Cabinet clears decks for NARCL Cairn, AI seek stay on

Approves government guarantee on security receipts that will be used to buy bad loans of lenders

NIKUNI OHRI New Delhi, 15 September

learing the path for the launch National Asset Reconstruction Company (NARCL), the Union Cabinet is learnt

to have approved the government guarantee on security receipts that will be used to buy bad loans of lenders. The Centre has earmarked about ₹31.000 crore towards this.

The guarantee provided by the Centre would be on the security receipts issued by the NARCL to buy bad loans from lenders. Banks will transfer their soured assets to NARCL at net book value. About 15 per cent would be paid in cash up front and 85 per cent through security receipts, guaranteed by the government.

A formal announcement is expected as early as Thursday, said an official.

According to the Indian Banks' Association (IBA) estimates, the NARCL will have to pay a fee to the government for the guarantee provided from the second year of its incorporation, which would be 0.25 per cent of the outstanding guarantees, the official said. The fee would

EASING THE BURDEN

■ Centre has earmarked about ₹31,000 cr towards guarantees for NARCI

■ Banks to transfer soured assets to NARCL at net book value

■15% would be paid in cash upfront and 85% via security receipts, guaranteed by government

■ Formal announcement expected Thursday

increase to 0.5 per cent, 1 per cent, and 2 per cent in the third, fourth, and fifth years, respectively.

After this approval, the NARCL now awaits a green signal from the Reserve Bank of India (RBI) for a licence, another official said. The NARCL, dubbed a bad bank, has applied for an asset reconstruction company (ARC) licence with the RBI,

The NARCL has been incorpo-

dated by the regulator.

The NARCL has identified about 25 accounts that will be transferred. However, a final decision on this is expected to be taken soon after the bad bank starts

The IBA has also reportedly put a preliminary board in place for NARCL. The ARC has hired P M Nair, an expert on stressed assets from State Bank of India (SBI), as the managing director. The other directors are the IBA's Chief Executive Officer Sunil Mehta, SBI Deputy Managing Director S S Nair, and Canara Bank's Chief General Manager Ajit Krishnan

Besides NARCL, the Indian Asset Management Company (IAMCL) is also being set up to provide asset management services to the bad bank. The IAMCL is proposed to be an asset light model with a total captration with the Registrar of ital requirement of ₹50 crore.

Union Finance Minister Nirmala Sitharaman had announced in the 2021-22 Budget that an ARC and AMC would be set up to consolidate and ting up the entity. It has mobilised an take over the existing stressed debt of banks to clean up their books.

US court proceedings

PRESS TRUST OF INDIA New Delhi, 15 September

Cairn Energy and Air India have jointly asked a New York federal court to stay further proceedings in the British firm's US lawsuit targeting the

airline for enforcement of a

\$1.2-billion arbitral award. The move follows the government enacting a law to scrap retrospective taxation in One of those suits was filed in the country, which in effect will result in withdrawal of the India, which Cairn has said ₹10,247 crore tax demand on Cairn, according to court documents reviewed by PTI.

won an international arbitration award against levy of such taxes and sought to take over Air India assets when the government refused to honour the award and pay it \$1.2 billionplus interest and penalty.

But, last month, the govern-Laws (Amendment) Act, 2021. that scraps all such retrospecagreed to refund Rs 7,900 crore



May against state-owned Air should be considered alter ego of the Indian government

The British company had it had seized from Cairn to enforce such demand.

Cairn has indicated that the refund, without interest and penalty, was acceptable to it opening an avenue to settle the seven-year-old dispute.

Cairn and Air India in a ment enacted the Taxation Judge Paul Gardephe on September 13 stated that a stay on proceedings would give tive tax demands and has them "additional time to evaluate the effects and implica-

tions" of legislation that repealed the retroactive tax.

In return for the Rs 7,900 crore, Cairn would drop lawsuits threatening courtordered seizures of Indian government property abroad.

One of those suits was filed in May against state-owned Air India, which Cairn has said should be considered alter ego of the Indian government.

"The implementing regulations are in the rulemaking process and will take some time," the two said in the petition seeking extension of the October 21 deadline for the presentation of case papers and initial pretrial conference on October 28.

