



# THE COMSOC GAZETTE

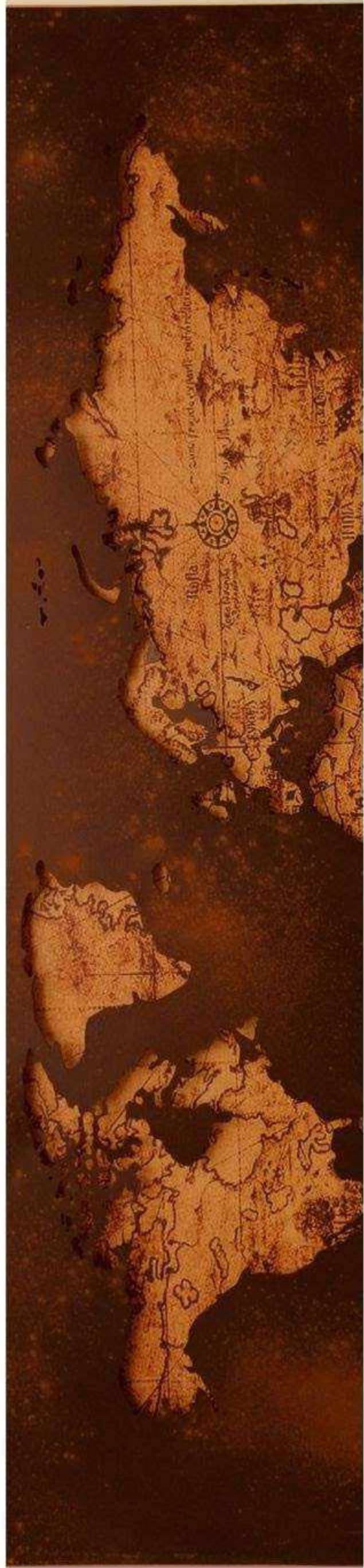


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## 01 ASSAM GOVT TO SET UP RS 2,000-CR DAIRY JOINT VENTURE

Assam government inked an MOU with National Dairy Development Board (NDDB) to set up a joint venture company for Rs 2000 crore for the development of dairy farming in the state. The target is to process ten lakh litres of milk with the help of six new milk processing units in seven years. This would benefit more than 1.75 lakh dairy farmers of Assam. High-yielding cattle breeds would be imported and artificial insemination would also be taken up. All the dairy cooperatives are expected to engage in healthy competition and the government would protect dairy farmers against price fluctuations by way of subsidy. This would help Assam in becoming self-reliant by boosting the per capita income and GDP of the state.

## 02 GOVERNMENT WILL GO AHEAD WITH IPO OF LIC IN CURRENT FISCAL YEAR - PROPOSED FINANCE MINISTER

The current fiscal year will witness the public issue Life Insurance Corporation of India (LIC), said the Finance minister, Nirmala Sitharaman on Friday.

The government is heavily relying on LIC's IPO to meet its target of Rs 1.75 lakh crore from disinvestment proceeds. Some clarity is still needed on certain aspects of the IPO, such as the amount of surplus or profit to be transferred to the shareholder's pool.

LIC is required to transfer only 5% of its surplus to the shareholders' funds, which is 10% for other life insurance companies. LIC can set aside the

remaining amount for its policyholders. Moreover, the FDI regime relating to the same is yet to be designed as the current rules do not allow overseas participation in the state-run organisations.

## 03 GOVERNMENT TO BECOME SINGLE LARGEST SHAREHOLDER IN VODAFONE IDEA

Vodafone Idea has decided to convert the interest on spectrum and AGR dues into government equity. The government will become the single largest shareholder in the third largest telco of the country with a holding of around 35.8%. This will result in dilution of all existing shareholders, including the promoters. Vodafone's past AGR dues were worth Rs 58,254 crore out of which Rs 7,854 crore had been paid. The Net Present Value of this interest is expected to be about Rs.16,000 crore. The shares will be issued to the Government at par value of Rs. 10/- per share, subject to confirmation by the Department of Telecommunications. Through this conversion, Vi can now save up to Rs 1 lakh crore cumulatively over four years.



