tools and provide greater visualisation and enhanced situational awareness to the grid operators. The REMCs are co-located with the State Load Dispatch Centres (SLDCs) in Tamil Nadu, Karnataka, Andhra Pradesh, Maharashtra, Madhya Pradesh, Gujarat and Rajasthan; and in Regional Load Dispatch Centres (RLDCs) at Bengaluru, Mumbai and New Delhi; and at the National Load Dispatch Centre (NLDC) here. Presently, 55 GW of renewable power (solar and wind) is being monitored through the eleven REMCs. PTI





A paramilitary soldier stands guard outside a chemist at a riot-affected area in New Delhi on Friday

PHOTO: RELITERS

Delhi death toll at 42 as city searches for peace

PRESS TRUST OF INDIA New Delhi, 28 February

20

he death toll in the Delhi's communal violence has gone up to 42 now with four more fatalities being recorded at the city's GTB Hospital on Friday, officials said. The number stood at 38 till Thursday.

Nearly 7,000 paramilitary personnel have been deployed in the affected areas of the northeast district since Monday to assist hundreds of Delhi police men and women to maintain peace.

More than 250 people have been injured in the communal clashes. The areas mainly affected include Jafrabad, Maujpur, Chand Bagh, Khureji Khas and Bhajanpura. A total of 148 FIRs have been registered and 630 people have been either arrested or detained so far in connection with the northeast Delhi communal violence, the Delhi Police spokesperson said on Friday.

Delhi Police spokesperson Mandeep Singh Randhawa said forensic science laboratory (FSL) teams have been called in and the crime scenes are being revisited. Of the total cases, 25 cases have been registered under the Arms Act, police said.

The Delhi High Court directed the AAP government and the police on Friday to ensure that there is no breach of security at board exam centres in northeast Delhi. The Court also sought response of the Centre and the AAP government on a PIL seeking National Investigation Agency probe under the unlawful activities law UAPA into the violence in northeast Delhi over the Citizenship (Amendment) Act.

The US has urged India to "protect and respect" the right to peaceful assembly of people and hold accountable those perpetrating violence following the Delhi riots over the amended citizenship act, saying that Washington has raised the issue at the highest level with New Delhi.

Meanwhile, Congress president Sonia Gandhi deputed a five-member team to visit the riot-affected areas and submit a report to her after assessing the situation there.

The city government schools which were closed in view of violence in Delhi will open on Saturday for principals and staff to assess the current situation. officials of the Directorate of Education said schools were earlier announced to be closed till February 29. The situation is peaceful but there is "tension in the air", National Commission for Women chairperson Rekha Sharma said after a visit to Jafrabad, one of the worst affected areas in the riot-hit northeast Delhi, to look into the condition of women.

VOICES

"THE GOVT IS DISTRIBUTING ₹25,000 AS PART OF COMPENSATION TO THOSE WHOSE HOUSES HAVE BEEN BURNT. WE HAVE SET UP 9 SHELTERS FOR THE **RIOT-AFFECTED PEOPLE AND HAVE APPOINTED 18 MAGISTRATES & 4 NIGHT MAGISTRATES"**

ARVIND KEJRIWAL, DELHI CM

"OPPOSITION PARTIES ARE SPREADING MISINFORMATION THAT MUSLIMS WILL LOSE THEIR INDIAN CITIZENSHIP BECAUSE OF THE CAA. THEY ARE INSTIGATING PEOPLE AND FOMENTING RIOTS"

AMIT SHAH, UNION HOME MINISTER

NEW COMMISSIONER TAKES STOCK 'Will ensure people feel safe'



Senior IPS officer S N Shrivastava, who was this week appointed the special commissioner of Police (Law and Order), Delhi Police, has been given the additional charge of Delhi Police commissioner, with effect from Sunday, an official order said. Shrivastava, a 1985batch IPS officer, will take charge from incumbent Amulya Patnaik, who demits office on Saturday.

He said, "My primary job will be to ensure that there is a feeling of security and people should also feel police are there for them." Shrivastava will hold the additional charge of the Delhi Police commissioner with effect from Sunday and until further orders, the order issued by the Union Home Ministry said. PTI

UK fast-track for brightest & best

ASHIS RAY London, 28 February

An Indian holding a PhD in a STEM subject (science, technology, engineering, and mathematics) and fluent in English, with a salary offer of £25,600 or above in a high skill-cum-shortage area, is likely to be immediately granted a five-year work visa by Britain under a "Points-based Immigration System", which is scheduled to come into effect on January 1 next year.

The qualification would obtain for an individual 110 points, where 70 points is enough for a person to be eligible to apply for residence in the United Kingdom.

Making a statement on the subject in the House of Commons, British Home Secretary Priti Patel said "it will enable the UK to become a magnet for the brightest and the best". She will in due course introduce a Bill to render into law the proposed system. Given the size of Prime Minister Boris Johnson's government's majority, the legislation should have no difficulty in entering the statute.

However, what is seen as good news for high-skilled Indians - together with a reformed "Global Talent" route for leading scientists, researchers, and mathematicians - could be expensive at approval stage. The London-based Institute for Government (IfG) thinktank estimates a work visa under the new scheme would cost £1,220 per person or £900 if he or she is filling a vacancy in a shortage sector.

A family of five with a five-year work visa for one individual would, according to the IfG, have to pay $\pounds 21,299$ before it enters Britain. For the primary applicant the charge would be $\pounds 3,220$, with spouse £6,500. This would include a £400 health surcharge per person, since the migrants — not even doctors and nurses in the National Health Service (NHS) - would not be entitled to free health care as nationals and residents of the UK are. The price tag is said to be double the cost of settling in Australia. Canada charges about £710 and Germany around £760.

The general salary threshold, though, is being reduced from the current £30,000 per annum to £25,600 per annum. But remuneration offers as low as £20,480 will be considered to address inadequate manpower in critical areas, including the NHS.

The Australia-type system will also govern international and therefore Indian students. If they can demonstrate they have admission in principle



FACT OF THE MATTER

- A work visa under the new scheme would cost £1,220 per person or £900 if he or she is filling a vacancy in a sector that has shortage
- The general salary threshold, though, is being reduced from the current £30,000 per annum to £25,600 per annum
- Interestingly, the education threshold will be reduced to A-level (or High Secondary School Certificate) from degree level
- The scheme appears to be more attractive to a single person or a young couple than a family

BRIC seekers of UK golden visa double from 2015 despite Brexit

The number of Brazilian, Russian, Indian and Chinese citizens willing to invest at least £2 million (\$2.6 million) in the UK for a so-called golden visa has almost doubled since 2015, even as the push for Brexit continued.

A total 239 BRIC applicants were recorded in 2019, comprising 64 per cent of the global aggregate, according to data from the UK Home Office compiled by Shard Capital Partners LLP. China (including Hong Kong and Macau) accounted for the bulk of these at 193. "The withdrawal of UK government

at a recognised educational institution, speak English, and are able to support themselves during their studies, they will secure the necessary points and thereby qualify for a study visa. Besides, after they graduate, they will also be permitted to stay in the UK for a further two years to work or look for work.

Interestingly, the education threshold will be reduced to A-level (or High Secondary School Certificate) from degree level. But competence in English will be a key requirement, advantageously fetching 10 points in the application process.

Responding to Patel's statement, opposition Labour party spokesperson Bell Ribeiro-Addy described the salary threshold as "damaging". She added: There is no such thing as low-skilled work; just low-paid work."

She went on to allege the need to speak good English was "dog-whistle politics". She asked: "Do the governbonds as a qualifying investment has seen a shift in applicants investing into managed U.K. corporate bond portfolios of mainly investment-grade bonds," Farzin Yazdi, head of investor visa at Shard Capital, said by email.

ATier1Investorvisa allows individuals to live in the UK for a maximum of 3 years and four months but they can't avail public funds. Those who want to settle in the country can do so after two years by investing an additional 10 million pounds. BLOOMBERG

ment also intend to block the recruitment of scientists, mathematicians and IT specialists, for example, if they have less-than-perfect English?"

She also sought assurances that the work visas would not be tied to specific employers. And pointed out: "Otherwise, the Government will be creating conditions of bonded employment, where the threat of dismissal implies the threat of deportation."

Patel did not specifically reassure Ribeiro-Addy. Instead, in a feisty exchange she said: "The honourable lady was obviously conflating several issues with a new immigration system that, as I have clearly outlined, is a phased approach that focuses on skills, not on aspects of family reunion, benefits, welfare or access to public funds.'

In short, on the face of it, the scheme appears to be more attractive to a single person or a young couple than a family

Delhi Police Commissioner S N Shrivastava and Lt Governor Anil Baijal (right) inspect Maujpur Chowk area of northeast Delhi PHOTO: PTI

PULWAMA ATTACK NIA arrests JeM operative

sive materials to JeM terror-

Magrey further revealed

He was produced before

rogation. Further probe was

Mohammad Umar Farooq in

explosive device (IED).

In a major breakthrough, the on several occasions he col-NIA arrested on Friday an lected and delivered arms, operative of Pakistan-based ammunition, cash and exploterror group Jaish-e-Mohammed (JeM) for his ists, including those involved alleged involvement in the in the Pulwama attack, the Pulwama terror attack last NIA said.

vear, officials said. Officials said that 22-year- that he had harboured Dar old Shakir Bashir Magrey, a and Pakistani terrorist furniture shop owner and resident of Hajibal, Kakapora in his house from late 2018 till Pulwama, had provided the attack in February 2019, shelter and other logistical and assisted them in the assistance to suicide-bomber preparation of the improvised Adil Ahmad Dar.

Magrey was introduced to Dar in mid 2018 by Pakistani the NIA Special Court at terrorist Mohammad Umar Jammu on Friday and Farooq and he became a full- remanded to 15 days in NIA time overground worker custody for his detailed inter-(OGW) of the JeM.

During his initial interro- underway. gation, Magrey disclosed that

PTI

SEDITION CASE Delhi govt gives nod to prosecute Kanhaiya

The Delhi government has given a go-ahead to the city police to prosecute former JNUSU president Kanhaiya Kumar and nine others in connection with a four-year-old sedition case, as the ruling AAP denied the persistent BJP charge of blocking the proceedings in the matter.

AAP MLA and spokesperson Raghav Chadha said the Law Department of the Delhi government has given its opinion on this matter to the Home Department after due diligence.

The sanction was granted by the Delhi government on February 20, he said.



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RELITER



29 FEBRUARY 2020

The data problem

Census officials at a village in 2010. The big worry ahead is how the fear of the Citizenship (Amendment) Act and the National Register of Citizens will affect the mammoth exercise required for Census 2021

State of affairs

Surveyors beginning work on Census 2021 face an uphill task in a time of deep distrust of the state, writes Somesh Jha

e have been living in this house for 90 years. We are citizens of this country. You know the situation right now. Who will answer your questionnaire?" a resident of Malakpet in Hyderabad is seen telling two women surveyors in a video that went viral on social media on February 26.

The surveyors tell him they are collecting data only on tourism and related matters for the National Statistical Office (NSO), a central government body that has been conducting surveys since the 1950s. But the man stands his ground: "Whenever you come later, you can call me up. You are like my sisters. But only when this chaos gets over. I request you to not collect any data in this area until then."

There is fear, suspicion and anxiety among people in different parts of the country since the Citizenship (Amendment) Act, or CAA, came into force on December 11, 2019. The law, which seeks to grant citizenship to non-Muslim victims of religious persecution from Pakistan, Bangladesh and Afghanistan, has triggered worries that if the government also brings in the National Register of Citizens (NRC), the fate of India's own Muslims might become uncertain. Such is the fear that any exercise to collect any kind of data is meeting with stiff resistance, especially in areas dominated by minority communities.

The NSO began a socio-economic survey in January for the calendar year of 2020. The 78th round of the survey on "domestic tourism expenditure" and "multiple indicators" aimed to map for the first time the various indicators that need to be worked on to achieve the United Nations' Sustainable Development Goals for 2030. This required collecting information that ranged from housing facilities to access to schools and hospitals, as well as the migration patterns of citizens.

Ever since the survey began, the NSO

headquarters in New Delhi has been receiving frantic calls and complaints from regional offices across the country. The complaints range from an enumerator being locked up in a house to another being surrounded or even assaulted by people who feared that the data being collected would be used for determining their citizenship.