They requested the court to stay any further proceedings in this matter through October 31, 2021, and reschedule the initial pretrial conference and, joint request to US District respectively, the deadline for the parties to submit their Joint Pretrial Letter and Proposed Case Management Plan, for new dates in

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JOINT PUBLIC NOTICE

Pursuant to Para 47 of the Master Direction – Non Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, notice is hereby given that existing shareholders of India Shelter Finance Corporation Limited ("Company") viz. Sequoia Capital India Growth Investments I and Sequoia Capital India Growth Investments III ("**Sellers**") intend to transfer / sell their entire shareholding in the Company (which is equivalent to 8.30% of the paid-up share capital of the Company) to Aravali Investmen Holdings ("Acquirer"), for the reason that the Sellers have decided to exit from their investment in the Company. Consequent to the transfer by the Sellers, the Acquirer and its affiliate, namely WestBridge Crossover Fund, LLC (collectively, "WestBridge") shall acquire control of the Company and shall also be entitled to appoint a majority of the non-independent directors on the Board of Directors of the Company.

Any communication(s) / objection(s) in relation to the aforesaid transaction may be sent to the registered office of the Company at 6th Floor, Plot No. 15, Sector - 44, Institutional Area Gurugram, Haryana 122002 within a period of 30 (Thirty) days from the date of publication of this Notice.

This public Notice is being issued jointly by the Company, Sellers and the Acquirer

For and on behalf of Company

Sd/-

India Shelter Finance Corporation Limited For and on behalf of proposed Acquirer

Aravali Investment Holdings

Date: 16.09.2021

Seguoia Capital India Growth Investments I Place: Gurugram Sequoia Capital India Growth Investments III

E-AUCTION SALE NOTICE

JMD OILS PRIVATE LIMITED (IN LIQUIDATION)

Reg. Off.: 5/24 Ramesh Nagar New Delhi-110015

Liquidator: Shalu Khanna

Liquidator Address: LGF, A-16/9, Vasant Vihar, New Delhi-110057

Email: JMD.LIQ@LLCA.NET; Contact No.- 9810193715

E-Auction

Sale of Assets under Insolvency and Bankruptcy Code, 2016

Date and Time of Auction: October 14, 2021 from 11.00 a.m. to 1.00 p.m.

(With unlimited extension of 5 minutes each)

Sale of Assets and Properties owned by JMD Oils Private Limited (in Liquidation) forming part of Liquidation Estate of JMD Oils Private Limited in possession of the Liquidator

appointed by the Hon'ble National Company Law Tribunal, Principal Bench, New Delhi vide order dated 03.02.2021. The sale of properties will be done by the undersigned through the e-auction platform https://ncltauction.auctiontiger.net. Lot Type of Assets and Property Reserve Price EMD Incremental

	Type ciriocolo aila i repelly			
1	Land & Building and Plant & Machinery	92,00,00,000	9,20,00,000	10,00,000
1.1.	Land and Building situated at Survey No. 320, Village - Bhimasar, Opposite Bhimasar Railway Station, Gandhidham-370201, Gujarat Land admeasuring 122.18 Acre Total Build up area of the building and other sheds structures as per physical measurement is approximate 33,199 Sq. Mtr. i.e. 357,359 Sq. Ft.			
1.2	Plant & Machinery including Inventory, Office Equipment, Furniture & Fixtures			
2	Vehicle	13,50,000	1,35,000	5,000
3	Consolidated Lot 1 and Lot 2	92,00,00,000	9,20,00,000	10,00,000
4	Tanker	78,000	8,000	500
5	Tanker	60,500	6,000	500
6	Tanker	62,000	6,000	500
7	Tanker	62,000	6,000	500
8	Tanker	71,000	7,000	500
9	Tempo (Tata)	51,500	5,000	500
10	Tempo (Tata)	51,500	5,000	500
11	Tempo (Tata)	51,500	5,000	500
12	Bus (Tata)	74,000	7,500	500
13	Mahindra Bolero	75,200	7,500	500
14	Car - Verna	48,000	5,000	500
15	Car - BMW	4,19,000	50,000	500
16	Car - Maruti Swift	63,000	6,000	500
17	Car - Maruti Swift	63,000	6,000	500
18	Car - Maruti Swift	63,000	6,000	500
19	Car - Toyota Etios	47,500	4,500	500
20	Motor Cycle	2,850	500	200
21	Motor Cycle	2,750	500	200

