



# THE COMSOC GAZETTE



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## 01 JSW STEEL AND VARUN BEVERAGES, GETS LAND IN J&K FOR BUSINESS UNITS

Responding to the new industrial policy of the Union Territory of Jammu and Kashmir, about 400 companies have shown business interest in the territory. JSW Steel, Varun Beverages Limited, HP Kapital, Atmiya Fieldcon and Rashmi Group are some of them. Till now, only two companies- JSW Steel and Varun Beverages Limited have been issued land for setting up their business units. 6.25 acres of land at Lassipore in Srinagar has been allocated to JSW Steel for setting up a steel plant. Varun Beverages Limited, PepsiCo's second-largest franchisee outside the United States has been allotted land in Kathua in Jammu. Other companies that have signed MoUs with the J&K government are Reliance Ammunition Ltd, Indo American Synergy, HCH Pvt Ltd, Krishna Hydro Projects Pvt Ltd, Universal Success Enterprises, Indian School of Business, Bestech India Private Limited among many others.

## 02 TATA POWER - HIGHEST BIDDER FOR UP TRANSCO WITH 3000 CRORE OFFER

In June 2020, the power transmission firm was put up for sale under Insolvency and Bankruptcy code. Adani Group, Anil Agarwal's Sterlite Power, Power Grid Corporation of India Ltd, Tata Power & REC Power Development and Consultancy were the companies that submitted the final bid to acquire South East UP Power Transmission Company under insolvency process. Tata Power emerged victorious, locking the deal at ₹3000 crore. The final bid was submitted by Tata Power through its subsidiary Resurgent Power Ventures.

The lenders will now go ahead with Tata's bid, vote on their bid and subsequently approach their respective board for approval. The bid is most likely to get the needed two-thirds of the lender's voting as it is the best offer on their table.

## 03 CAIRN AGREES TO INDEMNIFY THE GOVERNMENT BY WITHDRAWING CASES

Cairn Energy PLC indemnifies the government by agreeing to withdraw all legislation against the Indian government in countries like France and UK. It will drop claims to seize Indian properties in all foreign countries. In order to make India a preferred investment destination, the government had enacted a new legislation to forego Rs 1.1 lakh crore in outstanding claims against MNCs such as Vodafone, Sanofi and SABMiller and Cairn. Following the repeal of the tax provision retrospectively, the government agreed to refund about Rs 8,100 crore collected from these companies on the condition that these firms drop all outstanding litigations, claims for interest and penalties. The government now has to issue Cairn Form-II, following which Cairn will withdraw all the claims and will be refunded Rs 7,900 crore by the Government.



# FINANCE & INVESTMENT

## 01 INDUSIND BANK WHISTLEBLOWER

Stock markets saw a shocking drop, in India's leading private sector bank, Indusind Bank, of 12.36 percent leading to an intraday low of Rs. 1,042. Whistleblowers from Bharat Financial Inclusion reported it to be the cause of 'EVERGREENING OF LOANS.' In simple terms, evergreening of loans is issuing more loans to same borrower to revive old loans. However, bank denied the allegation of evergreening and made it clear that all loans are compliant with regulatory guidelines. Moreover, the bank accepted its technical glitch of May where under which 84,000 loans were disbursed. The bank follows a weekly payment model of loans and thus, evergreening in such a case is difficult. However, certain brokerage companies believe that the bank needs to work on its credit and risk management and enhance its communication system with stakeholders.

## 02 BLACKROCK EYEING INVESTMENT IN TATA GREEN ARM

The Economic Times reported on Tuesday that BlackRock Chairman and CEO Larry Fink is exploring a \$500-750 million investment in Tata Power Renewable Energy Ltd (TPREL).

This will value Tata Power's listed company at over \$5 billion (around 35,000 crores). BlackRock is the world's biggest asset manager, and Fink was one of the first supporters of climate change and sustainability-connected investing. The Tata Power business would be valued at roughly \$5 billion with Fink's assistance, according to the report.

Another possible investor assessing the possibility was CPPIB, a Canadian pension fund. "However, BlackRock's substantial valuation of the firm – boosted by TPG Rise's \$1 billion investment in Tata Motors' electric car business – has made it a stronger candidate to be the major anchor investor," according to the newspaper, which cited sources.

