

EDITORIAL

All thumbs

It has been a long-held belief for millions that the art of writing, as in putting pen to paper, is a time-consuming and, perhaps, thought-provoking process. But in an age of technology, this complex assignment developed over centuries has got even tougher. If the latest research emanating from the United Kingdom is true, then touch-screen mobile phone addiction among children has reached such alarming levels that they are unable to hold pens/pencils properly anymore. Dr Sally Payne, Head Pediatric Therapist at the Heart of England Foundation NHS Trust, says that doctors have found that widespread use of touch screen devices including tablets/pads, lap tops and mobile phones have been affecting the development of bone and sinew among young children. So much so, that the consequences are no longer limited to adverse behavior, flagging mental ability or poor school performance but is impacting his/her physical strength — in the fingers, hands and wrists.

It is indeed the irony of ironies that while kindergartens are now populated by kids who have mastered the art of holding and using technological devices, they are losing the fundamental movement skills required to hold a pen, perchance putting it to paper. In fact, their lack of dexterity in holding a pen/pencil properly is, research has found, directly linked to a significant decrease in their physical activity. Today's children spend more time indoors than outdoors and this has raised huge concern among educators and pediatricians about children's physical skill development. It is also a widely accepted fact that there exists a correlation between outdoor activities and a child's overall development, both physical and mental. When outdoors, kids have a gamut of opportunities to practically explore the world: to learn to balance and to figure out how to handle toys and tools. These are the basic building blocks that help develop cognitive and academic skills. Childhood also provides the best atmosphere to absorb skills and develop them by practice. As a matter of fact, motor development begins even before children join schools. They start learning very early, as toddlers, when they excel in picking up toys they are attracted to or learn to scribble on paper. This is where we have missed out. Instead, our children are now being acclimatized as toddlers to gadgets that are the fruit of the all-pervasive technology which is the hallmark of our age. No wonder, then, that their engagement with technology is intense. But while the digital age has significantly transformed our lives, it must be accepted that it comes with occupational hazards. The most neglected feature among the many side-effects of over-exposure to gadgets is the fact that they keep our kids' hands and fingers tied up in unprecedented ways. While it is impossible and inadvisable to prevent children from accessing gadgets, a balance is urgently needed.

New energy choices are need of the hour

The balance between development and environment is the biggest challenge for humanity today. Demand for such models of development have been increasing across the world because it has the potential to meet our current needs without harming the environment. India is one of the emerging economies of the world but is still depend primarily on coal, petroleum and natural gas and oil for our energy needs, which have their own limitations. First, they are way too expensive to have easy access. Second, they emit carbon in large quantities. These options are clearly not sustainable and the rate at which these natural resources are being utilised, they will soon be over. It is, therefore, bound to affect the environment as well as the generations to come.

In such a situation, it is time to move towards newer options of energy which can restrain indiscriminate exploitation of natural resources and make access to affordable and sustainable energy easier. These concerns of environmental protection have also been included in the concept of 'Sustainable Development Goals' (SDG).

Environmental protection in the SDGs has been considered as a part of economic development. SDG 7 says: Ensure access to affordable, reliable, sustainable and modern energy for all.

SDG 7.1 says: By 2030, ensure universal access to affordable, reliable and modern energy services. SDG 7.2 says: By 2030, increase substantially the share of renewable energy in the global energy mix. SDG 7.3 says: By 2030, double the global rate of im-

provement in energy efficiency. However, achieving the above mentioned goals is not easy. According to Niti Aayog, there are about 300 million people in India who do not have access to electricity. In September 2015, the then Union Minister of State for Coal, Power and New and Renewable Energy, Piyush Goyal, launched the 'Access to Clean Cooking Energy and Electricity — Survey of States Report'. In this survey, 8,566 households of 714 villages of 51 districts of six States (Bihar, Jharkhand, Madhya Pradesh, Odisha, Uttar Pradesh and West Bengal) were included. According to the report, 78 per cent of the rural population in these States use conventional biomass fuel to cook food, and only 14 per cent of the rural households use clean energy to cook food.

In fact, India is in the initial phase of renewable energy, although the Niti Aayog has expressed hope that as the cost of renewable energy sources is declining, it can help achieve the goal of access to affordable and clean energy. At present, about 50 GW of electricity is generated through various sources of renewable energy in our country which has the targeted to double it (100 GW) by 2022.

Here, emphasis of the Union Government has been to provide LPG connections and electricity in rural areas through a number of schemes such as the Pradhan Mantri Sahaj Bijli Har Ghar Yojana and the Pradhan Mantri Ujjwala Yojana. The Pradhan Mantri Ujjwala Yojana was launched in 2016 with an aim to provide LPG connections to five crore poor women within a period of three years.