Terms and Condition of the E-auction are as under:

. E-Auction will be conducted on "AS IS WHERE IS", "AS IS WHAT IS" and "WHATEVER THERE IS BASIS" through approved service provider M/s e-procurement Technologies Limited

(Auction Tiger).
Prospective Bidder(s) may inspect the property/assets from September 29, 2021 To October 01, 2021 From 11.00 AM to 5.00 PM and tender can be submitted online in the web portal https://ncitauction.auctiontiger.net through electronic mode and hard copy of the tender documents duly completed in a sealed envelope to be submitted to the Liquidator on or before October 12, 2021 up to 05:00 PM.

3. The Complete E-Auction process document containing details of the Assets, online e- auction Bid Form, Declaration and Undertaking Form, General Terms and Conditions of online auction sale are available on website https://ncltauction.auctiontiger.net. Contact: Mr. Praveen Kumar at +91-9722778828/079 6813 6855/854 E-mail;praveen.thevar@auctiontiger.net.

The Liquidator has the absolute right to accept or reject any or all offer(s) or adjourn/postpone/cancel the e-auction or withdraw any property or portion thereof from the auction proceeding at any stage without assigning any reason thereof.

Date: September 15, 2021 Liquidato IBBI/IPA-001/IP-P00917/2017-2018/11523 Place: New Delhi

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RNI NO. 57376/1994 Readers should write their feedback at

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enquiries please contact: Ms. Mansi Singh Business Standard Private Limited 1/4 & I/3, Building H,Paragon Centre, Opp. Birla Centurion, P.B.Marg, Worli,

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Form No INC-26 Pursuant to Rule 30 the Companies

(Incorporation) Rules, 2014] isement to be published in the ewspaper for change of registered

efore the Central Government egional Directorate, Northern Region IN THE MATTER OF COMPANIES ACT, 2013 PETITION UNDER SECTION 13 (4) OF THE COMPANIES ACT, 2013 AND RULE 30 OF THE COMPANIES (INCORPORATION) RULES, 2014

THE MATTER OF M/S YAMUNA INTERNATIONAL AIRPORT PRIVATE LIMITED (" C O M P A N Y ") (C I N : U62100DL2020FTC360613) HAVING ITS REGISTERED OFFICE AT 155, ESC HOUSE, OKHLA INDUSTRIAL ESTATE PHASE 3 NEW DELHI 110020 INDIA.

Notice is hereby given to the General Public that the Company proposes to make application to the Central Gov under Section 13 of the Companies Ac 2013 seeking confirmation of alteration of the Memorandum of Association of the Company in terms of the special resolution passed at the Extra-ordinary General Meeting held on 08-July-2021 to enable the Company to change its registered office from 155. Okhlo ndustrial Estate Phase 3 New Delh 110020" to "Advant Navis Business Park, Unit No. A-701, Tower-A, Plot No. 7, Sector 142, Noida, District Gautam Budh Nagar Uttar Pradesh – 201305."

Any person whose interest is likely to be affected by the proposed change of the registered office of the company may deliver either on the MCA-21 porta www.mca.gov.in) by filing investo complaint form or cause to be delivered send by registered post of his/he objections supported by an affidav statina the nature of his/her interest and rounds of opposition to the Regiona Director at the address B-2 Wing, 2nd loor, Paryavaran Bhawan, CGC Complex, New Delhi-110003 withi ourteen days of the date of publication o this notice with a copy to the applicant company with a copy of the applicant company at its realistered office at the

For and on behalf of the Petition YAMUNA INTERNATIONAL AIRPORT PRIVATE LIMITED Daniel Birche Chairman & Managing Director DIN No.:08675300 Date: 16th Sep, 2021 Place: Delhi

Water risks highest in Asia: Moody's Fitch to launch global **ESG** ratings soon

JYOTI MUKUL New Delhi, 15 September

rated in Mumbai following its regis-

Companies (RoC). The capital

requirement of the bad bank has

been estimated at ₹6,000 crore by the

IBA, which has been tasked with set-

initial capital of ₹100 crore as man-

Water management risks tied to the existing supply and quality issues, as well as risks amplified by climate change, pose credit challenges across multiple sectors in Asia, particularly in parts of South and Southeast Asia where water scarcity or mismanage-

ment is already prevalent, said a report

released on Wednesday. According to the report by Moody's Investors Service, risk factors include the availability and cleanliness of water, the adequacy of water transport and treatment infrastructure, the impact of economic activity on supply and pollution, and the effect of regu-

Water management and environmental impact of economic activity are one of the parameters on which ESG Social (Environmental. Governance) ratings are done for companies and funding which could be in the form of equity or debt through various instruments.