## 03 THE IPO DIWALI ON D-STREET

2021 has certainly been a year of IPOs. Instead of opting for debt or capitalist financing, the companies have opted for IPOs as a means for raising excess funds. The notion of the companies has been supported by retail investors too as all the issues are getting oversubscribed. Till Mid November, 9 public issues have hit Dalal Street which is more than half of the issues that were offered in 2020, and surprisingly all of them have got a befitting reply. This period also saw the three biggest startups in India inviting applications for the issue of shares. It all started with e-commerce giant-Nykaa, who invited applications before Diwali and got listed at a hefty premium of 80% above the issue price. PolicyBazaar and Paytm were the other startups that had opted for IPOs. Sapphire Foods and Fino Payment Bank were also among those who decided to get listed on the bourses. The surprise package out of the 9 was Sigachi Industries and Latent View who despite not getting the hype were trading at bulky premiums in the grey market. Tarsons is another company that will get later this month with applications opening from 15 November.

# ECONOMY

## 01 DIESEL AND PETROL PRICES SLASHED

After constant hikes in prices of petrol and diesel the Central government on November 6, decided to substantially reduce central excise duty on petrol and diesel by Rs 5 and Rs 10 respectively. 22 states/Union Territories (UT) have followed this and went on to reduce VAT on fuel to give relief to consumers. Still, 14 states/UTs have not shown any changes in VAT in petrol and diesel. It came out that half a dozen BJP-ruled states have made a cut in VAT rates but a formal notification has so far been issued only in the case of four.

## 02 CENTRE TALKS WITH STATES/UTS TO DIGITALISE PACS

A new Ministry of Cooperation had been in operation since July this year to bolster the cooperative movement. The Centre on the 9th of November, held a virtual consultation with 32 states and UTs connected. The meet aimed to get suggestions on how to modernize and digitalize 97,000 superior PACs across the nation. The meeting was chaired by the Union Cooperation Secretary D K Singh. State cooperation secretaries and registrar of cooperation from all states took part in the meeting. Many found the proposed scheme up to the mark and acceptable. According to an official, the consultation with states/ UTs was to get an idea of the estimated budget for the proposed scheme that is likely to be implemented initially in fully functional 63,000 PACs across the country for three years from 2022.

## 03 INDIA WILL ACHIEVE NET ZERO BY 2070

PM Modi at COP26 Summit in Glasgow on November 1, pledged on behalf of India, to achieve net-zero carbon emissions by 2070. Terming it as a long-term but realistic and practical goal, India followed the UK and the US to join the line of commitment of NET Zero Economy. Net Zero target is achieved when the amount of greenhouse gas produced is offset by the amount removed from the atmosphere. This implies that there must be no investment in coal or fossil fuels in the future and making green the maximum possible industry.

PM Modi in his speech said, "I am giving a panchamrit — five targets that India is committing to join the global fight for climate change — by 2030. Our non-fossil capacity will touch 500 Gw and 50 percent of our energy needs will come from renewable energy sources. From now to 2030, the projected carbon emissions will reduce by 1 billion tonnes and our overall carbon intensity of the economy will see a 45 percent reduction."]

PM Modi added, Indian Railways had declared a Net Zero the target year of 2030. India has been facing pressure from global leaders to declare a net-zero target. John Kerry, a presidential envoy from the U.S. visited India and termed India as "red-hot investment destination" for solar sector. Joe Biden, the US President also proposed to quadruple the climate financing by the US by 2024.



## 01 US LIFTS BAN FOR VACCINATED TRAVELLERS

The US has relaxed restrictions that were hampering the travel industry though coronavirus cases remain elevated at an average of over 70,000 new infections. Fully vaccinated foreign travelers have been permitted to travel to the US after 18 months of restrictions imposed by the government due to the pandemic. This will give a boost to the travel and tourism industry which had lost billions of dollars while the country's borders were shuttered. U.S. Travel Association President, Roger Dow said in a statement, "It is a monumental day for travelers, for the communities and businesses that rely on international visitation, and for the U.S. economy overall." However, the travelers are required to furnish proof of vaccination along with a negative corona test report before boarding on the flight to the US. Some unvaccinated travellers will also be permitted who have vaccination rates of less than 10% on non tourist visas.