Time to end neglect of Army's sword arm

Why has the sword arm of the Indian Army, its infantry, been neglected for 13 years? Only this month, due to the efforts of Army Chief Gen Bipin Rawat, has the long-awaited proposal for personal weapons and equipment for the infantry — assault rifle, carbine, LMG and sniper rifle — been finally cleared by the Defence Acquisition Council (for mainly Buy and some Make-In-India, as it were). But few have asked why this less than rupees 2.5 billion investment in the fighting soldier has taken so long to materialise.

We spent nine billion dollars for 36 Rafale aircraft and four billion dollar for aircraft carrier Vikramaditya. But the infantry gets a raw deal. The last conventional war was fought in 1971; the last border skirmish was in 1999. But Pakistan has not ceased its proxy war for the last 30 years. In the forefront of any war in history is infantry or foot soldier — the boots on the ground. And it is the infantry alone which has not ceased to be at war with Pakistan since 1947 given its deployment on the LoC.

In 1999, Pakistan's Northern Light Infantry, in the guise of terrorists, occupied heights from Drass to beyond Batalik. Vacating the aggression was left to the Army, which was mandated to get the job done without crossing the red line (LoC). This was a strategically flawed and costly decision. The victim was the poor infantryman who was asked to mount attacks uphill, mostly frontally as the tactically more feasible and less costly

options were closed. The infantry has suffered the heaviest casualties per capita of all wars. Had there been no embargo on crossing the LoC, infantry casualties would have been one-third less than the 500-plus suffered.

Epic battles were fought, just not on Tiger Hill and Tololing but at other locations too. This border skirmish saw classic infantry battles being fought in the words of the then Chief, Gen Ved Malik, 'with what we have'. There was a big hole in the operational preparedness of both infantry and artillery that but for South Africa and Israel coming to our help with ammunition and equipment would have left us high and dry.

In 1988, similarly, the encounter at Bana Post in Siachen is memorable. It earned a PVC, MVC, VRC and several other awards for the combatants, probably per capita the most highly decorated post in Jammu and Kashmir. Point 1362 in Kargil had been captured twice in 1965 — and returned both times to Pakistan and retaken again in 1971, that time for keeps. In each of these sterling infantry battles, there is a story of valour conquering all odds.

Since the proxy war picked up in J&K in 1989, counterterrorism operations have intensified and what's missing has been the required quality personal weapons and protective gear for soldiers. The fencing up since 2003 is now ineffective due to its use-by date being over and the proposal to replace



it with a smart-fence has been dropped. The infantry is handicapped by a lack of state-of-the-art surveillance equipment to defeat infiltration. A majority of frontline soldiers have old 7.62 mm INSAS rifles — some were sold to the then Royal Nepal Army to fight the Maoists but they complained about its inefficiency.

Some AK 47 rifles and vintage sniper rifles have been provided along the LoC. The deficiency of high-quality bulletproof jackets and modern helmets is another handicap for the infantry.

From 2003 onward, proposals were mooted for the family of weapons systems the infantry needs several times. These were either rejected because the Request for Proposals were fanciful and aspirational or because

there was a scam or due to a single-vendor situation. No Service Chief for the last 15 years took it upon himself to intervene and catch the bull by its horns though fully cognizant that the only war being fought is on the LoC and to a lesser extent in the North-East by the infantry. Finally, this month, clearance was obtained to purchase essential equipment on a fast-track system which could take up to two years.

Personal weapons for the rest of the army will be in the "make" category; so far, not a single Make-In-India contract with a foreign vendor involving transfer of technology has materialized despite talk of the ease of doing business. The Make-In-India Rafale was killed before it got on to the runway.

The essential question is:

Why has the Army neglected the infantry soldier's modernization for so long? The trend emerged in 1988 when the then Chief of Army Staff Gen Sundarji would spend days with every combat arm and combat support arm discussing their problems and reviewing projects for modernization. The only exception to his comprehensive review was the infantry, the so-called queen of battle, whose turn for review with the Chief never arrived.

When an Armoured Corps Chief replaced one who died in harness - Gen Shankar Roy Choudhury replacing Gen Bipin Joshi, the former publicly announced on an Infantry Day reunion in New Delhi: "the Infantry is the Army" (and someone close-by prompted him to also use the reverse formulation: 'the

Army is the infantry'. That was in the late 1990s and each word spoken by the then Chief about the infantry remains etched on stone.

