

EDITORIAL

Responsible speech

Free speech is a tricky slope to navigate, particularly in the modern-day. It is hard to know when your right to free speech and expression becomes harmful to individuals, groups or society at large. When should a competent authority step in? Who is this competent authority? In the days before social media, the government was the only notable arbitrator of what should and should not be covered under protections of free speech. Today, the sheer reach and expanse of the social media ecosystem mean that questions of responsibility are even more uncertain now. While the role of the government in monitoring free speech is frequently viewed with a negative connotation, expectations of the social media companies themselves are more nuanced. Some wish for social media companies to be further involved in the process of regulation and have been critical of perceived lapses by these companies to monitor content on their platforms. In recent years, social media has been linked to the rise of fringe conspiracy groups, fake news outlets and much more else besides. More recently, the major social media giants have also been forced to weigh in on their stance on free speech in regards to political speeches or rhetoric posted online by politicians themselves. While Facebook and Twitter ultimately go to varying degrees to monitor and regulate conversions on their platforms, both nevertheless have been leading the social media pack in defining new systems of content regulation. As it were, their attempts to regulate their platforms during the 2020 US elections have earned them the ire of many conservative groups who are mimicking concerns of Republican leaders that their voices are being disproportionately suppressed by the platforms.

Now, as the likes of Twitter and Facebook have grown too 'biased' for certain groups, a new generation of largely unrestricted social media apps have hit the market that pride themselves as being bastions of free, unregulated speech. Parler seems to be leading this pack with many conservative leaders, commentators and influencers imploring their Twitter followers to join them on the new platform. Many have called for an end to what they call the 'Silicon Valley censorship'. Naturally, Parler has appealed most to those who have had their posts fact-checked or labelled as disinformation. It is hardly surprising that downloads for Parler peaked immediately after the US Presidential race was called for Joe Biden and social media platforms began labelling posts that claimed electoral fraud. But there is a much darker side as well. Alongside allowing dissatisfied conservative elements to find a comfortable echo chamber, Parler is also playing host to several conspiracy theories and fringe elements that have been restricted by the other platforms for quite some time. There have been reports of pages dedicated to flat-earthism, climate change denial, antivax and anti-mask conspiracies, Holocaust denial, etc to name a few. Fringe movements and groups like QAnon and Proud Boys have found a stable source for spreading their influence with little in the way of restrictions. While it is doubtful that such apps could replace Facebook and Twitter any time soon, even for conservative audiences, it does raise a few questions. Prominently, it leaves the companies themselves in a lurch as they have to decide how to respond to the trend of unregulated social media platforms. This is particularly significant as Parler is now gaining significant foreign users, most prominently from India and Saudi Arabia. Much of the content from India follows similar lines of discussing vaccine and Covid conspiracies with the local addition of conspiracy-laden discussions of the ongoing protests, the Shaheen Bagh protests from earlier this year and 'love jihad'. This doesn't end with Parler as many enterprising entrepreneurs have already shown interest in developing a 'desi' version of platforms like Parler to allow for a similarly unrestricted conversation.

While there may be no clear answers on a way forward, it is safe to say that such echo chambers have great potential for harm, particularly in these divided and trying times where free-speech is often wielded as much as a weapon as it is as a right. Loosening regulations in such cases is rarely an ideal or advisable solution.



SATISH SINGH

Compared to the second quarter of FY 2020, the revenue of the telecom sector grew by almost 12 per cent, while its loss decreased by 90 per cent in the second quarter of FY 2021

No easy task

Despite early hope, the road to economic recovery in India remains long & arduous

During the pandemic, banks were afraid of rising non-performing assets (NPA). However, many corporate houses are avoiding restructuring of loan accounts, as they fear that restructuring the loan accounts will damage their reputation in the market and they will not be able to raise capital from the market at a competitive rate. For this reason, till now, very few corporate houses have applied for the restructuring of loan accounts. However, this is a positive situation for banks, because if large accounts are not restructured, banks will not have to make provision of a higher amount for NPA.

Both corporate houses and banks will suffer losses if restructured accounts fail. It is also true that both will be benefited if the restructuring becomes successful, but the amount of benefit would be less if they fail. Therefore, large corporate houses do not want to opt for restructuring. This process will also be painful for the bank because the human resources will take more time to manage the restructured accounts and the bank resources will also cost more.

In the current scenario; Banks have succeeded in convincing corporate houses not to restructure, as it will financially damage them more. It is also true that corporate houses have surplus amounts due to provision of a six months moratorium and arrangement of giving emergency loans to all the borrowers by the bank. Owing to this, many borrowers are reducing their loan portfolio.

Analysis of the sector-wise distribution of credit showed that loans from sectors like metal and metal products, petrochemical, power, Non-Banking Financial Company (NBFC), real estate, textile, FMCG, pharma, chemical, health, consumer durables, vehicles, etc. have opted for the moratorium, however, these sectors have low debt and they



According to an RBI report, the overall NPAs of all scheduled commercial banks may increase from 8.5% in March 2020 to 12.5% by March 2021

are not facing liquidity problem. They have taken such steps only because of the current uncertainty environment.