An expert committee, led by National Statistical Commission (NSC) member G C Manna, had thought its job was done when it designed the survey and approved it for fieldwork. But the committee had to meet for an urgent brainstorming session on February 19 to decide the fate

of the survey. It was present-**EVER SINCE** ed with evidence of attacks **THE SURVEY** on surveyors from Uttar **BEGAN, THE NSO** Kerala, Maharashtra, Bihar and **HEADQUARTERS** Karnataka. In worst affected **IN NEW DELHI** West Bengal, fieldwork for all **HASBEEN** ongoing household surveys RECEIVING had to be halted to ensure the safety of data collectors. **FRANTIC CALLS** "The lives of surveyors are

FROM REGIONAL more important than the survey. We have received the OFFICES most complaints from the

northern region of Bihar, which shares a border with Nepal," says an NSO official from Bihar.

The committee recommended deferring the survey till the situation normalises. Until then, the government has been advised to spread awareness through advertisements to assure people that the data from these surveys will be used for policymaking and not to determine or take away citizenship.

 $T^{\rm he\ resistance,\ meanwhile,\ is\ not}_{\rm restricted\ to\ suburban\ or\ rural\ areas.}$ In Delhi, when enumerators approached a residential complex in Mayur Vihar last month, they were met with suspicion. The data to be collected was related to the

Economic Census, a routine exercise that has been going on for years. Before responding to the field officers, residents called up government officials and journalists to verify the authenticity of the exercise.

"As a precaution, we have started informing the police station in the area concerned about the survey before beginning the fieldwork," says Supriya Roy, deputy director general at NSO's Mumbai office. "This ensures that the police are aware of the exercise in case they receive a complaint from locals."

She adds that surveyors too have been instructed not to pressure people to participate in the surveys, and

to return if they sense resistance.

That the 78th round of the NSO survey also has some questions on migration is not helping. These are some of the questions that are making people wary: Did the household member ever stay continuously in the same town or village for more than six months? What was the last place and country of residence? What was the main

reason for which the household member left the previous place? Which documents from the previous place of residence does the person have?

"The NSO surveys are crucial for policymaking. They are not used for any other purpose," Roy says. "In fact, the personal data of the citizens are masked while preparing the findings of the survey reports."

Not all surveys are conducted by NSO staff. Some are outsourced. For instance, the annual Periodic Labour Force Survey, which first began in July 2017, has mostly contractual staff collecting data. "They feel more insecure as it's a temporary job and they are comparatively inexperienced," says an NSO official.

In Thiruvananthapuram, the NSO held a

press conference on February 24 to clear the air on the ongoing surveys. "We are doing our best to spread the message that these surveys have no link with other exercises of the government," says Sunitha Bhaskar, NSO deputy director general in Thiruvananthapuram. "We are facing problems in conducting all the surveys. In some pockets, we have even decided to defer data collection as surveyors were being shown the door."

The big worry ahead is how the fear of L CAA and NRC will affect the mammoth exercise required for Census 2021.

Data collection for the Census, which is conducted every 10 years under the home ministry, is scheduled to begin in April. In the first phase, the enumerators will go to different households and number them. In the second phase, starting February 2021, a headcount will be taken.

Training for the Census has started in all the states, and the same field officers will simultaneously also update the National Population Register (NPR). This is being done to save costs.

"It will become difficult for citizens to distinguish between the NPR and Census. As a result, the quality of information might get affected with the high likelihood of resistance from households," says former NSC Chairman PC Mohanan. Mohanan had quit the NSC in January 2019 after the government delayed the release of the Periodic Labour Force Survey, which showed the unemployment rate touching a 45-yearhigh of 6.1 per cent in 2017-18.

The Census Act of 1948 states that the information collected through this exercise can be denied to even a court of law; that's how secret it is, says Mohanan. "If the government decides to withdraw the NPR and conduct the Census separately, it may instil some confidence in the people and protect the integrity of the exercise," he adds.

Kerala

n January 6, T V Susan, a 52-year-old anganwadi teacher from Edathala in Ernakulam, was going from house to house for a family survey for the state government's Sampushta Keralam Programme that aims to ensure nutrition to children below six. Over the days she had covered more than 100 houses, many of them belonging to Muslims, without a hiccup. She was at her 120th house, speaking with an adolescent, who was the only one home at that time, besides a small child. Suddenly, a young man from the neighbourhood arrived on the scene and objected to her taking down the details. He wanted to know why the government wanted this information and whether it would be used for CAA or NPR.

Susan, an anganwadi teacher for 29 years and a former member of the Edathala panchayat, knew the man and his family well. She answered all his questions and then asked him to leave and let her carry on with the duty assigned to her. He did, but soon returned with a group of 40-odd people. She had by now reached the next house. They started shouting at her and tried to snatch her mobile phone, given to her by the government to collect the information, and tried to delete the data. They also threatened her. She called her office, which asked her to turn back. Soon, videos of this incident went viral and, before the end of the day, people were divided into two groups: one for and the other against collecting information of any kind.

The anganwadi workers say they approached the police for protection so that they could continue their task, but the police allegedly did not act. They allege that neither the Social Justice Department nor the panchayat helped, and for a month nobody from the anganwadi went to the area. But since they were told that the survey had to be completed by the end of February, the teachers say they have been trying to get the information without endangering their lives.

Susan, who is the state treasurer of the Anganwadi Workers and Helpers Association (affiliated to the Centre of Indian Trade Unions, or CITU), says, "It is sad. We are just doing our duty and it is for the welfare of the people."

While the Kerala government has vehemently opposed CAA and NPR and has said that it will not collect data for these, people are anxious. More so as the Sampushta Keralam survey seeks information about the caste and religion of the residents. An anganwadi teacher, who was locked up in her office by residents, says in some minority-dominated areas of Thiruvananthapuram people have put up boards outside their houses declaring that anganwadi teachers are not welcome. Teachers have been asked to stay away and some have been manhandled and their mobile phones snatched.





Pradesh.





TALKING POINT



SHUMA RAHA

A victory for #MeToo

arvey Weinstein's conviction in New York earlier this week for a criminal sexual act in the first degree and third-degree rape was a moment of vindication for the more than 90 women who had alleged that he had sexually harassed them. Though the disgraced Hollywood mogul was let off on the more serious charge of first-degree rape, and will doubtless appeal the court's decision (he faces up to 25 years in prison), Weinstein's conviction is a landmark event in the evolving trajectory of the #MeToo movement.

#MeToo's perfect storm was sparked, ironically, by none other than Weinstein himself. In October 2017 The New York Times did a detailed story on allegations of sexual misconduct against Weinstein. And at once, legions of women started coming forward with their own harrowing tales of being harassed, groped, assaulted or even raped by the big daddy of Hollywood, who, for decades, had taken advantage of his power to make or break the careers of young actresses by treating them as his prey. This is turn seemed to flip a switch in women the world over - they now felt that they too needed to tell their stories, they too needed to end their petrified silence and call out the men who had used their power and position to sexually abuse and exploit them.

Since then, #MeToo has felled many a man. Men who had gone about demanding sexual favours from women in the workplace, confident that their gender and influence would protect them from blowbacks, were suddenly being held to account. The cultural shift was nothing short of seismic. Women were breaking out of generations of social conditioning that taught them not to talk about unwanted sexual attention from men. And men were waking up to the uncomfortable reality that they could never again rely on



Harvey Weinstein's indictment is a landmark event for the #MeToo movement

a female colleague or subordinate to keep mum after being subjected to sexual intimidation. which, one hoped, would make them think twice before behaving like sex pests.

Retiring, not quitting

CHRISTOPHER CLAREY

To understand why Maria Sharapova is retiring from professional tennis at age 32, it helps to know what she can no longer endure. "I look at photos of myself and of the motion where I'm just about to hit the ball, and I'm in the air or just as I'm making contact," she said, "and I can't even look at it because it makes me cringe. I have so much pain."

The pain has been a near-constant companion over the last two years for Sharapova, a former No 1 player who became one of the richest and most globally recognisable athletes of the 21st century but who found herself unable to return to the top of the game after a suspension. Since then, she has dealt with recurring tendon damage in her right shoulder and inflammation in her forearms.

She was suspended in 2016 for using meldonium, a drug that Sharapova said she had been taking for years because of a magnesium deficiency, dizziness and a family history of diabetes. She claimed to be unaware that meldonium had recently been added to the World

Anti-Doping Agency's list of banned substances

There will be no farewell tour. "I don't feel I need to go on the court for the entire world and every fan to know that this is my last time on the court," Sharapova said.

Sharapova said she knew it was time to retire as she flew home to Los Angeles from Australia. Kobe Bryant's death in a helicopter crash on January 26 made it even clearer. "We were supposed to see each other like three days after the crash," said Sharapova, who explained that Bryant had been an "incredible sounding board" throughout her career.

A 6-foot-2 Russian who punctuated her flat groundstrokes with piercing shrieks, Sharapova made one of the most extraordinary journeys in sports. If not for the Chernobyl nuclear disaster, she would surely not be a tennis star. Her parents, Yuri and Yelena, were living in Gomel in present-day Belarus in April 1986 when the reactor exploded in nearby Chernobyl. They eventually fled to Nyagan in distant Siberia to live near family. Sharapova was born there in April 1987, but Yuri soon moved the family to



Maria Sharapova

sunnier Sochi on the Black Sea.

In 1993, when Maria was six and post-Soviet Russia was in turmoil, she and her father moved to Florida with less than \$1,000 in Yuri's pocket. It was a wild gamble. Sharapova, who was separated from her mother for more than two years because of American visa restrictions, showed remarkable steel, drive and talent as she worked her way to the top at IMG Academy in Bradenton, Florida.

Sharapova became a global star in 2004 by winning Wimbledon at age 17, upsetting top-seeded Serena Williams in a hard-hitting final. She won five Grand Slam singles titles in all, including the United States Open in 2006, the Australian Open in 2008 and the French Open in 2012 and 2014, despite clay being her least-favoured surface.

"I feel like a cow on ice," she said, demonstrating a wit that was often impossible to detect on tour as she slammed no-nonsense winners and avoided forming bonds with her peers to maintain a competitive edge

She won 36 tour singles titles in total, an Olympic silver medal in singles in 2012 and the Fed Cup title with Russia in 2008. She was ranked No. 1 for the first time in August 2005 and spent 21 weeks in the top spot. She was the world's highestearning female athlete for 11 consecutive years. She earned the majority of her income in endorsements from companies like Nike and Evian, started her own candy company and reportedly earned close to \$30 million in 2015.

It is time now for new challenges and pleasures - for more time with her boyfriend, the British businessman Alexander Gilkes, and for her plans to study architecture later this year as well as focusing on growing her candy businesses.

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Pushingthe envelope

With his solo project, Lifafa, and his band, Peter Cat Recording Co, Suryakant Sawhney is both loner and team leader. Amrita Singh on the man whose experimental indie music has become essential listening for the woke youngster of today





Harvey Weinstein's indictment is important because it sends out the message that a sexual predator can be brought to justice even if the crime occurred years ago, when the victim did not have the courage or the agency to speak out. However, mighty as he was, Weinstein was the easy one. Once he had been outed as a serial sexual aggressor, and outed by a flotilla of women, including such influential stars as Ashley Judd, Uma Thurman, Gwyneth Paltrow, Salma Hayek, Angelina Jolie and others, Weinstein's retribution was more or less assured. Unfortunately, in most other cases, the road to justice is proving to be long, complicated, and uncertain. And #MeToo notwithstanding, the powerful are continuing to find ways to silence complainants.

In India, where the movement gusted ferociously in 2018, many of those accused of harassment have segued back into male-dominated workplace power structures. Others, such as former Union minister M J Akbar, who was called out for alleged harassment by several of his erstwhile colleagues, have resorted to criminal defamation suits to intimidate accusers. Recently, the son of a prominent person with links to the ruling party obtained a court order to take down all references to allegations of sexual misconduct against him that appeared in the media and social media. R K Pachauri, the environmentalist who had a long-running sexual harassment case against him, died this month - before the country's infernally slow legal system could punish him for his alleged crimes.

There is no doubt that #MeToo is fraught with contextual complications. It involves questions of consent that are hard to legally ascertain since a woman's apparent acquiescence may be influenced by the unequal power dynamic of the relationship, that is to say, when she is in a subordinate position to the man - socially, at the workplace, or in academia. There is no doubt, too, that a woman may maliciously accuse a man of harassment even after a consensual encounter, amplify it via social media, and potentially destroy him. But then anything is open to abuse. #MeToo is a work in progress, its contexts and contours are still being defined. And it's worth staying the course because the movement has given women a voice and dented the male sense of impunity. The guilty verdict on Harvey Weinstein is a powerful milestone in that journey.