Gen Bipin Rawat last month also said rather belatedly "it is high time we switched focus from Pakistan to China". After decades I have heard a Chief rationalize on switching operational priorities and declaring his intent of shedding India's Pakistan obsession.

When I joined the Army in 1959 I was told repeatedly that your short-term enemy is Pakistan but China is the long term dushman. This was never translated on the ground. Regardless of the dual threat it is clear that for the foreseeable future, Pakistan will keep the LoC hot and China will raise the ante on the LAC without vertical escalation. This will keep the infantry busy on both fronts.

Infantry is an arm of daily use: Soldiers march past on Republic Day parade, lay yoga mats on Rajpath and fight on the LoC and in the hinterland. This Great Indian Soldier is God's gift to India. Never have so many done so much for so little for the country and at such high cost. According to the South Asia Terrorism Portal (SATP), India has lost more soldiers in J&K and the North East than in all the wars it has fought. 80 per cent of these casualties are from the infantry. Adorning the India Gate is the Unknown Soldier. He is an infantryman. Let's make the Unknown more known.

Dividend boost for investors

For long, payment of dividends to shareholders was the prerogative of companies and there was certainly not a proper justification for skipping dividend payments. In fact, companies never felt the need for any explanations. However, with the introduction of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2016, the top 500 (according to their market capitalisation) listed companies are required to formulate a dividend distribution policy. This will go a long way in helping minority shareholders to understand the dividend distribution policies of different companies and invest accordingly to their investment objectives. Through this regulation, Securities and Exchange Board of India (SEBI) is more interested in bringing about transparency as to how companies distribute their profits and is more about proper disclosures than intruding into the financials (finances) of these companies. That is the reason why SEBI has not given any directives regarding the quantum of dividends and disclosure is primarily voluntary in nature. There are many factors that determine the dividend payout decision of a company. Firstly, a company with strong growth prospects and an ability to reinvest back into the business maintains low payout ratio. In fact all the firms that experience above-average growth rates are expected to have low dividend payout ratios since, in line with the residual theory of dividends, a greater number of profitable investment opportunities should result (other things being equal) in a greater need for earnings retention. Since dividends represent a cash outflow, the liquidity position of a firm is often an important consideration in dividend decisions. The firm's ability to pay a cash dividend is judged by the cash position and overall liquidity of the firm. A growing, profitable firm may not be liquid since it needs funds for new capital expenditures and to build up its permanent working capi-



tal position. Likewise, firms in cyclical industries may experience times when they lack liquidity due to general economic conditions. Hence, the degree of liquidity is a variable of concern when a firm's dividend policy is being assessed. Dividend policy is also determined by the controlling stake of the promoter group in a company. Under these circumstances, the higher the payout ratio, the more likely that a subsequent issue of equity may be needed to finance capital expenditures and promoters might prefer to minimise the likelihood of an offering of equity to avoid any dilution in their ownership position. Hence, a low payout policy is preferred. On the other hand, a high institutional ownership will favour a high dividend payout as it helps them to increase the control over the management. Age of the company is also a major determinant of the dividend payouts. Newly formed companies will have to retain major part of their earnings for further growth and expansion. Thus, they have to follow a conservative policy unlike (against) established companies, which can pay higher dividends from their reserves. Another determinant of a suitable dividend policy of a firm is its ability to access short-term sources of funds. This may be achieved by the company negotiating for a bank overdraft limit or having access to other short-term sources of funds. However, if a company's ability to make a new issue of shares or to issue debt is restricted, it is likely that it will retain a higher proportion of its profits than a company which has ready access to funds from the capital market.

expect a dividend. Second, the shareholders must be informed about the financial parameters while declaring a dividend. Third, the external factors like state of the economy, Government regulations and policies and business conditions; and internal factors like profits earned during the year, capital budgeting decisions for the coming years and investments in subsidiaries or associated businesses, that would be considered for declaring dividends need to be disclosed to the investors. Fourth, companies need to provide a clear strategy for utilising the retained earnings and finally disclose the parameters that would be adopted to pay dividends to different classes of shares. In a nutshell, the management of a company is completely free

to frame the required dividend policy. There are no obligations to be adhered to. So, the company needs to judiciously weigh all the factors and formulate a balanced dividend policy. A dividend policy can also be revised in the wake of changes in any of the factors. Traditionally, although India commands higher valuations in terms of earnings multiples, it has an inferior dividend payout ratio compared to many emerging and developed markets. Over the last years, Indian companies distributed about 30-40 per cent of their profits as dividends while some of the emerging market indices from Brazil, Taiwan, Malaysia, and Indonesia boasted payout ratios of anywhere between 93 per cent and 47 per cent. How-

ever, there might be an upswing in dividend distribution. According to a report by shareholder advisory firm Institutional Investor Advisory Services India Limited (IIAS), 91 of the top 100 companies have a publicly available dividend distribution policy, and of these, 15 companies are likely to distribute a higher share of their profits as the dividend. However, who is the real beneficiary of high dividend payouts? Dividend distribution policy is extremely relevant in the Indian context where most of the business is family-owned with closely held shares and because the agency problems between majority and minority shareholders, any increase in the dividend payments benefit the promoter group in a big way.