In a separate development, Fitch Ratings announced a new initiative — Sustainable Fitch — that brings out existing ESG capabilities together in one place.

Fitch said it would add over the coming months the first global ESG

CREDIT IMPACT ACROSS SECTORS IN ASIA



High risk

Mining and metal: Competition for water with agri and other industries; tightening of pollutionrelated regulation

Chemicals-commodity: Large water volumes needed to cool equipment. pollution run-off increases remediation costs

Oil & gas: Management and recycling of polluted water; clean-up costs of oil spills

EM regional & local govts: Increased costs of managing scarce water resources, with rapid urbanisation exacerbating the problem

Moderate risk

Power generation and regulated utilities: Effects of limited or reduced water access on output (hydroelectric) and cooking (nuclear and thermal)

Protein, agri & beverage: Effects of poor water quality on production of food and alcoholic beverages

Retail and apparel: Dependence of cotton, textile and apparel production on ample water; run-off pollution issues

Property development & building materials: Effect of water scarcity on housing development; damage to the natural environment from extraction of building materials from quarries

EM sovereigns: South Asia's generally lower water endowments; effect of poor sanitation on public health and social risks

Financial institutions: Indirect exposure through impact to borrowers' credit, particularly for banks with high exposure to agri and utilities

Source: Moody's Investors Service

an entity and instrument level. "It is designed and built on fundamentals entirely and exclusively to help the ESG focused financial community make better-informed decisions," it said.

The Moody's report said risks are more pronounced for water-intensive Ratings solution for all asset classes at sectors like mining, agriculture and analyst, Asia is generally more vulner-

power. "Climate change will amplify the challenges and make water management a more pertinent credit risk, as well as heighten geopolitical risks and trade tensions," it said.

According to Nishad Majmudar, a Moody's assistant vice-president and

able to water risks than other regions. Across sectors, issuers are facing water management issues such as inadequate access to clean or purified water supply, and reputational and regulatory risks related to the downstream effect of water use, including supply, pollution and sanitation.

▶ FROM PAGE 1

Tatas offer...

The suitors have shared their comments and there have been discussions with the government to fine-tune the draft agreement.

together have over 141 aircraft and are the largest operators on international routes from India. However, the airline has been saddled with high debt and accumulated losses of over ₹70,000 India and Container Corporation, crore, impacting its performance. In among others. the last fiscal year, its estimated loss was around ₹9.779 crore.

To sweeten the sale offer, the government made changes in bid conditions last October. Instead of a prefixed debt level, bidders were allowed to quote enterprise value.

Further sops have come in form of the recent clarification in the Income Tax Act allowing the airline's new owners to set off profit against the past year losses. The government has also agreed to employees' demands related to provident fund and medical benefits in a move to prevent a possible confrontation.

Air India is potentially a strategic opportunity but with high structural complexity. Investment in Air India will be a bet on India's long term aviation potential – which is significant – keeping in mind the massive cost of restructuring and the continuous flow of funding that would be required for a turnaround. The government should not expect anything significant from Air India's privatisation and may be required to make the offer viable given the very poor financial and operational condition of Air India," said Kapil Kaul, South Asia CEO of consultancy CAPA.

Some of the cost related challenges pertain to high lease rentals for Air India's 787 aircraft and engine overhaul costs related to narrow body aircraft, a source said. Bidders will have valued Air India

based on its intangible assets such as its airport slots, traffic rights and its brand value. We must bear in mind aviation has come under stress due to Covid-19 pandemic. There are a lot of aircraft capacity lying globally idle and this could depress the valuation multiple being offered by the bidders," said an aviation analyst.

EY is transaction advisor for Air

India disinvestment. The government is targeting ₹1.75 Air India and Air India Express trillion from disinvestment in the current fiscal. This includes stake sales in Life Insurance Corporation, Bharat Petroleum Corporation, IDBI Bank, Shipping Corporation of

iPhone 13...

in the US.