Shuma Raha is a journalist and author

Peter Cat Recording Co dressed in kurtas for a band performance

uryakant Sawhney looks every bit the archetypal "artist". With his lanky frame, mysterious aura and brooding eyes, the 32-year-old musician has become the face of the indie music scene. He spearheads two widely acclaimed and musically diverse projects - the Peter Cat Recording Co (PCRC) and Lifafa. While the former is a Delhi-based jazz band, the latter is a solo electronic music project.

Music wasn't always his first choice of artistic expression. Sawhney was studying animation in San Francisco when he decided to take the plunge. "In 2010, it became clear that I would never have enough money to make films and so music felt like a good way to start my journey," he says. However, he didn't entirely abandon his love of film and cinematic aesthetics. Each of his songs almost requires you to close your eyes and work with the imagery created by the powerful, philosophical lyrics.

Sawhney was born in Gurugram and spent a major part of his childhood aboard a commercial ship that sailed around the Mediterranean as his father was in the merchant navy. When he lost his father as a young teenager, he moved back to live in Gurugram with his mother. His musical roots had been established by then, as his early years were spent in a family that gave ear to both Western and Indian music. His mother was an ardent bhajan singer while his father introduced him to Western music. The result: a musician inspired by a wide-ranging pantheon of musical greats, from Mohammed Rafi and Mukesh to Dean Martin. "I'm clearly a product of two worlds colliding," says Sawhney as the music he creates, both with his band and as Lifafa, is marked by its ability to experiment with a diverse mix of genres, sounds and even languages.

His musical journey began with the Peter Cat Recording Co in 2009 (the name was birthed in Kolkata's famous Peter Cat restaurant). Sawhney is lead vocalist and guitarist, Karan Singh plays the drums, Dhruv Bhola the bass and samples, Rohit Gupta the keyboard and trum-**HINDILYRICS** pet, and Kartik Sundareshan **ARE NO BAR** Pillai plays everything from the keyboard to the guitar and manages electronics. The band released its first album titled **APPEALOF** Sinema (here's the cinematic motif) two years later. The song "Pariquel" was later adapted in Hindi as "Jaanam" for Dibakar **ELECTRONICA** Banerjee's film Detective Byomkesh Bakshy! (2015).

Sawhney is an old-school singer, one whose deep voice is impressive, moving and expressive. The lyrics, almost always in English, are melancholic, but set to cheerful, often foot-tapping melodies and rhythms. His music, while inspired by jazz, rarely sticks to the genre and has elements of rock, synth, electronica, and gypsy music (this is not an exhaustive list).

From performing at restaurants in Delhi's Hauz Khas village to creating live music in Paris in 2019 at Rock en SeIne, PCRC has come a long way. Their latest album, Bismillah, was

released in June last year and is one of their smoothest and most accessible albums, catapulting the band into unmatched indie popularity. PCRC's tracks have become essential music for the woke and hip youngster. A large crowd attended their gig in October 2019 to celebrate the success of Bismillah in Delhi at Qla, a large, upscale restaurant that overlooks the Qutb Minar.

Sawhney's "artistic process" is almost classically chaotic. "I always archive or

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record little fragments of ideas or melodies which come to me and at some point in time, they transform into songs. A part of my brain is constantly thinking about music, I suppose." His unstructured musical methods found a new avenue in electronic music, in Lifafa. Sawhney chose the name — *lifafa* means "envelope" in Hindi - also because it refers to "enveloping" in electronic music, which is the

way a sound rises and decays over time. The scattered, spatial electronic music might have been a little too experimental for Indian audiences when it first launched in 2015. But in January last year, Sawhney dropped his self-produced album Jaago onto unsuspecting listeners and somehow found instant popularity. Overtly political Hindi lyrics, old Indian pop-inspired sounds, lowfidelity production quality (in which elements usually regarded as imperfections of a recording or a performance are audible) and natural, relatable sounds such as the sound of traffic, suddenly made him an "it" artist.

Sawhney has taken inspiration from major British electronica artists Burial and James Blake but has made Lifafa a homegrown project that steers clear of exoticising a bygone era of Indian music. One of the album's songs, also called Jaago, is almost a political anthem that begins with "Doob raha hai yeh desh" (This country is drowning). It is a hard-hitting, groovy beast of a song that even people who dislike electronica are drawn to.

Hindi lyrics are no bar to the global appeal of his kind of electronica. "Lifafa, of course, works best in India, considering the language and context, but I've had some fantastic shows abroad with it, including one in Portugal where a couple decided to get married during my performance and then asked me to announce it for them," he says. As both PCRC and Lifafa have managed to appeal to niche and mass audiences in India and abroad, Sawhney can focus on writing new music and traversing the world to connect with people and cultures through his music while French-label Panache and Indian-label Pagal Haina manage marketing and promotions.

On being asked what he likes more, being the frontman of PCRC or being Lifafa, Sawhney says creating live music and travelling with band mates is always more fun, even though Lifafa is a project that he can call his own. "While PCRC has grown up in India, I do feel it is something meant for the entire planet and not just here. That is the real goal of the project, to become something transcultural and transnational."



CLASH OF TITANS: Shivaji in the court of Aurangzeb, in a painting bv M V Dhurandhar

Classic collaboration

The story of how three historians came together to write The Fall of the Mughal Empire offers important new perspectives of a little-covered era, writes Aakar Patel

> his is a work about three historians, Sir Jadunath Sarkar (died 1958 just a few months short of 90), GSS ardesai (who died the next year aged 95) and the much younger Raghubir Sinh, heir to Sitamau in Malwa (who died in 1991). This $book has biographies of the three \,men\,as\,well\,as$ glimpses into the sort of history they wrote. It is elegantly conceived and written.

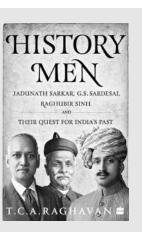
Before Sir Jadunath, the history of India was told to us by British historians to a large extent. Especially the amateur Indologists who came and dabbled in works that were untouched and untranslated for centuries. Babur wrote in a form of Chaghtai Turk that was unusual; the later Mughals wrote in Farsi. Baburnama was translated by a woman named Annette Beveridge in the 20th century, 400 years after it was written. Once it was clear that the British LOOKING FOR would leave India, this source of translation and examination began drying up. Absent Sarkar, it would not have been easy or **BAKED INTO OUR** even possible for the critical **POLITICS, YOU** years after Aurangzeb WOULD DO WELL to be written about. The last such work was **TO GO THROUGH** written by Sir William Irvine, **THE PAGES OF** who begins his book Later **THIS WORK** *Mughals* with the squabble between Aurangzeb's four sons and takes it to the raid by the Persian king Nadir

to be put together differently, from material sourced from the field.

Aurangzeb died in 1707, having spent half his 50-year reign south of the Narmada (what is called Dakhan) trying unsuccessfully to subdue smaller rivals, especially Shivaji and the Marathas. The last of the great Mughals left behind an army for which salaries were about three years in arrears and dependent on the province of Bengal, also comprising Bihar and Orissa, to send in its revenues to pay off the bills. This means that there was a great deal of paperwork that wasgoing around *— hundis*, letters, diplomatic couriers all of which have gone into writing Sir Jadunath's works.

The three men came together to weave the history of Indiathat

IFYOUARE required more



HISTORY MEN JADUNATH SARKAR, G S SARDESAI, **RAGHUBIR SINH** AND THEIR QUEST FOR INDIA'S PAST

Author: T C A Raghavan Publisher: HarperCollins,

dies towards the end of his life, losing most of his family. The chapter on Sardesai is also quite moving. He was more a popular historian, focussing on Marathi works. For most of his life he was employed by the great Maharaja Sayajirao Gaekwad III of Baroda, who funded BR Ambedkar's studies in Columbia. When he retired, which happened because he wanted to pursue his research and writing over the tutelage of the Baroda family, the king cut his pension by half, Raghavan tells us. Though it was restored many years later by the next king, the arrears were never settled.

Let us turn to the work that was produced as a result of the joint efforts: Sir Jadunath's The Fallof the Mughal Empire. It remains the classic work of Indian history that should be made compulsory in all of our

VERSE AFFAIRS



UTTARAN DAS GUPTA

Root poetry

n the helpful note that Sharmistha Mohanty adds at the end of this slim volume under review, she writes: "One of the inspirations for this book was the Rig Veda, which historians date from approximately 1200-900 BCE. ... The Rig Veda is the oldest religious and spiritual text still in use and it forms the basis of what was later called Hinduism." She adds: "At the time when the Rig Vedic hymns were composed there was a belief that new hymns must continually be made for use in rituals and worship." On reading this, one might imagine this book to be a continuation of this tradition.

The structure of the book demands a few words. It is unlike most others you might have encountered. The contents page lists 58 poems, but the individual lyrics do not identify themselves with a title. While reading it, one might imagine they form a sort of continuum - and perhaps, that is the intended effect. In a lesser poet, this experimentation might have hazarded failure; Mohanty not only manages to pull it off but does so with great craft.

The poems themselves are not greatly accessible; there is no obvious structure and the linguistic callisthenics Mohanty chooses to perform make the lyrics as different from conversational speech as one can hope poetry to be. (I was constantly reminded of dialogue in Absurdist plays.) A reader can choose to go backward and forward, trying to make sense of it by looking at the endnotes the poet has provided. Or they might do what I chose to do: to surrender to the river of beats and sounds that this book of hymns succeeds in becoming.

Sound - especially of the human voice was celebrated in classical literature and literary theory. Since one of the inspirations for Mohanty's book is the Rig Veda, it is perhaps helpful to read out the poems, enunciating the words, allowing their rhythms to take shape on one's tongue, in one's throat. Isn't the best poetry supposed to be oral anyway?

One of my favourite poems in the book begins with the lines: "Paddy fields / earth



marked by ploughs / us, us." The duo "us, us" keeps recurring in this short poem — no longer than a page - like a refrain. It is a sort of claim to consciousness, like a

Shah three decades later. Sir Jadunath's The Fall of the Mughal Empire is like a continuum to this work, much like Xenophon's is to Thucydides meaning, similar in style and narration. I learned only through this book by TCA Raghavan that it is because Sir Jadunath finished, edited and probably rewrote Sir William's work.

Sir Jadunath was an academic whose fame came because of his definitive biography of Aurangzeb. Babur and Jahangir wrote their autobiographies. Humayun, who had a brief reign, was profiled by his sister Gulbadan Begum and Akbar was documented by Abul Fazl and also privately by Badauni. Shah Jahan was highly secretive but there is a visual history of his called the Padshahnama that survives. Aurangzeb had a half-century reign that was spent out of the court and mostly on the field. This means that his history needed

than one particular form WHETHER of expertise. Sir **VENALITY IS** Jadunath was obviously the moving force in this

enterprise. He had Persian and a wonderful English. Sardesai was valuable because he provided documentation from the long Maratha period that began with the ascent of Shivaji around the 1670s and continued beyond Panipat, which came a century

after that till the final British victory in 1818.

Sinh had access to material from Malwa and especially because of his privileged position was able to procure and hold on to papers that would have not been accessible easily. The book makes it clear how difficult it would have been for Sir Jadunath to gather and sift through the material that made up the core of his works.

The men spent, especially Sir Jadunath and Sardesai, a lot of time hunting for papers preserved by feudal families. Aurangzeb, Sarkar has written in his biography of him, engaged in long and patient negotiations with Maratha families that he wanted enlisted in the Mughal court. He negotiated directly and wrote out his responses to their letters diagonally across the same letter, perhaps so as not to waste paper, and often, this response took the form of a couplet.

The biographical part of this work is touched by sadness. Sir Jadunath had a series of trageschools. Why is it important? $For the following \, reasons: \\$ (1) It speaks of a period that few really know. The great

Mughals are taught in our books and so is the British period. This work looks at what happened in the interim. (2) Sarkar brings in the stories of the later Mughals, the Sikhs, Marathas, Rajput kingdoms and Bengal. There is scarcely a part of India that he does not touch upon. (3) It is an ecdotal and in that sense highly readable. It is not a dry work. (4) This is the most important aspect. The book tells us in direct and unvarnished fashion why India is the way that it is. In his foreword, Sir Jadunath warns us that it will be a difficult work to read and it is. If you are looking for whether venality is baked into our politics, you would do well to go through the pages of this work whose every chapter will validate our prejudices.

His classic work Aurangzeb, the one that made his reputation, is out of print in the full five volumes (an abridged one is available) but The Fallof the Mughal Empire is in reissue.

