MARKET WATCH

	07-11-2017	% CHANGE
Sensex	33,371	-0.25
US Dollar	65.03	-0.54
Gold	30,390	0.84
Brent oil	63.85	1.62

NIFTY 50

	PRICE	CHANGE
Adani Ports	431.55	-6.00
Ambuja Cements	276.65	-3.40
Asian Paints	1141.45	-20.90
Aurobindo Pharma	780.00	-15.90
Axis Bank	527.15	-7.35
Bajaj Auto	3161.65	-48.20
Bajaj Finance	1802.55	-19.45
Bharti Airtel	514.35	-18.20
Bosch	20757.65	-103.85
BPCL	521.40	-2.80
Cipla	607.55	-47.25
Coal India	284.65	-1.70
Dr Reddys Lab	2378.00	-14.25
Eicher Motors	31159.85	71.50
GAIL (India)	463.50	-2.45
HCL Tech	876.75	31.70
HDFC	1764.65	-25.55
HDFC Bank	1823.70	-4.90
Hero MotoCorp	3681.50	-7.35
Hindalco	266.90	-6.05
HPCL	444.70	10.65
Hind Unilever	1234.20	-6.40
Indiabulls HFL	1195.20	-31.75
ICICI Bank	312.45	-3.65
IndusInd Bank	1654.30	6.30
Bharti Infratel	427.05	3.00
Infosys	955.50	26.80
Indian OilCorp	400.20	-10.45
ITC	265.30	0.40
Kotak Bank	1013.30	3.55
L&T	1211.05	-13.65
Lupin	859.90	-174.65
M&M	1353.75	-12.40
Maurti Suzuki	8220.30	-89.90
NTPC	178.40	-0.85
ONGC	193.80	-5.45
PowerGrid Corp	207.65	-3.05
Reliance Ind	906.70	-25.80
State Bank	317.20	-11.80
Sun Pharma	527.60	-13.60
Tata Motors	451.85	-11.05
Tata Steel	693.20	-13.60
TCS	2710.05	44.50
Tech Mahindra	470.50	10.05
UltraTech Cement	4373.45	-54.30
UPL	739.80	-22.10
Vedanta	335.70	-3.20
Wipro	302.25	2.40
YES Bank	311.70	-7.95
Zee Entertainment	538.05	7.45

EXCHANGE RATES

Indicative direct rates in rupees a unit except yen at 4 p.m. on November 07

CURRENCY	TT BUY	TT SELL
US Dollar	64.83	65.15
Euro	75.01	75.38
British Pound	85.15	85.58
Japanese Yen (100)	56.81	57.09
Chinese Yuan	9.77	9.82
Swiss Franc	64.93	65.26
Singapore Dollar	47.51	47.75
Canadian Dollar	50.78	51.05
Malaysian Ringitt	15.31	15.41

Source:Indian Bank

BULLION RATES CHENNAI

November 07 rates in rupees with previous rates in parentheses

Retail Silver (1g)	42.70	(42.11)
22 ct gold (1 g)	2,800	(2,779)

INTERVIEW | SATYA NADELLA

‘One ought to have a ‘learn-it-all’ culture’

We advocate the need for a digital Geneva convention to help balance national security, public safety

THOMAS K THOMAS

Satya Nadella*’s first three years as CEO of Microsoft have been remarkable for the Redmond-headquartered company. The software giant, which was once struggling with internal cultural issues and failure to keep pace with a changing technology landscape, has since pivoted to newer technologies such as cloud computing, mixed reality and artificial intelligence. In a new book ‘Hit Refresh’, Nadella has written about how he led this transformational journey. In an interview with BusinessLine, he speaks about the future of technology, impact of digital economy on privacy and dealing with failures. Excerpts:*

Failures in technology are part and parcel of what we do.

You decided to hit refresh in 2014 after you took over as CEO. With technology changing rapidly, do you think you will have to undertake many more hit refreshes before the transformation is complete?

■ The whole transformation journey has been framed not as a one-time episode but as a continuous process of renewal. In some sense, business success is only possible when you break the virtuous lock that happens between concept that once was novel, and capability and culture. You ought to have a culture that is not a ‘know-it-all’ culture but a ‘learn-it-all’ culture. It allows you to come up with new ideas.

Everything in technology look like a failure until it’s not. So you need to have courage to let people learn and also fail.

Here we are 43 years after Microsoft’s birth, talking about a whole set of new technologies. During these years, we have had to hit refresh every 2-5 years, and I am sure in the future we will have to do the same.

One of the critical issues in the digital age is privacy, which at times gets compromised as governments across the world are increasingly seeking access to data. You have prescribed a 6-point agenda in your book including creating an environment of trust and empathy. In reality, most State actors have a short-term view. Do you think that this approach could jeopardise faster adoption of technology?

■ As a global society we have to deal with some core challenges related to the new technologies. For example, the balance that is required between national security and public safety. This is something that, especially in democracies, the legislative process and the courts have to create a framework of law. We are certainly advocating that in the United States but beyond the U.S. we need a modicum of international order that spans the EU, China and India. Then there is the issue of how State actors behave in a world where cybersecurity is a super important thing for citizens.