The Pro Max at the top end is priced at ₹179,900 in India. It is yours for ₹132,593 in Dubai.

If a relative is going to the US and can bring one back, it becomes even better. The iPhone mini with 128 GB capacity costs ₹51,491 in the US, that's ₹18.409 cheaper than in India. A huge saving of ₹62,111 can be made for the top line iPhone Pro Max with 1 terabyte of capacity which is priced at only ₹117,789

The reason prices are higher in India is that the government imposes an overall tax on the phone which is equivalent to 44 per cent of its landed cost. This includes a basic customs duty of 22 per cent and 18 per cent GST on that price.

As a result, seven out of 10 iPhones in the country, according to industry estimates, are still smuggled into the country, despite 70 per cent of Apple phones, in value terms, being manufactured here by Apple's vendors Foxconn and Wistron.

The new phones, though, take a while to be manufactured in India. For instance, in the case of the Apple 11 which is the best-selling model in the country, while the phones were launched in September 2019, production in India began only in June-July of 2020.

But the lag is becoming shorter. The Apple 12 which was launched in October last year started being manufactured in India in March 2021. This helps to bring down the prices although the components still have to be imported.

The India Cellular & Electronics Association has taken up the smuggling issue and pushed the government to peg the duty on Basic Customs Duty at ₹4,000 for all phones with a cost and freight value of ₹20,000 — a move which has been supported by the Ministry of Electronics and Information Technology.

The association has estimated that the revenue loss for the government from the increased grey market operations in phones costing above ₹50,000 is to the tune of ₹ 2,400 crore per

But sources say the Finance Ministry has not taken any call.

₹26K-cr auto PLI...

The announcement is part of the PLI schemes for 12 other sectors approved by the government over the past oneand-a-half years to improve cost competitiveness of locally produced goods, create employment opportunities, and

curb cheap imports. According to government estimates, over a period of five years, the PLI scheme for the auto sector will lead to fresh investments of over ₹42,500 crore and incremental production of over ₹2.3 trillion. Besides. it will create additional employment opportunities for over 750,000 people and accelerate India's share in global automotive trade.

Currently, the Indian automobile sector has a low penetration of advanced automotive technology products. As a result, there is a need to expeditiously create its supply chain to reduce dependence on imports, government officials said. The share of advanced automotive technology in the Indian automobile sector is at 3 per cent right now, as against 18 per cent

globally. The scheme for the auto sector is open to existing automotive companies as well as new investors who are currently not in the automobile or auto component manufacturing business. It has two components – the champion OEM incentive scheme and the com-

ponent champion incentive scheme. The OEM incentive scheme is a 'sales value-linked' scheme, applicable to EVs and hydrogen fuel cell vehicles across all segments

Venu Srinivasan, chairman, TVS

Motor Co, said the revised focus of the

PLI scheme on alternative fuels, electric vehicles, and utilisation of advanced technological innovation would help the industry move faster towards future technologies. "There is a sense of haste in devel-

oping these technologies in India and this scheme gives the right impetus to the industry to move rapidly in that direction. Any country which aspires to lead in a particular sector needs government support and this scheme aims to do just that in the future mobility space," said Srinivasan, R C Bharagava, chairman of Maruti

Suzuki India, said the scheme would help start-ups that plan to introduce new technologies. Typically, they struggle for the first two-three years to break even. According to Bhargava, it's only fair that the scheme is applicable only to start-ups and those making fresh investments in new technologies. "Other manufacturers have large enough volumes, why do they need a PLI scheme?" he added.

The auto components incentive scheme is also a 'sales value linked' scheme, applicable to advanced automotive technology components of vehicles, vehicle aggregates of twowheelers, three-wheelers, passenger vehicles, commercial vehicles and tractors, among others.

The scheme, said Girish Wagh, executive director, Tata Motors, will encourage production of auto components using advanced technologies and will boost localisation, domestic manufacturing and also attract foreign

investments. "This will help component manufacturers strive for scale, which will require the setting up of new facilities and creating more jobs. With auto being a strategically important sector of the economy, the benefits accrued overall will result in a multiplier effect, said Wagh.