I had read Sir Jadunath's works but had not realised the vast amount of work and rigour that had gone into writing his books. I had also not realised the perspective that he held on to so rigidly of being a historian without bias. I was glad that I read this book and you will be too.

OUT NOW

- PALLAVI RAGHAVAN -ANIMOSITY

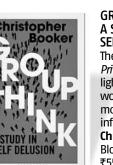
Jadunath Sarka The Fall of the Mug

AT BAY AN ALTERNATIVE HISTORY OF THE INDIA-PAKISTAN RELATIONSHIP, 1947-1952



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perspective of post-Partition state-making. Pallavi Raghavan HarperCollins ₹699,246 pages



GROUPTHINK: A STUDY IN SELF-DELUSION The founding editor of Private Eye sheds new light on the Orwellian world of ideological mobilisation and how it influences society today. **Christopher Booker** Bloomsbury ₹550, 320 pages

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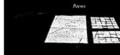
FORTHCOMING

DEATHS OF DESPAIR AND THE FUTURE

Princeton

314 pages

OF CAPITALISM An economist and a Nobel Prize winner examine the alarming rise in suicides and deaths from drug overdose and alcoholism in the US. Due March 17 Anne Case and **Angus Deaton** price not stated,



Afterwards

Sharmistha Mohanty

THE GODS CAME AFTERWARDS Author: Sharmistha Mohanty Publisher: Speaking Tiger Price: ₹299 Pages: 77

Cartesian declaration: "line of spiders moving / lines from then to now / crossing the ground / of time / us, us". The move from the image of ground furrowed by a plough and of spider footprint is unusual and startling. To move boldly

between these images - and then on to others such as scales of fish, flowers of dung, crescent moon, garland of leaves - displays the versatility of the poems.

This is also a reference, perhaps, to the function of poetry in creating memory and immortality. The furrows in the field, the flowers of dung, scales of fish are somewhat temporary in providing immortality, but poetry performs that duty. The hymns of this book or of the Rig Veda — bear evidence to a society, a culture, of a people.

To publish a book that harks back to the roots of Hinduism is in itself a task not devoid of political choices - especially now, when the religion has been politicised and weaponised. One of the sources of the book that the poet cites is Wendy Doniger - in 2014, her book On Hinduism ran into trouble with Hindutva supporters and was pulped by its publisher. One of the lines that seemed to offend her detractors was: "The linga [Shiva's phallus] in this physical sense is well known throughout India, a signifier that is understood across barriers of caste and language, a *linga franca*, if you will."

Mohanty's book brings us to darkness and end, but gently: "When the fires / can no longer / be seen / someone has walked / far enough." If the previous poem I quoted was about claiming the self, the last lines are about self-effacement: "the paths into the forest / are charred / their length invented / by the feet that walk / to be away to / be awake to be / no one." The desire to be no one is, in other words, a surrender to immortality.

The writer's novel, Ritual, was published earlier this month

Pages: 427, Price: ₹ 799

WEEKEND CULTURE

29 FEBRUARY 2020

Utsav

Pradhan

Laisom;

and their

creations

and Teresa

THE WINE CLUB



ALOK CHANDRA

Undercover wine tasters

n India today there are wine-centric organisations that are commercial: Vikram Achanta's Tulleeho Wine & Spirits Academy, Magandeep Singh's Wi-Not Beverage Solutions, Nikhil Agarwal's All Things Nice, and even Gargi Kothari's Magic Cellars.

They organise wine-related events (tastings, fairs and festivals, dinners) for the public at large for a small margin. All can be contacted directly — just google their numbers.

Then there are wine clubs in the major cities: Delhi has the Wine Society Delhi and the Delhi Wine Club; Bengaluru boasts of The Bangalore Wine Club, the Rotary Wine Fellowship of India, and the Chaine de Rotisseurs. There are also wine clubs in Kolkata, Chennai, Chandigarh, Pune, Hyderabad, and even Nagpur; doubtless there are clubs in other cities that one has not heard of.

Clubs organise wine events for their members (plus guests) on a not-for-profit basis and make very valuable contributions to promoting wine and wine culture. Some (like The Wine Society Delhi) have been around for over 30 years but tend to stay out of the public eye, while others are more media-friendly.

There are also what I term "undercover wine tasters": small groups of wine enthusiasts in which participation is on an invitational basis. They operate on a self-liquidation principle of no surplus for any given event. And their focus is (naturally) wine.

The Wine Connoisseurs Bangalore is one such group: 21 friends who get together monthly for a small (10 people to a table) wine-anddine event, with the wines coming from the personal cellars of the participants. Seven to eight wines may be presented at an event, and each wine is discussed in detail prior to the related food course.

Another small group, based in Chennai, is called "Munnakka aur Murabba": "Munnakka" is a raisin made from red grapes, while "murabba"

venture



is a candied fruit preserve (as in "Amle ka *murabba*"), with whom I attended an impromptu tasting-cum-dinner session at Sanjay Kumar's elegant residence in Bengaluru. We tasted the follow-

ing wines: Luce Lucente 2015 from the Luce winery set up in the 1990s as a joint

between

ith fashion, change is the only constant. Every few years, there comes a compelling voice, or concept, that fuels this change or offers a new narrative. Monisha Jaising, for instance, did this when she brought the kurti centre stage. Textile revivalists and designers engaged in slow, sustainable fashion are also doing this. And so are some voices from

the fringes Among them is a handful of designers from the textile-rich Northeast who are making a statement with their modern interpretations of traditional weaves and cuts. Easternlight Zimik, who comes from Manipur's Ukhrul district, has for example taken the traditional Assamese mekhela chador and turned it into a modern outfit. "Our region has a lot of potential," says Zimik, 27, who trained at the National Institute of Fashion Technology in New Delhi



and has been living in Mumbai since 2016. He has a studio in Bandra and also retails out of Atosa in Bandra. Zimik experiments with silhouettes and his largely ready-to-wear collection (costing ₹11,000 to ₹25,000) is marked with colourful motifs from Manipur.

Then there's the men's wear designer Jenjum Gadi. "For my last collection, I took patterns from various tribes of Arunachal Pradesh (his beautiful home state which is often his inspiration) and made a collage of them," he says. "To give it a contemporary look, I went for golden embroidery all over." The collection has a punk/disco vibe to it. Gadi retails out of his studio in Shahpur Jat, New Delhi, and his collection (starting ₹9,000) is also available at multi-label stores such Aza.

Like him, Utsav Pradhan and Teresa Laisom of munkee.see.munkee.doo sav that though they do Western ready-towear, their approach and work process is rooted at home. They work closely with weavers and artisans from Manipur. "Textiles in Manipur are associated with social and ritualistic events from very early times. Without hindering the heritage of these beautiful textiles, we wanted to explore

their commercial potential," say the 32-yearolds. "Our vision was to introduce a modern and contemporary version of Manipur's handwoven textiles to a global audience and in the process improve the skills and working condi-

> Jenjum Gadi's men's wear designs (below) have a punk/disco vibe with inspirations from his home state of Arunachal Pradesh

tions of the weavers." Pradhan is from Sikkim and Laisom from Manipur. They debuted at the Lakme Fashion Week Spring/Summer13 and now have a studio in Sector 6, Noida. Their designs (₹7,000 to 25,000) are also available online at Aza.

Munkee.see.munkee.doo began as an offbeat, high-street label with a modern, minim-

'THE POPULARITY OF DESIGNS FROM THE REGION IS FUELLED BY THIS NEED TO FIND ONE'S IDENTITY. FOR IT TO STAY, WE NEED TO MAKE **PEOPLE CULTURALLY AWARE'**

EASTERNLIGHT ZIMIK

experience. Pradhan adds, "Northeasterners have an affinity for K-pop, Cosplay, Korean and Japanese dramas, films, animations and a variety of other Western sub-cultures." This, and the personal familiarity with the look, makes it easier for us to figure out what will or won't work, he says.

alist approach. The focus is on clean aesthet-

ics with attention to detail. The label is a sweet

mashup of contrasts — the old and the new,

masculine and feminine, elegant and relaxed,

st to bring Northeastern designs on to a main-

stream fashion platform in 2003 with a debut

Sonam Dubal from Sikkim, who was the fir-

at Lakme Fashion Week, says,

"The world's power centre is

shifting towards Asia. And the

Northeast is our doorway to

the Asian market." Dubal, who

took his collection to Tokyo a

few years ago, knows this from

sculptured tailoring and a rebellious edge.

At home, Dubal's label, Sanskar by Sonam Dubal, has been endorsed by director Deepa Mehta, actors Tabu and Sonam Kapoor, artist Mithu Sen, and also by the international icon Isabella Rossellini. He is known for creating stylish jackets, capes and kaftans, the kind that could be described as outer wear. The price of this nomadic look that appeals to luxury vagabonds starts at ₹7,000. The label is available at various stores across India: Ogaan and Vayu in Delhi, New Amethyst in Chennai and Pondicherry, Verandah in Bengaluru.

Zimik says the popularity of designs from the region is fuelled by "this need to find one's identity". But so far, he adds, it is only a trend. "For it to stay, we need to make people aware of our culture." He rues that sometimes well-known designers who are not familiar with the region take up the idea of showcasing these textiles and designs, but do a shoddy job and, therefore, a massive disservice to its people and culture. "I am glad that more designers from our region are making their presence felt, which might help in reigning in this cultural appropriation."



Faraway feel

A clutch of designers from the Northeast is giving a contemporary twist to traditional wear from back home, writes Meeta Mishra





The Chateau Sociando Mallet Jean Gautreau 2007, a fifthgrowth from the Haut-Medoc region of Bordeaux, France, is not something for the casual drinker

Frescobaldi and Robert in the Mondavi Montalcino area of Tuscany, Italy. A 50:50 blend of Sangiovese and Merlot (the ratios change every vintage), rated at 93 points by James Suckling, this is the second wine of the estate, with 12 months in oak barriques. Luscious, with firm tannins and a medium+ body. Not yet imported into India.

Mouchao Ponte das Canas 2012 from the Herdade do Mouchao winery of Portugal, owned by the British Reynolds family since the 1850s: the estate spans 2,250 acres, of which only 95 acres are

planted to vine. Rated at 93 points by Wine Enthusiast, the wine comprises relatively unknown grapes: 30 per cent Syrah, 25 per cent Touriga Nacional, 25 per cent Alicante Bouschet, and the rest are other local grapes. The wine had a terrific bouquet of black fruits and herbs and firm tannins that kept softening in the glass. Imported by Wine Park, available only in Mumbai for ₹4,740.

Chateau Sociando Mallet Jean Gautreau **2007.** A fifth-growth from the Haut-Medoc region of Bordeaux, France, this 87-point wine had an amazingly rich and complex bouquet of fruit, minerals, anise, and wood; on the palate the wine had firm tannins that were quite austere, but gave a very long finish. Imported by Wine Park, priced for ₹10,976 in Bengaluru, this is not something for the casual drinker.

It's a pity that good imported wines are so expensive in India due to the cascading effect of a 150 per cent basic customs duty, state duties, and marketing and distribution costs that push up prices here 2.5 to three times that of international rates. Talk about reduced duties on American wines may be the thin edge of the wedge.

Then we could truly say "Namaste Trump".

Alok Chandra is a Bengaluru-based wine consultant

An Easternlight Zimik design

n a visit to Banaras, the story goes, Guru Nanak found worshippers offering water to the sun. He turned his back on them and began to pour water in the opposite direction. When asked why, he remarked that if water could reach the sun it would surely flow into his farmland in Punjab's Kartarpur.

The fable serves to illustrate how the founding guru of the Sikh faith questioned unexamined rituals. But for Maheep Singh, a writer and comedian, it's an example of humour that Indians have now forgotten how to appreciate. This is particularly true of humour in verboten areas such as religion.

A year ago, while talking to Jaskaran Singh, a printer, Maheep felt humour was fast disappearing from our society. That's when the two thought about starting a festival dedicated to Khushwant Singh, the celebrated writer who was known for his ribald humour and irreverent wit. Khushwant Singh's son Rahul Singh is the chief mentor of the forthcoming event.