Currently, due to the deferment of loan instalments and interest, the businessmen have surplus amounts, which they are either using to reduce their loan portfolio or to increase their business by importing raw or finished goods. For this reason, the import of miscellaneous goods is increasing.

Analysis of the data also shows that there has been no increase in the lending rate in the last 6 months. Not only this, non-food credit has shown a negative growth of 1.02 per cent in September 2020 in comparison to March 2020 in this period. At the same time, credit growth in medium enterprises and agriculture and allied activities grew at a rate of 13.84 per cent and 3.17 per cent respectively during this period.

It has also been observed that between March 2020 and September 2020, the credit growth rate in most sectors has been negative. Only a few

sectors like metal and metal products, vehicles, vehicle parts, transport equipment, hotels, restaurants, etc. have registered a slight increase due to having surplus amount due to provision of the moratorium of loan set by Reserve Bank of India. Besides, the corporate houses have also received surplus funds owing to increased duration of the working capital cycle.

The analysis also shows that there is a credit balance of Rs 32.6 lakh crore in these areas. According to an estimate, only 15 to 20 per cent of the corporate houses have applied for restructuring in view of the negative impact of the restructuring. Most corporate houses fear that if they opt for restructuring, they will find it difficult to raise capital from the market and rating agencies will downgrade their ratings to the lowest level. Therefore, it is being estimated that the restructuring amount will not exceed a maximum of Rs 1 lakh crore.

Despite this, in the current perspective, there will be pressure on micro, small and

medium enterprises (MSME) and agriculture and allied sectors. In such a situation, the possibility of an increase in NPA cannot be ruled out completely. Although the NPA has decreased in September 2020 from March 2020, it is expected to increase in the coming quarters. A large number of agricultural loan accounts have not been renewed due to the lockdown, due to which agricultural loan accounts may be converted into NPAs technically.

According to the Reserve Bank of India's Financial Stability Report 2020, the overall NPAs of all scheduled commercial banks (ASCBs) may increase from 8.5 per cent in March 2020 to 12.5 per cent by March 2021. It can also reach 14.7 per cent level as credit risk increases.

An analysis of the financial results of the 800 listed companies shows that most companies are reducing their loan portfolios so that they do not face liquidity problems. In the first half of FY 2020-21, these companies have used liquid

assets, cash and bank balances to reduce their loan portfolio. Except for FMCG, edible oil, pharma etc. Most of the companies have not done well in the first quarter of the current financial year, but they have done well in the second quarter.

However, the financial results of listed companies like cement, capital goods, packaging, automobile, consumer durables etc. are good. Out of 800 listed companies, all except the refineries and telecom have recorded growth of about 10 per cent in both EBITDA and PAT. Compared to the second quarter of FY 2020, the revenue of the telecom sector grew by almost 12 per cent, while its loss decreased by 90 per cent in the second quarter of FY 2021.

Hotels and restaurants, air transport, service, manufacturing, retail, textiles, diamond, gem and jewellery, leather, etc. have registered double-digit growth in key financial growth parameters including revenue collection. Cost reduction has been done in these areas. In many areas, the cost of staff has been cut from 5 per cent to 30 per cent.

In the second quarter of FY 2021; in some areas; Exports have grown faster than the previous quarter. For example, rice exports have registered a gradual increase of 12 per cent, while a 65 per cent increase on a year-on-year basis. Exports in meats & dairy, iron ore, gem & jewellery, drug & pharma, cotton yarn, fabrics, handloom products, textile sector etc. grew by 7 per cent on a year-on-year basis, while a gradual increase of 93 per cent.

The pandemic can be said to have caused unexpected damage to the economy. The government is trying its best to get the economy out of the crisis, but the expected results are yet to come.

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Flawed approach

Even in 2020, our systems continue to fail in internalising the teachings of the Mahatma



JS RAJPUT

Recently, most of us came across visuals from the Karnataka State Legislative Council. The presiding deity was dragged out of the coveted seat by his fellow Hon'ble Members of the Upper House of the State. No one cared, as unruly happenings amongst elected representatives is rather a routine activity! We are all accustomed to reading reports on unacceptable behaviours, activities, actions at every level which deserve our attention and concern; but usually move ahead; comforting ourselves with responses like 'what can I do about' or 'it is beyond repairs!'