## 02 OUTBREAK IN CHINA CONTINUES

China's latest Covid 19 outbreak is on a rise as they shifted east. The Health Commission of China has reported 68 confirmed local cases 5th November, 2021; in addition to 22 additional infections that have not shown any symptoms. Heilongjiang province has become the latest epicenter of the latest outbreak by reporting one-third of the total cases. Approximately 800 people have been diagnosed with coronavirus positive in the last three weeks. All residents have been requested by the Municipal authorities to not to travel across provinces so as to stop the widespread of the deadly virus.

## 03 HUMAN RIGHTS VIOLATION IN ETHIOPIA

The whole world is concerned with the ongoing conflicts in many regions of Ethiopia. Continuous abuse of human rights and atrocities by Ethiopian National Defense Forces, Eritrean Defense Forces, Amhara regional and irregular forces, TPLF and other armed groups has created a lot of disturbance in the whole nation. An attack has been reported on civilians in one village in Amhara region last month which is disheartening. Everyone condemns such practices which are against humanity at large. UN Secretary General and African Union Leaders exclaim that the military is not a solution to this problem. Instead, a durable political solution must be looked for. The mounting reports of human rights abuses highlights the urgency of independent and credible international investigations into this matter. To establish peace in Ethiopia, transparent and independent mechanisms who will be responsible for the human rights abuses cases must be established.



## 01 META SHUTS DOWN FACEBOOK'S FACE ID SYSTEM

10 years ago facebook introduced its revolutionary facial recognition system which enabled users to identify people that appeared in photos. Meta, in its first move to bring change, has decided to shut down the facial recognition system completely which will wipe off billions of user photos. Users will have to manually tag people from now on. This comes in response to a long continuing debate in the cyber security world about how the technology can be misused by governments. The removal will affect facebook's Automatic Alt Text (AAT) technology which is used to create image descriptions for blind and visually impaired people. AAT technology can still count number of people in photos, but will not be able to identify who it is anymore. Meta has thus started with its plan to get facebook out of all controversies.

## 02 TESLA RECALLS 11,000 CARS DUE TO SOME TECHNOLOGICAL GLITCH

Tesla has called back more than 11,704 vehicles including the Tesla Model S, X, 3 and Y because of a software bug that activates automatic emergency braking for no reason. Tesla had recently announced the Self Driving Beta FSD software. This software allows Tesla's cars to drive autonomously on highways and streets under the constant supervision of the driver. Tesla's self-driving software took months to launch, but soon the owners realized that it wasn't available to all Tesla owners. Drivers interested in autonomous driving had to request the software, and Tesla started a two-week driving evaluation to get a 'safety score'.

The higher one scores, the more likely they are to receive updates. However, the software itself has also been evaluated and not all tests have been passed. CEO Elon Musk has postponed the release of the software due to errors, sudden braking and false warnings when turning left at a traffic light.

## 03 INDIA, US RESOLVE TO EXPAND DEFENCE TECHNOLOGY COOPERATION

India and the United States have decided to strengthen defense technology cooperation by pursuing detailed plans and making measurable progress in specific projects, in line with a rapidly expanding strategic relationship. Both sides have reached an agreement on the development of unmanned aerial vehicles within the framework of a joint working group on aviation systems under the Defense Technology Trade Initiative (DTTI).

Both sides have agreed on a revised Statement of intent (SOI) on some specific DTTI projects with the intention of "strengthening dialogue on defense cooperation through detailed planning and measurable progress." The purpose of the DTTI Group is to focus sustainable leadership on bilateral trade relations in the defense sector and create opportunities for co-production and co-development of defense equipment. Within the framework of the DTTI, four joint working groups have been established focusing on army, navy, aircraft carrier, and aircraft carrier technology to promote jointly agreed projects in their respective regions. The ministry said the group reported to the Co-Chairs on ongoing activities and opportunities for cooperation, including some short-term projects to be completed as priorities.



*Thank you for reading!*

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