The three-day-long Khushwant Singh Humour Fest 2020 will be staged in New Delhi next week, and promises to bring together a

wide range of genres. It will include panel discussions on topics like

KHUSHWANT

humour in media, an amusing history of Delhi, humour in the unlikely arena of law, book launches and shayari (poetry). "There is a session on Tanz o Mizah ki shayari,

We could use some laughs

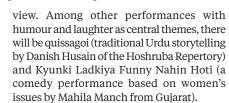
A fest dedicated to the late Khushwant Singh wants to reintroduce humour in these easily outraged times, writes Ritwik Sharma



Amit Tandon and Zakir Khan are among stand-up comics who will perform at the festival

or Urdu satire and humour. People always associate Urdu culture with love and fantasy, but forget that it has a very strong element of satire," says Maheep Singh. Two women will read out Hindi satirist and humorist Harishankar Parsai from a feminist point of

One of the sessions at the fest, called 8pm Bottoms Up Club, will have participants sharing anecdotes of the litterateur who retired to bed strictly at 8pm every night



The festival will also feature some of the best known names in the stand-up comedy circuit, such as Amit Tandon, Neeti Palta, Jeeveshu Ahluwalia, Anubhav Singh Bassi,

Rajneesh Kapoor, Gursimran Khamba, Atul Khatri and Zakir Khan.

"There is humour in every aspect of our life, and in all fields, be it journalism, law, poetry, storytelling or theatre. Delhi is home to Ghalib, who was also known to be funny and witty. He used to drink and criticise religious practices. But we have lost our sense of humour and have turned into a nation of offence takers," says Maheep Singh.

Khushwant Singh is remembered not only as a writer and journalist but also for his contribution to the considerable oeuvre of jokes about Sikhs. Maheep Singh points out that many readers of his syndicated column, "With Malice towards One and All", would first turn to the joke at the end of it.

There is already a lit fest named after Khushwant Singh, held every year in Kasauli. But there has never been a humour-based event in his name, says Jaskaran Singh, who is also a distant relative of the late writer.

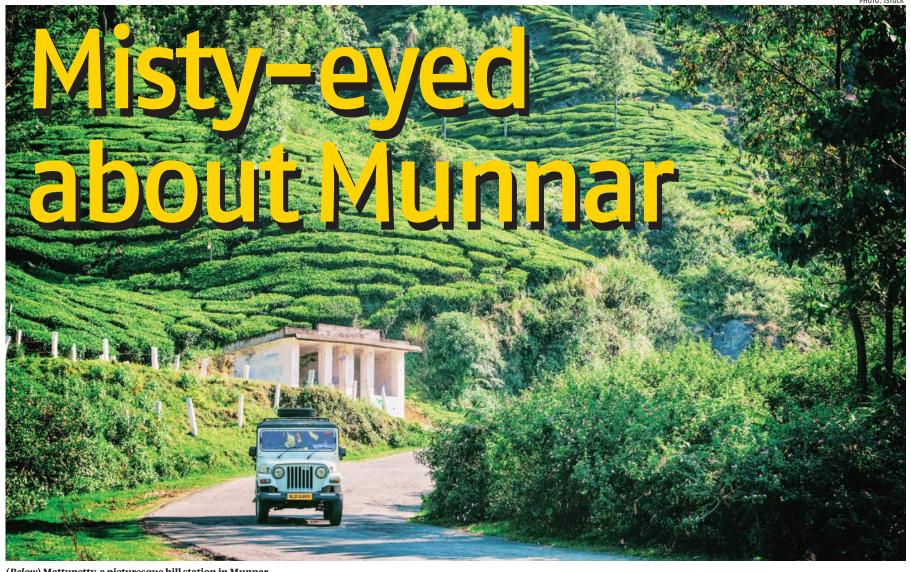
"He was very outspoken and also very punctual. He famously turned away former President Giani Zail Singh for arriving late because it was past his bedtime," he says. One of the sessions at the fest, called 8pm Bottoms Up Club, will have participants sharing anecdotes of the litterateur who retired to bed strictly at 8pm every night.

The organisers concur that religion and politics have made people overly sensitive, quick to take offence. "In the last seven-eight years, you could face consequences for anything you say," observes Jaskaran Singh. But they promise that the festival will pull no punches, keep the spirit of Khushwant Singh alive, and ensure that people leave with a smile on their faces and laughter in their minds.









(Below) Mattupetty, a picturesque hill station in Munnar

Renu Bahal Wadhwa and **TCA Srinivasa Raghavan** explore the gems of a time gone by in Kerala's breathtakingly beautiful hill retreat

t's been said that while other countries have armies, in Pakistan it's the army that has a country. Munnar, in the hills of Kerala, is a bit like that. It's a bunch of golf courses to which tea estates have been attached.

Some months ago, some of us who often take trips together decided to go there because, well, it's there.

As you drive from Kochi to Munnar, you slowly leave the hot and dusty plains behind. (You can get there from Coimbatore also but it takes a bit longer.) The road starts to climb about an hour out of Kochi. It is flanked on both sides by lush green vegetation. You see the occasional waterfall. The air gets fresher. Breathing gets easier. The green carpeted tea bushes herald that you are approaching Munnar.

We decided to stay at the iconic High Range Club. It is as colonial as these things can get. It used to be the meeting point for the planters who came on motorcycles at great personal risk on those dodgy mountain roads, without lights. It was worth the risk of driving off the mountainside. Entertainment was hard to come by. The Club served instead.

It is tucked into a hillside and has an 18hole golf course attached to it. And, in the middle of the golf course is a full-sized cricket ground, complete with a pavilion. That makes it one up on the Wellington Gymkhana in the Nilgiris, which is also tucked into a hillside and has an attached golf course, but alas, no cricket ground in the middle. Even the Imperial Army couldn't outdo the planters. Dinner and lunch parties; children's Christmas parties; the formal New Year's eve dinners, complete with a play staged by the planters and a live band sourced from Kochi (then Cochin) to ensure that the alcohol was being used up through the dancing into the



small hours; sports meets with affiliated clubs from around the country; tennis, cricket, golf, billiards, snooker, table tennis and squash; an exhaustive library; a card room for a quiet game of bridge, or rummy — it was the full Monty in the good old days. Now it wears a forlorn look.

The bar, once the focal point, is now closed because of some silly excise hassle with the state government, which was just as well as the women were, so to speak, barred from it. Nasty little colonial practice which had survived the Brits. The barman, Michael, has nothing to do now and helps out with "general duties". These include smiling continuously.

It's full of exotic hats, though, hanging from the wall. The hats belonged to departing

THE VIEWS ARE JUST AS STUNNING, THE SKIES JUST AS BLUE, THE FORESTS AS LUSH AND, THANKS TO THE DISCIPLINE OF THE TEA ESTATE, EVEN MAN ISN'T VILE

yes, as beautiful as New Zealand where we had gone just a few weeks earlier. As they say in Punjab, ikkoi gal haigi ji (it's one and the same thing).

The views are just as stunning, the skies just as blue, the forests as lush and, wonder of wonders, thanks to the discipline of the tea estate, even man isn't vile. Indeed, you hardly see people outside the main town which one must admit — is a bit of a dump. It's best avoided

The Kanan Devan tea estate sprawls over L thousands of acres. The estate has these far-flung bungalows dotting the hillsides in which lived and live planters, breathing clean air and feeling superior.

grances as the soft breeze wafts through and over them, humming with bees and dainty butterflies with gossamer wings.

We drove around from 10.30 am to 6 pm for five days. The high point of all this bumping about — the roads are awful — was another stunning golf course, the like of which probably doesn't exist. It is breathtakingly beautiful.

Secluded, green and with a lake nearby, it would be hard to surpass. It's called the Kundale Club and is not open to the public. Naturally, thank God. But as I said, we knew the general manager and spent a wonderful morning and afternoon there.

One day we went to the Devikulam Lake. Legend has it that it was formed when Hanuman was carrying Sita and her

tear drop created this gem of a lake. Emerald green waters, still, except when a slight breeze sets off ripples on its mirrored surface.

So clear indeed that the surroundings are reflected into it.

So quiet that you don't want to hear any human sounds to disturb the song of the birds. A log hut built in 1944 for anglers. A dated logbook to maintain continuity of people visiting here. And hurray, it's not open to the public! Not now. Not ever, hopefully.

Vive la privilege, we thought to ourselves. Long live exclusivity. Like in Central Delhi, where the babus have built themselves these plush clubs on government land. Nearly 25 of them.

But it's different in the hills, as Mussoorie and Shimla show. There is no other way of

CINEPHILE FILES



RANJITA GANESAN

Mind control

omedian Abby McEnany only just got her own Wikipedia page this year, a month after her Work in Progress debuted last December. Given how accomplished the series is, it is astonishing that these eight episodes were the first she ever wrote and acted for television. The 51-year-old acknowledges the concept is semi autobiographical, and self-identifies her always-in-aslight-panic character Abby as a "fat queer dyke". McEnany and co-writer Tim Mason have onscreen Abby working through past and ongoing anguish - of the mental, physical, familial, and professional varieties - with some help from that beautiful nonsense we call love.

In McEnany's world, queer, lesbian, trans and non-binary characters are cast in important roles. Abby's new lover Chris (Theo Germaine) is a trans man, a first for her. The protagonists' struggles, which include but are not limited to gender and sexuality, are depicted in a way that embraces confusion and erases shame. This is unsurprising because producer Lily Wachowski is one half of the Wachowski siblings, who both came out as trans women and have addressed questions of identity in their oeuvre (Sense8, Bound). Although Work in Progress is streaming on Hotstar, the platform's interface hides it in the back of beyond very effectively. Imagine being a talent discovered late in life, only to have your labour of love stowed away buried by bad algorithms.



Abby McEnany in a still from Work in Progress

Abby is funny, still talks to her dead therapist, has fluctuating weight, and a boring temp job hardly tropes that have never appeared in American series before but the makers' flourishes make them special. Among their artful touches are a finite number of almonds, a great joke involving Lyft, and Abby's confrontation and, later, friendship with SNL star Julia Sweeney, whose insensitive character Pat had made teenagehood especially difficult for the protagonist.

The series was born from a storytelling show McEnany had been performing in Chicago, the home of improv comedy in the US. She shares her alma mater Second City is the same as that of UNCLEAR Stephen Colbert, Tina Fey, and Bill Murray. Like herself in real life, her character also deals with obsessive compulsive disorder and depression. She glosses over her problems in public, discusses them earnestly with confidantes, and dissects them frenetically in private. The brave vulnerability underlining this show reminds is reminiscent of Tig Notaro who rose to fame after performing a set about having breast cancer, and Australian Hannah Gadsby, who got her due only recently after speaking of why comedy isn't always the most truthful way to explore personal pains. In other ways, it brings to mind the work of Maria Bamford, who extracts humour equally from the cacophony and the stillness of her bipolar condition. One result was Lady Dynamite, a wild, and gentle, fever dream-like Netflix series starring Bamford and based on her life. She also found success relatively late in her career of some 20 years doing stand up and playing the minor part of a recovering addict in Arrested Development. She had remained mostly a comic's comic, even if her The Maria Bamford Show, a low-budget web series, and Homemade Chistmas Stand-Up, a comedy special performed and taped on the living room couch with her two pugs, pushed boundaries. A mix of body comedy and funny voices let her sneak in the heavier stuff about mental illness and violent thoughts. Lady Dynamite had on-screen Maria setting off on a doggedly upbeat search for healing and love, post-rehab. "That's not weird at all," she says cheerfully, comforting one of her particularly awful dates. "I miss the energy of mania!" Some of that mania is glimpsed as her show travels back and forth into an energy-filled early career, the grey-and-blue depressive period in an asylum, and colourful present-day positivity. McEnany and Bamford, slowed by bad periods, have earned their big moments. Their Work in Progress and Lady Dynamite establish also the significance of support systems. The cast of characters including parents, siblings, friends and coworkers helps Abby and Maria along, at times gracefully and at other times ineptly. The overarching theme is balm-like: That it is okay to not have everything figured out. No one else knows what they're doing either.

managers. It's quite a sight. Better any day than the heads of animals.

Then there is the chef. He works in a surprisingly modern kitchen and, as they say down there, the food is zimbly zuberb, especially the sauce they serve with the sizzler chicken. It's a very special recipe and we managed to wheedle it out of the chef. I doubt, however, that any of us can make it the way they do at the club.

But enough about the club. Munnar is,

Mohan Verghese, the manager, who is one of them, says that occasionally elephants walk across his lawn. "They dig up the garden."

Shame on them, because that garden is absolutely gorgeous, replete with flowers in a myriad hues, sending out a medley of frapreserving such places.

Otherwise you run the risk of an entire hill collapsing, as it did in Munnar some years back. The usual thing on hill roads, it seems, is to build only two lanes, which are 20 feet wide per lane. But someone decided to build four of 25 feet width each. And that did it. The hill came tumbling down.