Take the case of police across some countries, the manner it behaves with the common man, handles protests, and humiliates those who approach them for safety and security, and how all the talk of police reforms has lost its fervour and vigour, as those who could change things are just not interested in reforms. Some big-bigs would like to maintain their controls; some have interest in maintaining their hegemony over police functioning, as it helps them in dealing with their 'Voters' -- one of the casualties of such a routinization; and a consequent sense of resignation in the public mind is that of preventing criminals from entering the sanctified arena of the lawmakers. It is indeed a very astonishing -- if not hilarious -- situation in which everyone agrees that only the good, honest, committed people should enter the precincts of the legislatures and the August Houses of Parliament, but no one seems to come forward and initiate tough legislation about it. It was widely reported in May 2019 that 43 per cent of the newly elected MPs in India had criminal records, that this was an increase of 26 per cent over the numbers of 2014. In a submission made to the Supreme Court of India in September



Mahatma Gandhi's principles, even in today's time, hold great relevance

2020, it was claimed that 2556 MPs and MLAs had pending criminal cases against them. One hardly finds any serious effort being made to redress this definitely unacceptable state of affairs; there are not even serious deliberations on finding ways and means to initiate and accelerate the process of this much-needed 'exclusion!' Let me revert to another aspect of unjust practices getting no attention from either people or from those in positions of authority, who could really change things.

I often recall huge demonstrations by part-time teachers, given different designations in various states; appointed on meagre remunerations; demanding regularization of their services; citing the length of service already rendered. Practically every time, they were lathi-charged and dispersed. The callousness of the non-political intelligentsia was evident on all such occasions; they just did not bother about the plight of these teachers, or the impact of the absence of

regular teachers on the quality of education. This callousness could be the major cause resulting in the irreversible loss of credibility of government schools.

Having got several opportunities to understand how our education systems work, and how policies are formulated, one must share the blame for deficiencies in preparing generations of committed, devoted and willing to serve others with concern, empathy and sympathy. Our system failed in internalizing the Jantar of Gandhi: "I will give you a talisman. Whenever you are in doubt, or when the self becomes too much with you, try the following expedient: Recall the face of the poorest and the most helpless man whom you may have seen and ask yourself, if the step you contemplate is going to be of any use to him. Will he be able to gain anything by it? Will it restore him to control over his own life and destiny? In other words, will it lead to Swaraj or self-rule for the hungry and

also spiritually starve millions of our countrymen? Then you will find your doubts and yourself melting away."

As a teacher, one must accept failure in inspiring our younger generations in internalizing the values and principles on which the freedom struggle under the leadership of Mahatma Gandhi was launched; and successfully carried through. We also remained deficient in internalizing traditional values of giving back to the society. Moving up the ladder of education, we did not focus on the corresponding increase in the humility that must accompany the increase in knowledge acquisition. Consequences are before all of us. The moment a person becomes a police constable, or an elected representative, or minister, he -- exceptions apart -- distances himself from the last man of Gandhi Ji. In a truly civil society, the moment an educated young person attains a position that could be utilized to help others, particu-

larly the weak ones; he should expand his horizons, attempt to become more supportive, empathetic and compassionate. The seeds for this must be sown right from the initial; years in the family and continued with all the tenderness as the child transitions to school education.

Practically every day one comes across an instance that clearly illustrates the disconnect between the citizen and those in a position of power and authority; who are supposed to be working for people's welfare. What disturbs me is that such instances hardly receive media attention. The district court of Siddharthnagar in UP had granted bail to 'Vinod Kumar Baruaar', but the bail order printed his name as Vinod Baruaar only; Kumar was missing! And believe it, the jail superintendent kept the man in jail for another eight months, till the High Court intervened. These are the time of ICT, of paperless offices, but a small lapse on the part of some government functionary; and the un-empathetic -- if not inhuman -- approach of the Jail Superintendent deprives a citizen of India his right to justice, liberty and freedom for eight months! The High Court 'reluctantly' accepted the explanation put forward by the functionaries for non-compliance of the bail order. It made me sad. Is this 'pardon' justified? Why should the person concerned not be put in jail for a month or so to experience personally what he had snatched away from someone's life because of sheer incompetence and lack of human compassion?

In a welfare State, should the sufferings inflicted on the individual citizen not be compensated by the State? Should such instances not receive the attention of legal luminaries and even Courts?

The writer works in education and social cohesion. Views expressed are personal

Dear Editor

WAKE-UP CALL

The pandemic-induced lockdowns have left many people in the country devastated. During the crisis, hundreds of 'rogue' lending apps started sprouting in digital platforms. They resemble the names of genuine Indian startup financial companies; they offer easy loans over mobile apps and many needy people take financial support in times of distress. But these apps are pushing a large number of people into a trap far deeper than the financial crisis they are in. They charge an extremely higher rate of interest and additional hidden charges. As borrowers were unable to repay on time, they were hounded and humiliated by recovery agents hired by these apps. As a result, many people started committing suicide while others were lodging police complaints. Recently police have arrested some people linked to these apps, days after three people committed suicide in Telangana. On Wednesday RBI cautioned the public not to fall prey to the growing number of unauthorised digital lending platforms and mobile apps. Meanwhile, technology giant Google pulled down many such apps from their portals. Alarmingly, many of these apps function outside the regulatory purview and they're possible sources of money laundering. Perhaps increased digital awareness and swifter detection of these 'rogue' apps can help in curbing such crimes.

....KHOKAN DAS, KOLKATA via email

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tweet OF THE DAY

It's long past time we pay teachers what they deserve.

The work they do is of extreme national importance -- and their salaries should reflect that.



JOE BIDEN @JoeBiden