One of the things we advocate is the need for a digital Geneva convention. I am actually optimistic because global community has come together in the past to tackle some of the unintended consequences of new technologies so that the progress is not impeded. There will be ups and downs, but I believe in our collective capabilities to solve problems.

On one hand you are advocating more responsible behaviour from governments when it comes to privacy of digital citizens, on the other hand tech companies survive and thrive on accessing user data. All of the new technologies like AI and machine learning need access to large amounts of user data. Isn’t there a conflict here?

■ The data belongs to the user and it is our responsibility to make sure that data is used for the benefit of that consumer only. It’s transparent, it’s in their control and it’s secure. Building that trust with consumer is super important. That’s why there has to be trust on business models where you are not turning data from one place as a source of income in another place, or to create value for someone else. There has to be a simple, straightforward and transparent transaction that builds trusts. Privacy is something that every user should value but at the same time they need to be able to permission their data to be used so that there is value for them. To say that I will not use my data to create better value for myself would be a mistake.

The rise of the digital economy is being labelled as the next industrial revolution. The previous industrial revolutions created the haves and the have-nots. Will new technologies reduce these gaps and be more egalitarian?

■ I do believe that the world needs more egalitarian growth. The question though is how to make it happen.

Research has found that countries that were able to get new technology fast into their country, but most importantly, were able to turn it into intense use and take advantage of it by turning it into productivity gains were the ones that were successful. So whether it’s in India or elsewhere, it should not be about diffusion of technology alone. It’s not just enough to be, for example, a smartphone nation. The question is what are you doing with technology to have an impact on things like education, healthcare, the supply chains. Merely celebrating consumption of some technologies alone will not make it equitable.

One of the things missing from your book, I thought, was the absence of how you felt when things did not work out. For example, you have written about how you worked on a platform for offering video on demand but then it had to dropped due to the advent of Internet. How did you deal with disappointments and failures?

■ Failures in technology are part and parcel of what we do. I can trace back some of the distributed systems knowledge we have today, that allows us to build the cloud, to what we had built for the video on demand server. Sometimes concepts do not work out but the capabilities get reborn in different ways. I don’t think of technology failures as the things to get emotional about.

While every tech company is obsessing with technologies like AI and augmented reality, you have also talked about quantum computing. How will this unfold in the future?

■ We are in the early stages of this. When I look at the computational problems – whether its the catalyst that’s going to be able to absorb the carbon in the air or being able to model the enzyme that’s involved in natural food production – these are computational problems that’s not been solved. In order to solve them we need a new approach. It speaks a lot about Microsoft’s ability to go long, invest in long-term research and also remain true to our identity.

What we have done with quantum is not a gimmick or just some press release highlighting our achievements around quantum. We have put it out there so that others can create quantum computing algorithms. It’s not about celebrating technology for the sake of technology but what we can do to unleash the power by putting it in the hands of everyone else.

‘Mixed reality, AI to shape tech future’

Quantum computing also key: Nadella

YUTHIKA BHARGAVA
NEW DELHI

Microsoft CEO Satya Nadella sees mixed reality, artificial intelligence and quantum computing as the three key technologies that would shape the future in the decades to come.

Observing that computing history had been all about enhancing the man-machine interface, Mr. Nadella said on Tuesday, “It’s amazing... how we’ve made it much more natural and intuitive, to get more people to use computing.”

However, he added, the ultimate computing experience was what “I describe as mixed reality... the idea that you can now just in front of your eyes have both the real world and the virtual world and it can blend the two... In fact, one of the things that people are able to transcend space and time to collaborate. But just imagine this teleportation is no longer just Star Trek, it’s sort of possible.”

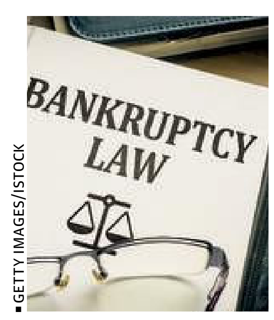
Talking about data and artificial intelligence, Mr. Nadella said, “The currency of our times will be our ability to collect data, but more importantly its ability to create intelligence or AI.”

Quantum computing would be the third, longer-term bet, he said. “We celebrate so much of our technological progress, but we also need to be clear eyed about some of the harder challenges that is computational in nature but yet not solved.”

Microsoft also announced a partnership with ride hailing app Ola to build a new-age ‘connected vehicle platform’ for car manufacturers worldwide.

Insolvency resolution norms made stringent

SPECIAL CORRESPONDENT
NEW DELHI



GETTY IMAGES/ISTOCK

The Insolvency and Bankruptcy Board of India (IBBI) has amended the corporate insolvency resolution process regulations to ensure that applicants, including promoters, are put to a stringent test with respect to their credit worthiness and credibility.

The amendment also imposes greater responsibility on the resolution professional and the Committee of Creditors in discharging their duties.