 $One \, of \, the \, authors, Renu \, Bahal \, Wadhwa, grew \, up \, in$ Munnar and considers it her spiritual home

Dancing like men

Sooni Taraporevala's new film is a tale of the resilience and kindness buried under sordid everydayness, writes Nikita Puri

ight from the word go, with an evocative shot that opens with Mumbai's Bandra-Worli Sea Link and then zeroes in on a group of teenage boys b-boying by the shore, director Sooni Taraporevala establishes that her new film is a portrait of a city and people well-loved. These teenagers, who have patches of their wild hair dyed blonde, fear nothing except the

women who chase them away. They want the space cleared **Despite numerous** so they can dry fish where the boys dance.

Among these shaggy-haired boys who impress with their skills stray anywhere in the opening scenes of Yeh Ballet is Asif (Achintya Bose). His family

lives in Mumbai's slums and struggles to make ends meet. Elsewhere, in circumstances not very different from Asif's, is Nishu (Manish Chauhan) who's been going behind his parents' backs to compete in dance shows. A love for dance and a burning desire to rise above their less-than-mediocre lives is what binds them when they are brought together by Israeli-American ballet

teacher Saul Aaron (Julian Sands). Besides newcomers Bose and Chauhan, the film also stars Jim Sarbh, Vijay Maurya and Heeba Shah, and a host of other promising actors.

Now streaming online as a Netflix

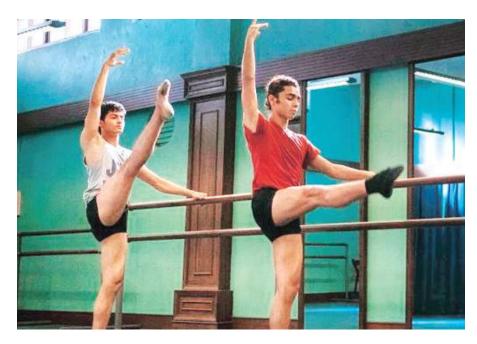
Original, Yeh Ballet is screenwriter Sooni Taraporevala's second outing as a director (she made Little Zizou in 2008). With due credit to cinematographer Kartik Vijay, Yeh Ballet is a beautiful coming of age story that shines in its portrait of Mumbai. Adding to this is the fact that the film is inspired by true events. The film's lead characters, the boys who love to dance as well as their teacher, are

all based on living, breathing people who've influenced a genscenes set in eration of youngsters to report-Mumbai's slums, edly flock to dance academies the film doesn't in Mumbai.

One wonders how inspired near poverty porn the characters really are, especially with the teacher Saul's constant state of annoyance.

He's a man so bitter and agitated that Nishu has to convince aggrieved locals that his teacher is unwell and is physically in pain. This is a lie, but it gets a few laughs.

Taraporevala takes upon herself the great challenge of tackling multiple themes in the film: religious intolerance, poverty, classism. Then there's ballet, an elite dance form unheard of in the environment the boys grow up in. At least one of them has to fight off stereotypical criticisms about ballet's femininity. The occasionally abrupt edges to the film are perhaps because there wasn't enough time to flesh all these themes out in



117 minutes

Nevertheless, if for nothing else, the arresting sight of the two young dancers soaring across the stage mid-routine makes one wish the film was being shown on the big screen. Such is their skill (in real and reel life) that even Nishu's once-apathetic father remarks, "Tu aadmi hai ki hiran (Are you a man or deer)?"

One has to also acknowledge Taraporevala's sensitivity as a filmmaker. Despite numerous scenes set in Mumbai's slums, she's ensured the film doesn't stray anywhere near poverty porn. It's instead a picture of the many ways one chooses to survive in an unequal society.

Stories inspired by true events, and even fictionalised tales with heroes overcoming great odds, often fall prey to completely writing out the big and small acts of kindness that shape so many of our lives. This is where Taraporevala shines, in tenderly knitting together the efforts of those in the "supporting cast", in acknowledging the kindness of almost-strangers. And this she does without diminishing the resilience shown by the protagonists of the story. One can only wish more lives could have second beginnings, such as the ones in Yeh Ballet's ending.



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A sporting sorority

In Bengaluru, India's largest community of amateur women footballers doles out lessons in life and sport, finds Nikita Puri



Sisters in Sweat get together for football sessions (below) twice a week in Bengaluru

very Thursday evening, after the grounds of the Bangalore Football Stadium are lit up, a group of women from different walks of life gathers together. They do stretches and some side shuffling. They run backwards and then laterally. All these drills are part of their warm-up routine, after which they launch into a game of football. The whole event takes about an hour and a half. Many of these women are mothers and their young children run around the group before the game starts, playing and petting the indie dogs watching patiently.

"It's fabulous to be in the middle of the city on these grounds like this. It's just so nice to run like a child. We cheer when someone scores. We cheer when someone runs slowly. We cheer when someone's fast. There's no judgement here," says Schonali Rebello, a founding member of city-based JobsForHer, an online portal that helps women with their careers, and now also the month-old HerKey, a members-only club for women leaders (in any field). Rebello is part of a Bengaluru-based community, which comprises women who wanted to play football though many had never played any sport before. But the community, called Sisters in Sweat, has since initiated them not just into football, but also given rise to a sorority of sorts that is continuing to grow. "We've never done any marketing. The group has just grown organically," says Swetha Subbiah, who co-founded the group with Tanvie Hans. While Subbiah is one of four Nike-certified fitness instructors in the country, Hans is a professional football player who has previously played for English clubs such as Tottenham Hotspur and Fulham. Originally from Delhi, Hans moved back to India in 2016 and to Bengaluru a year later. She is now captain of the Karnataka state women's football team. Ordinarily, the opening lines of someone walking into a bar would be the build-up to a joke, but in this particular case it was Subbiah introducing her long-time friend Rebello to Hans. "So, you are a footballer, right? Can you teach us how to play?" Rebello remembers asking her. Hans agreed, provided they could get a few women together. One week later they had their first class with

THE TEAM IS BUSY PREPPING FOR THE LAUNCH OF THEIR WEBSITE, BESIDES FIGURING OUT HOW TO HAVE MORE SESSIONS, MEET MORE OFTEN, AND EVEN ADD MORE SPORTS, SUCH AS BASKETBALL

18 women playing football on a Saturday in September 2017. Today the group has over 300 members, who vie to get into the two weekly sessions the group holds. Thursdays is for intermediate players, Sundays for beginners. The oldest of the women who've been part of these games is 58; the youngest, 14. The average age of the group is 35.

Subbiah and Hans themselves first met through an ad shoot for Nike almost four years ago, the one with the catchy tune (Da Da Ding) that featured athletes and sportswomen of stature, and also had Deepika Padukone playing badminton.

The team at Sisters in Sweat is now busy prepping for the launch of its website, Sistersinsweat.in, besides figuring out how to have more sessions, meet more often, and even add more sports, such as basketball. Currently each football class is priced at ₹500. Subbiah says the group is also likely to work with underprivileged women who can't afford the current pay-per-class model.

"We wanted this community to be completely by women and for women because often women don't often get as many opportunities to build a career in sports or fitness. It's our way of supporting each other," says Subbiah.

One example of this support manifests itself in the life of Mithila Ramani, a fresh engineering graduate from Chennai who moved to Bengaluru last September after meeting Hans. A football player herself, Ramani hopes to make a career in sports management. She doubles as a coach with Sisters in Sweat when she isn't working as a video analyst, documenting games to study them later to improve an athlete's performance.

Such is the influence of the community that Saachi Shetty, 19, who grew up in Dubai and returned to India last September, has put off pursuing a degree in exercise and health sciences from Australia. "I joined the group in October and have stayed on (longer than intended) to get more experience. It's just so inspiring to see successful mothers and CEOs in their 40s and 50s playing football and staying fit," she says. Besides helping the team organise the sessions, Shetty also handles the group's social media.

Sisters in Sweat is all about women building each other up, echo members of the community. "However much we talk about women's empowerment, at the end of the day it's often another woman questioning your life choices. Being part of a healthy commu-

CHESS #1390

By DEVANGSHU DATTA

t the strong Aeroflot Open, Moscow Bharath Subramaniyam, a 12-yearold International Master from Chennai, beat three strong GMs before he lost to Rauf Mamedov in the fifth round. After eight rounds, Mamedov shares the lead with Aydin Suleymanli (both 6). Baskaran Adhiban and Aravindh Chithambaram are in a pack of eight players sharing second (all 5.5 each). Bharath (4.5) has probably made a GM $\,$ norm. Another prodigy, DGukesh won the Hillerhød in Denmark in January and followed up by winning the Cannes Open last week. Gukesh scored 7.5/9 for a rating performance of 2667.

The 10-player Prague Masters ended disastrously for Vidit Gujrathi. Gujrathi was sole leader until he lost in the secondlast round to David Navara from a winning position. Jan-Krzystzof Duda beat him again in the last round. There was a fiveway tie between Alireza Firouzja, Vidit, David Anton Guijarro, Sam Shankland and Duda (all 5). Firouzja won the tie-breaker, beating Vidit in blitz.Despite the poor finish, Vidit gains Elo.

The Candidates has an interesting prize structure. The total prize fund is Euro 500,000 (\$542,158 approx), net of local



taxes. All prize money will be divided equally between players who have the same scores. There can be no draws before move 40 except via repetition. The winner will of course, be the next Challenger and there will be a tiebreak, if required.

There's controversy brewing around Regium Chess, a new "chess-tech" company. Regium claims to manufacture e-boards and recently offered to sponsor one of Chess.com's popular speed events where Hikaru Nakamura beat Wesley So in the finals.

Imagine a physical board, which can be hooked up to play online. A player makes physical moves and the embedded software transmits the moves, pick up the replies, etc. Several companies — Square off is one — are working on providing such functionalities.

Regium Chess claims to have developed such a board. Doubts have been raised however, by players at Chess.com and Lichess which say those claims are unverified. Phil Wang at thispersondoesnotexist.com claims models in the promo videos may be generated by Nvidia's Deepfake program!

The Diagram, White to Play, (White: Gujrathi Vs Black: Navara, Prague Master 2020), is the set up for a combination. White played 15. Bxf7+! Kxf716. e6+! Kxe617. Qe2+ Kf7 [Apparently 17. Qa4 is stronger] 18. 0-0-0 Bf6 19. Ne4 Qe7 [Now 20. Qc2 with a threat of Rhe1 is crushing but Vidit's line is good enough] Play continued 20. Nd6+ Kf8 21. Qxe7+ Bxe722. Nxb7 Nf623. Ne5 Nd524. Kb1 Rc8 25. Rhe1 Bxa3!? [Black is trying to confuse the issue] 26. Nxc6! Bb4 27. Nxb4 Nxb4 28. Rd7 h5 29. Nd6 Ra8 30. Ree7. Amazingly white lost this position (0-1, 64 moves).



nity like this changes you," says Ramani.

The sport has advantages other than physical fitness alone, say the amateur players. It's almost meditative in the sense that one has to give it complete attention. "You have to be in the moment and can't let your thoughts wander," says Sarah Nicole Edwards, one of the earliest people to sign up with the group. A chef and a food consultant who runs a brand called Copper + Cloves, Edwards is from London. She has always been fond of solitary fitness activities, such as running and cycling, and had never given team sports a chance before. "A friend brought me along for a match, which is pretty much how a lot of people joined the group. Turns out I really love team sports," she says.

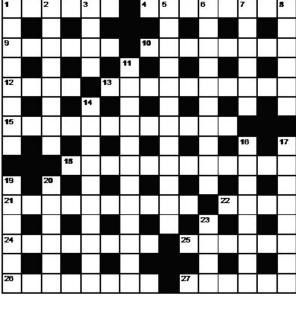
Back on the ground, Rebello's six-yearold, who sometimes steps onto the ground to play, asks his mother why there aren't any girls in the football class he attends. "He says girls play so well and that he wants girls on his team. I'm proud of him," says Rebello. A lesson in parenting fits in seamlessly as the community knits itself together tight. Even as the women advance on the field, so do relationships.

"The women in this group support each other personally and also with each other's businesses," says Edwards. "This is my support system. This is my family, this is my sisterhood."

