Modi unveils ₹11K-crore projects in Assam

Prime Minister Narendra Modi with Assam chief minster Himanta Biswa Sarma at the inauguration and foundation stone laying ceremony of various developmental projects, in Guwahati on Sunday AP

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PRIME MINISTER NARENDRA Modi during his visit to Guwahati on Sunday emphasised on the BJP's focus on developing Hindu religious sites.

Modi arrived in Assam on Saturday evening, his first visit to the Northeast since the ethnic violence broke out in Manipur last May. Though he was supposed to address a political rally in Mizoram on October 30, 2023, in the run-up to the Assembly elections there, the visit was cancelled a few days before it was scheduled.

The Congress had alleged that the visit was called off because Modi had not visited Manipur even once since the violence broke out. During an event in Guwahati on Sunday afternoon, Modi inaugurated multiple infrastructure projects in the state, estimated to cost over ₹11,000 crore. These included the Kamakhya temple corridor, which is supposed to be on the lines of the Kashi Vishwanath temple corridor in Varanasi.

At the event Modi said, "After the Kashi corridor was made, a record number of devotees reached there.(A total of) 8.5 crore people went to Kashi last year...More than 1.9 million people went on pilgrimage to Kedar Dham. In Ayodhya, the Pran Pratishtha (of Ram Lalla) was done just a few days ago. In 12 days, more than 2.4 million people have had a darshan. After the Maa Kamakhya Divyalok Pariyojana is made, we will see a similar sight here."

"When pilgrims and devotees come, even the poorest earn, be it rickshaw wallas, taxi drivers, hotel operators, vendors...That's why in this year's (Interim) Budget we have given a lot of weightage to tourism...In Assam and NE, there is a lot of potential for this. That is why the BJP government is giving a lot of emphasis to development here," he said.

"Our pilgrimage sites, our temples, our religious places are not just sites for darshan. They are symbols of our thousands of years of civilization. Bharat has remained strong even after facing every difficulty...After Independence, those who ran governments in this country for long, even they did not realise the importance of the sacred places of worship. For their political benefit, they had started a trend of being ashamed of their own culture," he said.

Increase in private capex depends on demand: India Inc

AGREED MOHIT MALHOTRA, chief executive officer, Dabur India, "Lowering of the fiscal deficit target clearly indicates that fiscal prudence is on top of the government's mind. However, the capex cycle will pick up based on the demand environment."

Malhotra added that firms would hike their capex in tandem with the rise in the economy and infrastructure spends.

Nadir Godrej, chairman and managing director, Godrej Industries, believes it might take a while for private capex to gain traction.

"The private sector will look at demand for new capacity addition and will expand only when the existing capacity is full. In some areas, this is beginning to happen," Godrej said.

He added that some investments may get delayed till interest rates begin to fall. "I am sure that the private sector will be stepping up capex, but it will take some time," he emphasised. Many other industry leaders said that a majority of the business in India is small or medium, which affects their ability to raise capital and contribute to capex meaningfully.

Even though memorandums of understanding are signed for several trillion rupees, these are large programmes spread over large periods of time and committed by only a few large industrial houses.

Others are more optimistic. According to HM Bharuka, former vice-chairman and MD at Kansai Nerolac, and an independent director at Avenue Supermarts (D'Mart) now, the private sector has not been spending "heavily" over the last few years, which prompted the government to step in.

"As the economy grows, the government will try to curtail freebies to rein in expenditure and ensure that the economy in on the fiscal road map. The onus is on the private sector to step up investments. The way I see it is that the private sector has no choice but to invest, if they have to catch the demand boom," he said.

Bharuka believes that the capacity utilisation at manufacturing facilities has been rising and higher about 74-75% and as it grows further, companies will have to make additional investments.

However, players in sectors like real estate believe that the private sector has already been investing quite heavily. "I don't think the private sector is restraining itself. On the contrary, it has shown prudence and maturity. Several sectors like travel and tourism, real estate, retail, logistics, data centres, financial services and e-commerce, rural penetration are all at all-time highs," said Sanjay Dutt, managing director & chief executive officer, Tata Realty & Infrastructure.

He believes that fresh allocations for rural housing would yield positive results across diverse construction-related segments, including cement, steel and paints. And sectors such as infrastructure, healthcare and renewable energy are also poised to grow. "These would present compelling opportunities for growth-oriented investments," Dutt added.

Rajesh Jaggi, vice chairman (real estate), Everstone Group, echoed similar views. He said that the reduced borrowing by the government and a rise in infrastructure investment would make it easier for projects to secure funding.

FROM THE FRONT PAGE

Zee now free to approach NCLT

IN RESPONSE, ZEE had moved the Mumbai bench of the NCLT against Sony (on January 24) to enforce the merger that had been approved by the tribunal in August last year and had also contested the claims of the Japanese major at the SIAC.

In its January 24 exchange filing, Zee had denied Sony's claim of not meeting closing conditions of the proposed merger, adding that it had complied with all its obligations in good faith. Zee had also termed the $90-million termination fee by Sony as being "legally untenable", saying there was no basis to it. The proposed merger had hit a wall over leadership issues, with Sony pushing for NP Singh, its India MD & CEO, as the head of the merged entity, while Zee was asking for the merger scheme to be honoured. The December 2021 merger agreement had Zee's MD & CEO Punit Goenka as the face of the merged entity, which Sony had said could not be considered in view of the Sebi's probe against him. Ahead of the merger deadline on January 21, Essel group chairman and Goenka's father Subhash Chandra had written to finance minister Nirmala Sitharaman, seeking the Centre's intervention to safeguard the interest of Zee's minority shareholders.

In media interviews last week, Chandra had indicated that Zee's promoter family, which held a 3.99% stake in the company, was looking to increase its shareholding in the firm by 5% as part of a longer-term plan to increase the stake to 26%.

Chandra had claimed that the promoter family would not take debt for the purpose, but would instead look to family members, including his younger son Amit Goenka, for an increase in shareholding.