The amendments will ensure that as part of due diligence prior to approval of a resolution plan, the antecedents, credit worthiness and credibility of a resolution applicant, including promoters, are taken into account by the Committee of Creditors, an official statement said on Tuesday.

To ensure that the corporate insolvency resolution process results in a credible and viable resolution plan, the IBBI has carried out amendments to the IBBI (Insolvency Resolution Process for Corporate Persons) Resolution Process, 2016 (CIRP Regulations), it said.

‘Anonymity of cash removed’

Note ban aim met with return of ₹15.28 lakh crore: Jaitley

SPECIAL CORRESPONDENT
NEW DELHI

With the return of ₹15.28 lakh crore to the formal banking system, almost all cash holdings in the country have lost their anonymity, Finance Minister Arun Jaitley wrote in a post on Tuesday, the eve of the anniversary of demonetisation.

From this inflow, he said, the amount involving suspicious transactions was estimated to be ₹1.6-1.7 lakh crore.

Arun Jaitley

Intended objective

“When demonetisation was implemented, one of the intended objectives was to put identity on the cash holdings in the economy,” Mr. Jaitley wrote.

“With the return of ₹15.28 lakh crore in the formal banking system, almost entire cash holding of the economy now has an address. It is no more anonymous. From this inflow, the amount involving suspicious transactions based on various estimates ranges from ₹1.6 lakh crore to ₹1.7 lakh crore. Now, it is with the tax administration and other enforcement agencies to use big data analytics and crack down on suspicious transactions.” The Minister said that steps towards this had begun, with the number of Suspicious Transaction Reports filed by banks during 2016-17 increasing almost six times to 3,61,214. He said the number of these reports from financial institutions and intermediaries registered with SEBI witnessed similar growth. “Based on big data analytics, cash seizure by Income Tax Department has more than doubled in 2016-17 when compared to 2015-16; during search and seizure by the Department ₹15,497 crore of undisclosed income has been admitted which is 38% higher than the undisclosed amount admitted during 2015-16; and undisclosed income detected during surveys in 2016-17 is ₹13,716 crore which is 41% higher than the detection made in 2015-16,” he added.

Mr. Jaitley said that this process would gain momentum under “Operation Clean Money” introduced on January 31, 2017.

“The leads gathered due to data collected during demonetisation period have led to identification of 2.97 lakh suspect shell companies,” he wrote.

Copper PSU to outsource two mines

SPECIAL CORRESPONDENT
KOLKATA

Hindustan Copper Ltd., the country’s lone copper mining company, will shortly float global tenders for two mines in Jharkhand with a total ore capacity of 3 million tonnes, said its CMD Santosh Sharma.

Located in eastern India’s Singhbhum copper belt, this includes the brownfield Rakha mine and the greenfield Chapri-Siddeshwar mine. These underground mines would be outsourced and it would take about four years for them to develop and come into full-fledged production. Rakha was closed in 1999 due to unviable operations. Technology advancements since then have improved viability.

HCL’s five copper mining leases are located in Jharkhand, Rajasthan and Madhya Pradesh.

CEA bats for a nationwide power market

‘Sector has made strides on physical side, but needs to catch up on financial side’

SPECIAL CORRESPONDENT
CHENNAI

India should have just one market for electricity, on the lines of the Goods and Service Tax (GST), said Arvind Subramanian, Chief Economic Adviser.

“When soft drinks can be sold throughout the country at one price, why can’t we have one tariff for electricity?” he asked.

He was giving a talk on the theme “Co-operative federalism to foster reforms: the case for power sector,” organised by The Hindu Centre for Politics and Public Policy here on Tuesday.

EA Arvind Subramanian, left, in conversation with *BusinessLine* Editor Raghavan Srinivasan on Tuesday. ▪ B. JOTHI RAMALINGAM

‘Multiple slabs’

The CEA said he was surprised to discover that States such as Bihar and Rajasthan had multiple tariff slabs for electricity. “There are slabs for pisiculture, small rabbit farm, panchayat municipalities...How can you run any market system where a commodity has 100, 200 prices depending upon when it is used, how it is used, where it is used... This kind of complexity leads to corruption,” he said. “We have here a system of protectionism... balkanised economic India... in order to sustain what are actually not so good and not so desirable policies at the level of every State... How can we create one market in India for power? The Constitution says, we are one nation. But we are not as far as electricity is concerned,” he said. According to Dr. Subramanian, India had made great strides in the power sector on the physical side. But it needed to catch up on the financial side. The power sector faced challenges on generation side, distribution front and market structure, he said. Since India “is not a one market for power” the choice was restricted to many agencies. The 2000 boom left in its wake a surge in thermal power capacity, he said.

A combination of factors ranging from economic growth slowdown and subsidy-induced surge in renewable energy had affected the financial viability of these thermal plants, triggering a cascading effect across the spectrum. He also pointed to the inability of the political system to charge correct tariff for power. Though power was in the concurrent list, “the Centre has a stake,” he said. “In fact, it is absolutely first order of business for the Centre to make sure we are one India. We cannot be a balkanised India. In power, we cannot allow States to impose and create fragmented markets in India,” he added.

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