Devangshu Datta is an internationally rated chess and correspondence chess player

BS SUDOKU #2986

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



THE BS CROSSWORD #3306

- ACROSS:
- 1 Cut short revolutionary
- hackneyed idea (6) 4 Leaves a group of musicians on course (8)
- 9 Material provision for consumer protection (6) 10Here, media storm obliterates
- last of Murdoch's goodness (6,2)
- 12 In America, the heartless teacher used to be behind the iron curtain (4)
- 13 Sprayed whisky in fine rain (6,4)
- 15 An old ager ran riot in Washington a while back
- (6,6)
- 18Distorted opinion the rooster

- has of life ? (4-4,4) 21 Sort of five-foot rule in verse? (10)
- 22 Downcast partly due to increasing lumbago
- pains (4) 24 One might nail it in this rate,
- but never for the defence (8) 25 Fashionable greeting, but
- over-affected (6) 26 Ross gets beaten up in the
- most flagrant way (8) 27 Drink, for example, before
 - gong is struck (6)

DOWN:

- 1 Beats in a child's game (8) 2 Taking advantage is grand (8)
- 3 The chap one is right to see as

- succeeding (4) 5 A blow here could lead to
- disqualification (12) 6 Vamp (dam!) throws up on
- map (10) 7 Single drink for Pushkin's
- Eugene (3,3) 8 What metal worker does is
- very fishy (6) 11 Game officials who stock
- musical instruments (5-7) 14 A spear's got low internal
- tolerances (10) 16 Old puffer able to hold some
- drink (8) 17 Surmounting difficulties in
- 2001, dance around (8) 19 Made a sudden move when
- given a direction to crush the

Very easy: ★ Solution on Monday 20 Dye used by woman at Tobago

SOLUTION #3305

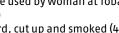


HOW TO PLAY

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

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

(6) 23 Bird, cut up and smoked (4)



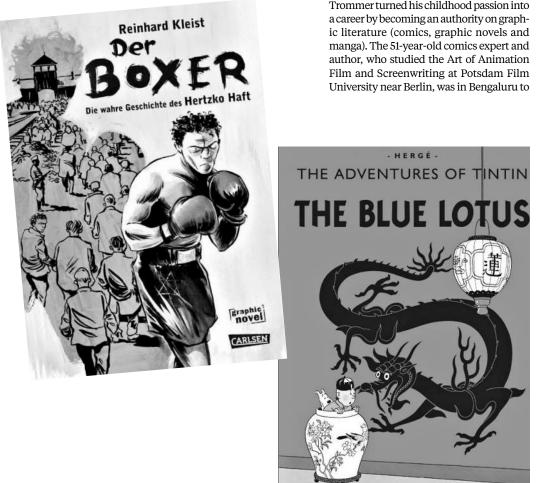
plane (6)

WIDE ANGLE Business Standard WEEKEND VI



Comic take

Berlin-based comics expert Ralph Trommer takes Kavitha Shanmugam into a fantastical, multi-layered, some times political, some times biographical world



e tumbled into the fantasy and fun world of Franco-Belgian comics on a family holiday in France, when he was five. He was fascinated by the exploits of the swashbuckling Western cowboy Lucky Luke, the tomfoolery of the Thompson Twins and the adventures of Blake and Mortimer, an atmospheric thriller series. Many decades later, Berlin-based Ralph

Trommer turned his childhood passion into



conduct a masterclass on the history and art of the graphic novel at the annual City Scripts festival at the Indian Institute of Human Settlements. The festival focuses on the creative exploration of cities and public spaces.

Trommer, who comes from Europe where comics are celebrated as the ninth art, explains how comics are "visual literature" with a rich, long history dating back to the 19th century. It is this history that he largely talks about, starting with what might be the first ever real comic by Swiss cartoonist and caricaturist Rodolphe Topffer. These are short, brilliantly sketched black and white cartoons with speech balloons, and are really the precursors to the modern comic. But one

of the stunning samples of that time are the highly imaginative and well-crafted pictorial broadsheet narratives with short verse texts of the great German artist and humorist, Wilhelm Busch. We are introduced to his iconic series Max and Moritz on two young rascals, which first appeared in 1864.

"The satiric, rhyming verse which accompanies the amazing portrayals inside the panels are excellent, and even modern," says Trommer, who is clearly a devoted fan. The simple plot revolves around the tricks the two pranksters play on people in the village. They kill the widow's chickens and fill up their teacher's pipe with gunpowder, but finally meet a dark and gory end at the hands of a miller. (No comic relief here!) The boys, however, became so popular that they inspired a German cartoonist, Rudolph Dirks, to create a comic strip on another naughty pair of boys titled the Katzenjammer *Kids* in the Sunday edition of the New York Journal. By the end of the 19th century, comic strips had become staple fare in American newspapers.

By 1905, another great talent popped up on the newspaper comic strip, says Trommer. It was American cartoonist Winsor McCay, whose most famous creation, Little Nemo in Slumberland, graphically captures the surrealistic dreams of a young male protagonist. Set in the backdrop of a big city, in one story strip, the tall buildings on a street develop long legs and demonically close in on the boy and his mate. Before they are crushed to death, the boy falls off his bed and wakes up. It is only a dream.

So, when did comics get real? It was in 1929, says Trommer, with the entry of the lord of the jungle - Tarzan (adapted as a newspaper comic strip from Edgar Rice Burroughs's novel Tarzan of the Apes). In the 30s, the masked, mysterious Phantom; Jungle Jim and the nemesis of evil; the intergalactic explorer Flash Gordon by Alex Raymond dominated the landscape. And, by 1938, the superheroes had swooshed in to save the world. In the first comic version, Superman was superfast and mighty but he could not fly, and in the earlier versions, Batman and Spiderman were fighting real villains like Hitler. Incidentally, Trommer's favourite comic hero happens to be the spinach-chomping, heavily muscled sailor boy, Popeye, who turned 90 last year. Popeye was created at the same time as Tintin in 1929. "I like him because he's fantastic, funny and beats up stupid people," says Trommer.

nomics became an industry only with the Carrival of the fearless and famous Gaulish warrior, Asterix, and the lovable Obelix. Also, a wave of horror, sci-fi and crime stories had entered the frame. But not before humorous tales of Spirou and Fantasio and cowboy Lucky Luke, who can shoot faster than his own shadow, had captured the imagination of kids and adults alike in the 1940s.

Indians are only too familiar with the imaginary city of Gotham in Batman comics but





Trommer says that Franco-Belgian sci-fi comics by Jean Giraud (Moebius) have created even more fanciful, mind-bending and futuristic visions of cities.

"In The Incal, which Moebius illustrated, the pictures are explosive, unconventional with indescribable stories situated in a futuristic city. He is one of this generation's best artists," affirms Trommer, giving other examples of comics with cities in the background like Will Eisner's fictional Central City in his The Spirit series and French cartoonist Jacques Tardi's adventure series, The Extraordinary Adventures of Adele Blanc-Sec, set in pre-World War 1 that always captured quaint and interesting facets of Paris.

> For Trommer, the first best graphic novel, a literary comic strip was, however, sketched by a Venetian master illustrator, Hugo Pratt. He created the cult figure of Corto Maltese, a rakish looking sailor who prefers freedom and imagination to wealth. "For the first time, abstract elements were introduced in comics, which had a dreamlike quality," Trommer observes. "The styles were elegant and artists were using less lines. In one comic, Pratt gets philosophical in a dialogue between the protagonist and a leopard."

By the end of the '80s, another talent came to the fore: American author and illustrator Art Spiegelman's holocaust narrative, Maus, based on his parent's experiences in a Nazi concentration camp. It was a compelling and dark comic, portraying Jews as mice and Nazis as cats, and it went on to become a bestseller.

Introducing politics in comics is not uncommon, says this comics aficionado. "In the 1990s, we had the provocative, subversive anti-racist comics by Robert Crumb. In 1934, in Tintin's The Blue Lotus, Hergé made a political statement against Japan's aggressive policies towards China. But this was because he had a Chinese student, who was helping him to learn about China and their culture. Hergé, however, received a lot of criticism for this," recounts Trommer.

Trommer is full of admiration for the fine and expressive work of Paris-based Lorenzo Mattotti; Edgar P Jacobs for his memorable Blake and Mortimer detective series; the New York-based immigrant stories of American comic book artist, Will Eisner, widely regarded as the pioneer of the graphic novel in its classic sense; and Maltese-American cartoonist and journalist Joe Sacco's reportage on inhabitants of the West Bank and Gaza in his comic books.

Sacco's drawings are actually journalistic reports of conflict zones like Palestine. "It is factual but cre ative too in many ways and is filled with satirical humour," he says.



(Top) Comics became an industry with the arrival of the fearless Asterix and the lovable Obelix; a comic strip from Der Boxer

Among the new generation of comic artists, he regards German cartoonist Reinhard Kleist as one of the best for his biographies of not just musicians like Johnny Cash and Nick Cave but also for chronicling — in a graphic novel, *Knock Out!* — the life of a gay boxer who was stigmatised for killing a fellow boxer in the ring in 1962.

It's an intriguing peek into the fantastic, energy-packed kingdom of comics teeming with finely etched, timeless characters.

Speaking up to survive

A collection of NGOs and craftspeople in India is making itself heard in important places and influencing policy, writes Geetanjali Krishna



he silken sheen of a Banarasi sari, the gossamer lightness of Chanderi, the robust weaves of Nagaland and the stunning double ikats of Gujarat — these are just a few among India's impressive repertoire of handwoven textiles that face an uncertain future. On the one hand, they bear the brunt of steadily decreasing government support — as per statistics from the Ministry of Textiles, the funds set aside for the Handloom Weavers Comprehensive Welfare Scheme have halved from ₹20 crore in 2019-20 to ₹10 crore in 2020-21. On the other hand, craftspeople find themselves unable to compete with the cheaper and faster machine and powerloom alternatives in a price-sensitive market. "Because of these factors, the livelihood of over a crore Indian weavers and artisans is in danger," says Macherla Mohan Rao, who spearheads the National Federation of Handlooms and Handicrafts (NFHH).

This collective of NGOs and craftspeople from across India is creating interfaces where they can explain their concerns to legislators and policymakers. Their advocacy seems to have worked: in the last parliamentary session, Rao estimates that over 130 MPs raised questions pertaining to the handloom and handicraft sectors in both houses. The issues raised ranged from whether the government had devised policies to extend housing schemes to weavers and craftspeople and if it had increased the number of beneficiaries of the health insurance scheme (the Mahatma Gandhi Bunkar Bima Yojana) to broader questions about GST

revenues from the crafts and handloom sectors. "This is a way of getting our voice across to people who can actually make a difference," says Rao.

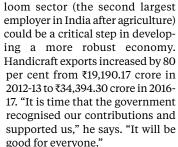
NFHH grew out of Rao's own experiences in 2016. "My family members are all weavers in Chirala, Andhra Pradesh," he says. "Over the years, I have seen the younger generation's disillusionment with the sector, and today, with the

unemployment crisis, many of them want to return home to work for the want of other, better jobs." NFHH advocates for more policies and schemes to benefit craftspeople. "Many weavers are uneducated and rely solely on their skills that have been passed on to them by their previous generations," he says. "It is our and the government's responsibility to preserve this traditional knowledge."

NFHH is also advocating for legislative amendments to strengthen the position of handloom weavers. The Handlooms (Reservation of Articles for Production) Act, 1985 states that 11

types of traditional textiles must be exclusively produced by handloom alone. "However, the powerloom lobby violates this law with impunity," says Rao. Powerloom textiles are much cheaper and faster to produce. "They have severely affected the livelihoods of handloom weavers, many of whom are being forced out of business in different pockets of the country," he says. "This is bad for consumers too, who are often misled into buying powerloom fabric being sold under the guise of handloom!" The Federation has also drawn attention to intellectual property rights violations of handloom and handicraft producers through the largescale duplication of their products by powerlooms and mechanisation.

Rao believes that at this juncture, reviving the once-vibrant Indian handicraft and hand-



Meanwhile, NFHH, which runs on a skeleton staff of three full-time employees and an annual budget of ₹70 lakh, is gearing up for its seventh round table conference in Delhi's Constitution Club on March

17, 2020. "This is all we can do," says Rao, who depends on individual donations to cover NFHH's office expenses. "It's time the unheard, urgent voices of India's creative sector are heard."

To follow or contribute to NFHH's work, find them on Facebook or contribute to their crowdfunding page www.ourdemocracy.in/Campaign/supporthandmade

Rao believes that

reviving the once-vibrant Indian handicraft and handloom sector could be a critical step in developing a more robust economy

(iii) Business Standard WEEKEND

Light bulb moments

Smart lighting is about to revolutionise the way we think of the humble bulb. Veer Arjun Singh offers a starter's guide



t all starts with changing a bulb. The table lamp that you sleep next to can now change colours, respond to voice commands and be controlled through a smartphone from anywhere in the world. Perhaps the lamp on the other side of the bed should also change from a

bright white to a warm yellow in sync with this one, or maybe you can finally put an end to that fight. Some hearty banter between mum and dad, two chirpy children and a lot of laughter in the living room... Advertisements paint such a happy picture. A bulb changed here, a downlighter there and voilà! There you have it, a beautiful family and a smart

home, all working in perfect sync. If only things were that uncomplicated. If you are willing to throw money around and get your home fixed with all kinds of smart lights, speakers, locks and switches that communicate with one

another, I suggest you hire a person to manage them, too. Unless you invest your time in understanding how to go big on "smart", it's kind of dumb to invest in them. This guide will hopefully take you through the basics.