# FINANCE & INVESTMENT

## 01 RIL BUYING ICONIC MANDARIN ORIENTAL, NEW YORK FOR \$98 MILLION

Mukesh Ambani's Reliance Industries agreed to buy an indirect stake of around 74% in the Mandarin Hotel New York which is one of the luxury hotels in New York for \$98.15 million. Reliance Industrial Investments and Holdings, a wholly owned subsidiary of Reliance Industries will buy the entire issued share capital of Columbus Centre Corp. The company has been incorporated in the Cayman Islands which indirectly owns the stake in the luxury hotel. The hotel has a global recognition and has won several influential awards including AAA Five Diamond Hotel, Forbes Five Star Hotel and many others. The hotel had revenues of \$115 million in 2018, \$113 million in 2019 and \$15 million in 2020. The company said it will also seek to buy the remaining 26.63% from other owners at the same valuation. The transaction is expected to take place by March.

## 02 VIRGIN ORBIT STOCK POPS MORE THAN 20% AS BRANSON'S COMPANY SHOWS OFF ROCKET IN TIMES SQUARE

Virgin Orbit was a spin-off of Sir Richard Branson's space tourism company Virgin Galactic, and it was privately held by conglomerate Virgin Group, with a minority stake from Abu Dhabi sovereign wealth fund Mubadala — both of whom had spent around \$1 billion in the company to far. To go public, it merged with NextGen Acquisition Corp. II, a SPAC special purpose acquisition company). Through the

SPAC process, the company raised less money than expected. While Virgin Orbit had projected the transaction to yield \$380 million in SPAC profits, the business only generated \$68 million, which is thought to be due to a high proportion of shareholder redemptions. Despite the fact that the SPAC process yielded around \$250 million less in gross proceeds than planned, Virgin Orbit's focus currently is on delivering launches, according to Hart. This year, Virgin Orbit plans to launch seven rockets, including one as soon as next Wednesday.

## 03 RELIANCE BUYS DUNZO

Dunzo, who pioneered the concept of delivering almost anything to anyone within a city has raised \$240 million in the latest funding round. The funding was led by Reliance Retail Ventures. The company acquired 25.8% stake in the company for a sum of around \$200 million. The company will use the funds to strengthen its position in quick commerce business which will enable instant delivery of commodities from a network of micro warehouses. Dunzo will also provide hyperlocal logistics for the retail stores operated by Reliance. Post this deal Reliance will be the largest shareholder in the company. The company will also facilitate last mile deliveries for JioMart's merchant network. Currently Dunzo is present only across 7 metro cities in India and the additional capital will be used to expand the business to around 15 cities. It also launched its instant delivery model 'Dunzo Daily' in Bengaluru earlier this year, which is witnessing over 20% week on week growth. The model delivers daily and weekly essentials within 15-20 minutes, with a focus on providing high quality fruits and vegetables.

# ECONOMY

## 01 INDIA'S GDP TO GROW AT 9.2% IN FY22, FASTEST IN THE WORLD

As per the released projections of the government, India's GDP growth will moderate at 9.2% this fiscal year even amidst fears and uncertainties caused due to the recurrence of virus in the world. The forecast is led by the National Statistical Office (NSO) for a period from April 2021 to March 2022 fiscal year. Compared to the Reserve Bank of India's (RBI) recent forecast of 9.5% growth, NSO predicted 9.2% growth in comparison to the contraction of last fiscal year at 7.3%. NSO's figures are lower than the IMF and S&P forecasts of 9.5%, with Moody's Investors placing India's growth outlook at 9.3%.

India will apparently grow at a faster rate than China, whose predictions are set at 8%.

## 02 INDIA TO OVERTAKE JAPAN AS ASIA'S 2ND LARGEST ECONOMY BY 2030

IHS Markit believes that India is apparently all set to overtake Japan as Asia's 2nd largest economy by 2030. The GDP of India is predicted to cross the GDPs of Germany and the U.K. and therefore taking the place of world's No.3 Currently, India is the sixth-largest economy, behind the U.S., China, Japan, Germany and the U.K. Talking about all the factors driving consumer spending, the large and fast-growing middle class is playing a significant role., which is helping to drive consumer spending. Former SBI chief Rajnish Kumar had stated earlier that India's economic growth needed to be accelerated to reach its set target of being a \$5-trillion economy by 2025 for which India needs

huge investment in the economy. The fast-paced and growing consumer market along with a big industrial base, India is attracting a lot of investment by MNCs from all the sectors.

## 03 US ON SIDELINES AS CHINA AND OTHER ASIA PACIFIC NATIONS LAUNCH TRADE PACT

China now joined U.S. allies along with Japan and Australia for the new Regional Comprehensive Economic Partnership (RCEP). New RCEP, for its 15 member countries, will abolish more than 90% of tariffs on commerce. China already has a bigger share of trade than the U.S. which puts China in a better position in RCEP countries.