GOVERNMENT OF INDIA, DEPARTMENT OF SPACE, SPACE APPLICATIONS CENTRE (SAC), CONSTRUCTION & MAINTENANCE GROUP (CMG), CIVIL & ELECTRICAL DIVISION, JODHPUR TEKRA, AMBAWADI VISTAR P.O., AHMEDABAD - 380015 Ph. No: 079) 26914909 / 12 / 26 / 01, FAX No: 079) 26915800

E-Tender Notice No

1. SAC/CMG/C&E/EL/MI/53/2017-18 Dt: 27.02.2018
2. SAC/CMG/C&E/EL/MI/54/2017-18 Dt: 27.02.2018
3. SAC/CMG/C&E/EL/MI/55/2017-18 Dt: 27.02.2018
4. SAC/CMG/C&E/EL/MI/56/2017-18 Dt: 27.02.2018
5. SAC/CMG/C&E/EL/MI/57/2017-18 Dt: 27.02.2018

BRIEF NOTICE INVITING TENDERS

1. On Behalf of the President of India, online item-rate tenders are invited through e-tendering for the following works.

Sl No	Title of work	Estimated cost put to tender (₹)	Period of completion	Period during which the tender document can be downloaded	Last date and time for receipt of tenders	Due date and time of opening of tenders	Earnest money deposit (EMD) (₹)
1	Supply & Installation of LT Panels & Renovation of Gents & Ladies Toilets in Building no. 47 at SAC Campus, Ahmedabad - Electrical Works	5.18 Lakhs	6 Months	From 05.03.2018 at (10:00 Hrs.) to 12.03.2018 up to (17:00 Hrs.)	14.03.2018 upto 14:30 Hrs.	16.03.2018 at 15:00 Hrs	10,360/-
2	Electrical work for improvement of street light with LED luminaries at Technical Area & Residential Area of New SAC Campus Bopal, Ahmedabad.	11.57 Lakhs	3 Months	From 05.03.2018 at (10:00 Hrs.) to 12.03.2018 up to (17:00 Hrs.)	14.03.2018 upto 14:30 Hrs.	16.03.2018 at 15:00 Hrs	23,160/-
3	Annual Contract for Maintenance of Street Lights at DOS housing colonies at Vikramnagar, Antrixnagar, Vastrapur, Shastrinagar and Director's Bungalow, Ahmedabad (during 2018-20).	23.25 Lakhs	2 Years	From 05.03.2018 at (10:00 Hrs.) to 12.03.2018 up to (17:00 Hrs.)	14.03.2018 upto 14:30 Hrs.	16.03.2018 at 15:00 Hrs	46,510/-
4	Percentage Rate Contract for the Maintenance of Underground Cabling System in New SAC Campus, Bopal, Ahmedabad (During 2018-19).	9.20 Lakhs	1 Year	From 05.03.2018 at (10:00 Hrs.) to 12.03.2018 up to (17:00 Hrs.)	14.03.2018 upto 14:30 Hrs.	16.03.2018 at 15:00 Hrs	18,405/-
5	Supply & Installation of 150 Watt LED Highbay Fitting in place of existing 250 Watt MH fitting in Clean room MRSA, building no. 5301 at SAC campus, Ahmedabad.	9.64 Lakhs	5 Months	From 05.03.2018 at (10:00 Hrs.) to 12.03.2018 up to (17:00 Hrs.)	14.03.2018 upto 14:30 Hrs.	16.03.2018 at 15:00 Hrs	19,280/-

2. The tender document may be downloaded from e-tendering website www.tenderwizard.com/ISRO during stipulated period by registering with tenderwizard and paying tender processing fee. The procedure for vendor registration is displayed on this website. Tender processing fee is payable to M/s. ITI Ltd. through E-gateway.

3. For eligibility criteria and other details, interested tenderers may please refer Detailed Notice Inviting Tender (NIT) from websites www.isro.gov.in or www.sac.gov.in as well as from www.tenderwizard.com/ISRO at tender free view.

Group Director, CMG/SAC