It does start with a bulb, though. Before you fit smart LEDs into your favourite chandelier, it's wise to give a single unit a try. Skip the Bluetoothenabled bulbs that only work within a small range and buy Wi-Fi bulbs, instead. They can be controlled through an app as long as you and your bulb are in the same Wi-Fi network. Some can even be switched on and off from anywhere in the world if you leave your home Wi-Fi on and your phone or laptop is synced to a cloud service. Pretend you are at home and fool lurking thieves.

A Jaquar Vivid smart bulb that costs ₹1,800 will soon be coming to e-commerce platforms. More widely available Syska smart LED bulbs cost ₹699 (Amazon) and a similar Wipro Garnet smart bulb is even cheaper. If you are

ordering one online, make sure the socket type is compatible with your light fixture. It's either the phasing out B22 that fixes into the socket with a single twist or the new and more popular E27 that takes a few twists to lock in. Get this right and you won't need an electrician.

Both these RGB bulbs have standalone apps (iOS and Android) that connect to your phone via Wi-Fi. You can change colours, adjust brightness and switch them on and off remotely.

But to make the most of them, the next step is to choose a smart home platform with a voice assistant. It could be Apple HomeKit (Siri), Google Home or Amazon Alexa. Their native apps let you add different lights, rename them and control them through voice commands. Although you can do it through your phone, it really helps to have a smart speaker so that more people can control the lights, let's say, in the living room. A Google Mini speaker costs ₹2,999 and an Amazon Echo Dot (3rd gen) ₹3,499.

You can buy a bunch of lights from different brands and control them separately, but if you are serious about turning your home into a more *smartly* lit place, it's wise to invest in a single brand and build on it. Philips Hue is a good case in point. The brand not only lets you control hundreds of smart lights through a single app but also gives you the option of buying decorative light fixtures fitted with them.

You can start with buying a Philips Hue starter kit (₹10,999, Amazon). It





Philips Hue smart lights

comes with three 10W LED bulbs and a Philips Hub — a tiny box that connects to your Wi-Fi router through a LAN cable. You can wirelessly connect up to 50 smart lights with a single hub and add multiple hubs to your router. Additional bulbs are around ₹2,499 a piece. Either fit these bulbs into your existing light fixtures or consider buying new ones. Philips also has some nice pendant lights and sleek floor lamps for the living room that come retrofitted with smart lights.

Once you have the lights in place, connect them to the Philips Hub through the Philips Hue app. It's a fairly simple process: connect the hub and the router though a LAN cable, switch the hub on and search the lights on the app. But before you are ready to say "Alexa, dim the living room lights to 20 per cent" or "change the colour to blue", you have to create a virtual "living room" or a "master bedroom", etc, on the app and add the required lights to it. It's the same thing we do for our smart TVs and speakers. I can't possibly offer a guide to it, just go to the app and you'll figure it out.

So I am going to assume that you

understand the basics. Let's move to more exciting stuff. Bulbs in wall fittings and lamps are one part of it; Philips also has smart White Ambient and RGB light strips (₹7,500 for 2ft and extendable up to 32 ft) that you can fit inside false ceilings and cabinets, around bed headboards and wherever else they seem to fit.

The smart lights together can be used in many ways. For instance, bedroom lights can be integrated with your alarm to fade in slowly to imitate the rising sun. Living room lights can be connected to vour smart TV to change colours according to the scenes and with your music system to create a "disco lights" effect with the Hue Play HDMI Sync box (for smartphones) and the Hue Sync app (for computers). While the playful stuff might not be for all, mood lighting is a real thing. If not colour, smart lights also come with just shades of white and yellow, and also with a remote control for the smartphone-averse.

Now that the living areas are set to a tone, bathrooms need not be dull. Among the smart lights and lamps that can create a desirable ambience, a oneoff luxury product from the Jaquar Group, the Artize Rainjoy+, comes fitted with RGB lights around the shower head, which can be controlled with a waterproof remote control. The brand calls it chromotherapy, which is over and above the features that adjust the intensity of the shower — rain, intense, mist and message. The luxury baths will set you back by ₹2,60,000.

Unlike quad cameras and processor cores, the Internet of Things (IoT), and especially smart lights, isn't beyond the scope of comprehension. The technology is pretty basic, still. A good time to get started on it. Light a single colourful bulb and let the light take you there.

State of affairs

and semi-government agencies, says collating

FROM PAGE ONE -



"The incidents targeting government employees in the past and preventing them from entering Pathalgadi villages will be the real challenge for the administration in compiling data," says Ranchibased political commentator Suman Shrivastava.

The new Hemant Soren-led government has perhaps made the task even more difficult by

his is despite the state Health and Social Justice minister K K Shailaja urging people not to get swayed by rumours. "There is no relation between the anganwadi family survey and NPR," she has said. "The government is doing the survey for the benefit of the common man. It is not mandatory to mention your religion or caste."

PHILIPS HUE STARTER KIT

PRICE: ₹10,999 (Amazon)

Similar protests against teachers have been reported from Thrissur, Malappuram and other districts of Kerala.

There are, however, also those from across religions who understand the benefits of providing information for the survey and are cooperating, says G P Vrinda Rani, district president of the Anganwadi Workers and Helpers Association, Thiruvananthapuram.

The concern is that, in this atmosphere of suspicion, how the enumerators will go about collecting data for Census 2021. Primary school teachers are mainly expected to be employed for the task. The state government has directed district collectors not to link NPR with the Census, and the list of 31 questions released by the Centre for collecting Census details does not have any question that could connect it to citizenship. Even so, the teachers are anxious.

"We have not been intimated about the Census duty so far, but we are not sure if we will accept it even if it is assigned to us. We are very worried," says P Harigovindan of the Congress-affiliated Kerala Pradesh School Teachers Association. He says a meeting of teachers has been called on March 4 to discuss the issue. The association has 65,000 members, a majority of them primary school teachers.

Harikumar K J, president of the Kerala School Teachers Association, which is affiliated to the ruling Left Democratic Front, dismisses these fears. The state government, he says, has taken adequate steps to reassure the public and no questions that can spark fears of NPR or NCR will be asked.

GIREESH BABU

Uttar Pradesh

numerators, whether they are collecting data for the government or doing market ✓ surveys for companies, are all facing greater scrutiny in Uttar Pradesh because of anxiety over CAA and confusion over the proposed NPR and NRC

Lucknow resident Akash Awasthi (name changed), whose job entails collecting market and socioeconomic data for social organisations

information from the target audience has never been tougher.

"People now view anyone visiting their localities with a writing pad and pen with suspicion, and at times they become aggressive. While this is broadly true in minority-dominated areas, such reaction is not uncommon in other areas too," he says.

He recalls an incident in the Old City of Lucknow where a team had gone to collect data about domestic electricity connections. A group of local people, he says, surrounded them and they were forced to hastily retreat, although no one was hurt.

"Collecting market statistics for FMCG products such as toothpaste, too, has become difficult," adds Deewakar Pal (name changed), a micro-entrepreneur.

VIRENDRA SINGH RAWAT

Maharashtra

n NGO that has been working for the education of disadvantaged children for more than 20 years in Mumbai sends its volunteers to survey neighbourhoods to record instances of child labour and to convince parents to send their children for learning programmes. In the last month, in one out of every 20 field visits on average, someone has raised questions about whether the information being gathered has anything to do with CAA or NRC. This is particularly the case in areas such as Govandi and Agripada that have large Muslim populations. "People want to know in which regard the information is being collected. Some ask us to show our ID cards, and ask for general information about what the organisation does," says a senior member of the organisation. "I think it is good that people ask and want to know. I don't think anybody in my team has had an issue where people have withheld information yet."

To assuage such fears, volunteers are trained to explain the NGO's efforts to locals. "One thing that works in its favour is that the team is in the field five to six days a week and meets people on a regular basis. So even if people don't know them by name, their faces are familiar," says the senior member, who asks to remain unnamed.

An order dated February 25 has, meanwhile, informed Mumbai municipal school principals that no leave is to be granted to teachers between March 10 and June 15 this year since they will be on Census duty.

Enumerators have all experienced some amount of suspicion and are bracing themselves for it this time too. "When ads start running on TV and when they see us going around numbering the

A file photo of Census officials in a village in 2010

houses, it creates some awareness," a Dahisarbased municipal school teacher says, based on her experience collecting data for the 2011 Census. "That helps us convince them."

RANJITA GANESAN

Bihar, Chhattisgarh, Jharkhand

Then the Bihar Legislative Assembly passed a resolution to say no to NRC, officials heaved a sigh of relief. But then on February 27, the Bihar Assembly unanimously passed a resolution favouring a caste-based Census in 2021. "Caste Census has its pros and cons, but you do not know how people will receive it and whether they will cooperate with the enumerators," says a senior Patna-based administrative official.

Among the urban elite, caste is private information, neither relevant nor sought to be known in anonymous spaces like workplaces, he says. And in rural areas, it is public knowledge, he says, adding that data collectors might face some problem compiling such a census.

In Jharkhand and Chhattisgarh, the concerns

aren't about CAA or NRC but about the security of enumerators in the face of armed rebellion against the government.

A major concern in Jharkhand is the Pathalgadi movement - a practice in which the tribal communities declare self-rule and which is spreading fast in the mineral-rich state. Huge stone plaques and signboards on the outskirts of remote villages warn "outsiders" that they are not welcome.

There are hundreds of such installations, some carrying excerpts from the Panchayats (Extension to Scheduled Areas) Act and the Fifth Schedule of the Constitution of India, which deals with the administration and control of "scheduled areas" and Scheduled Tribes residing in those areas. They all signify self-rule by the local gram panchayat, and declare these villages as sovereign territories.

The supporters of the movement treat the gram sabha as the highest authority, and refuse to acknowledge the authority of the state and central governments. At least two dozen villages, mostly in Khunti district, had installed such stone panels announcing self-rule. Police personnel have repeatedly faced the wrath of villagers. Many have been assaulted or held hostage for challenging the practice of Pathalgadi.

declaring on the first day of taking charge that the cases registered against the Pathalgadi supporters would be withdrawn. The previous government had cracked down on the supporters of the movement and had registered cases against over 10,000 unnamed persons.

Shrivastava says that anti-social elements involved in the movement have been freed, and that they will be the biggest challenge as the authorities get down to collecting Census data.

Women surveyors, meanwhile, avoid going to these villages and consider them dangerous. In June 2018, six women working with an NGO were kidnapped from a missionary school and raped in Kochang village. Rupa Kuwar, a schoolteacher, and three other women were deputed for collecting data for a health scheme. "We did not have the courage to visit these places," she says.

Even the police refuse to escort the surveyors in these areas where the Aadhaar card too is treated as an anti-tribal document.

Conducting surveys and collecting data in the Naxal-infested pockets of Jharkhand and Chhattisgarh is relatively easier, the authorities say. It's the inaccessible terrain and not the fear of Naxals that prevents the authorities from reaching the people. In the little-known Naxal zone of Abujmarh, it is said that even Akbar - who conducted the first revenue survey — failed to map the area because of the difficult terrain. Chhattisgarh Chief Minister Bhupesh Baghel has, however, announced that he will get the job done.

Anshuman Bhadoriya, a senior police official with a long tenure in the insurgency-hit Bastar region, says that Naxals do not usually disturb survey work, unless they are suspicious of it. No incident of a survey team being assaulted has been reported from these restive areas, he adds. Meena Markam, a health volunteer from Sukma district, recalls an incident when rebels took her hostage along with another surveyor. They let them go after questioning them.

A senior official in the Dantewada district administration says survey teams normally invite the sarpanch and village secretary with the voters' lists. Data is compiled from this list by adding, deleting or updating information.

A Raipur-based political commentator says there is no reason for the Naxals to oppose the CAA or NPR. "In fact, they will cooperate as this will ensure they remain citizens of India." If at all, they might oppose it on the grounds that it has been BJP's agenda.

R KRISHNA DAS















REUTERS