The RCEP now becomes the world's largest regional commerce settlement, surpassing the U.S.-Mexico-Canada Agreement and the European Customs Union. RCEP can probably make an addition of around \$209 billion yearly to world incomes by 2030 according to the estimates of The Brookings Institution.



## 01 RESTORATION OF FCRA LICENSE OF MISSIONARIES OF CHARITY

Foreign Contribution Regulation Act(FCRA) license of the missionaries of charity has been restored which gives a chance to over a dozen of NGOs including Oxfam to present their case for renewal. Home ministry denied the renewal permission of around 179 NGOs last December. Officials exclaimed that an Ngo founded by Mother Teresa had submitted the documents clarifying their stand upon the adverse input flagged by the functioning unit of FCRA. Restoration of FCRA licences empower NGOs to receive foreign funding and spend the money that has been kept in banks. Hence, the step taken has been considered as a major step in the world of charity.

## 02 SECURITY LAPSE DURING PM MODI'S VISIT

A lapse has been discovered in the security of Prime Minister Shri Narendra Modi near Ferozepur in Punjab for around 20 minutes during which he was stranded on flyover without adequate security arrangements. It has been stated as a serious issue by the Union Home Ministry.If an incident like this becomes a tradition, it can endanger the constitutional structure of India. As the PM's security breach took place, Khalistan supporters acclaimed and stated people holding the tricolour will have to leave Punjab. Two investigations have been laid at centre and state level consequently. However, the judgement of the Supreme court is still awaited. Discussions on national security have always been taken on a serious note but this being the question of the PM's security should have been more tempered.

## 03 FORMER ANTI-TERROR CHIEF ARRESTED OVER KAZAKHSTAN PROTESTS

Kazakhstan's anti-terror agency's former head got arrested on accusation of attempting to overthrow the government amidst violent protests in the nation. Karim Masimov's arrest was announced by the National Security Committee, which ironically Kasimov had led until he was removed by President Kassym-Jomart Tokayev. It is believed by the authorities that security forces are responsible for the demise of 26 demonstrators in the unrest and that 18 law-enforcement officers died. Above 4,400 people have been taken in custody according to the Interior Ministry. Central Asian nation protests were the most widespread ever since Kazakhstan's freedom from the Soviet Union in 1991. Kazakhstan's President Kassym-Jomart Tokayev on Friday said that he authorized law enforcement agencies to open fire "without warning" to put an end to the riots in the nation.



# SCIENCE & TECHNOLOGY

## 01 NASA SHARES PHOTO OF TWO SEEMINGLY COLLIDING GALAXIES

NASA has shared images of a pair of amazing cosmic galaxies located about 215 million light-years from Earth in the constellation Pisces. This image was clicked by NASA's current flagship Hubble Space Telescope to explore the mysteries of the universe. According to NASA, the galaxies appear to collide with each other, but in reality the two are far apart. The focal spiral galaxy is called NGC105, and its adjacent galaxy seems to touch its edge. However, officials said this was just "a circumstance of perspective." The Hubble Space Telescope, a joint project of NASA and ESA, has been exploring space since its launch in 1990. Since the telescope has nothing to block the universe, we have made more than 1.3 million observations including galaxies in the distance. It helped astronomers determine the age of the universe and track the planets of our solar system.

## 02 RAILTEL TO CREATE 'EDGE DATA CENTRES'

RailTel has decided to bridge the country's digital divide and accelerate the pace of digital transformation by establishing several "edge data centres" in rural and suburban areas. These are small data centres located at the edge of the network closer to end users and devices. Having this kind of hardware at the edge will provide better performance and lower latency as organisations don't have to move data to remote data centres to process it. "Latency has always been a concern for data centre administrators, but recently it has

become a major issue in the face of a variety of next-generation applications such as big data, the Internet of Things, cloud and streaming services, and other technologies", a statement from RailTel stated.

## 03 INDIA MUST LOOK BEYOND SOFTWARE, SAYS MOS RAJEEV CHANDRASEKHAR

Minister of Electronic Information Technology Rajiv Chandrasekhar said, "In the next 5-7 years, India has the potential to develop from a software provider to a centre of semiconductor design, engineering, R&D, electronic systems design and electronics manufacturing services." India is trying to elevate its electronics value chain as the trade war between the US and Beijing continues as some companies seek to diversify their manufacturing bases outside of China. Automakers and tech companies around the world are also grappling with global chip shortages. Chandrasekhar said all businesses and governments, large and small, are in the race for digitalization and Indian entrepreneurs must take advantage of the opportunities offered by the structural change brought about by the pandemic.





*Thank you for reading!*

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