SEBI's Consultation Paper fails to suggest mandatory environmental & social safeguards

SEBI’s Consultation Paper on ESG Disclosures, Ratings and Investing 2023 proposes mandatory ESG disclosures and ESG ratings for listed companies in India, along with encouraging asset managers and institutional investors to incorporate ESG factors in their investment decision-making processes. The paper recognizes the importance of ESG factors for sustainable development and long-term value creation. If implemented, the proposal may improve transparency and accountability, but more needs to be done beyond disclosures. Mandatory environmental and social standards and thresholds need to be set for investing rather than merely relying on reporting of risks.
Despite the reduction of Non-Performing Assets (NPAs) in Indian banks, write-offs are increasing. NPAs have reduced from their peak in 2018, primarily due to the government's asset quality review. However, write-offs have increased in the same period. According to the Reserve Bank of India's data, write-offs by scheduled commercial banks increased from Rs 1.3 lakh crore in 2018-19 to Rs 2.6 lakh crore in 2020-21, indicating a sharp rise in bad loans being written off. ‘Meanwhile, the write-offs to GNPA ratio increased during H1:2022-23 (April-September 2022) on an annualised basis, after declining for two consecutive years,’ the RBI Financial Stability Report had noted in December 2022.

The increase in write-offs may be due to the banks' efforts to clean up their balance sheets and improve asset quality. However, it also raises concerns about the effectiveness of debt recovery and the accountability of banks in managing their loan portfolios. Additionally, the increase in write-offs may also affect the profitability of banks and their ability to lend in the future.
Alarm bells have been rung again by the scientific community, but are we listening? The recently released IPCC's AR6 Synthesis Report provides a comprehensive assessment of the current state of knowledge on climate change. It confirms that the Earth's climate is changing rapidly, with human influence being the dominant cause. It highlights that unless immediate and rapid action is taken to reduce greenhouse gas emissions, the rising global temperature will lead to increasingly severe and widespread impacts on ecosystems, human societies, and economies. We are already aware that India would be one of the worst affected countries. The report presents the mitigation measures required to limit the worst impacts of climate change. The report also highlights the role of finance in supporting our response to the crisis. While the advanced capitalist countries have to take a much higher responsibility in both cuts and mitigation, this is also a time to reiterate that Environmental and Social Safeguards are a must in finance institutions especially in countries like India for sustainable financing.
BSNL and 4G: A tale of deliberate delay?

When the whole world is already gearing up for 5G, the BSNL is about to launch its 4G service next month. It is now getting the equipment from Tata Consultancy Services (TCS). We heard from K. Sebastian (General Secretary, Sanchar Nigan Executives Association), the tragic tale behind this delay over the last two decades consciously making it non-viable and unprofitable despite being one of the biggest players in the telecom sector only to give advantages to the corporate sector. We heard how it was ridiculously not allowed to participate in the 4G tender saying that it would vitiate the level playing field and how later it was denied the allotment by citing that it didn’t participate in the tender process. He said how the private sector having 90% market share were allowed to run using western and Chinese technology but the same was denied to BSNL using security reasons and in the name of “Make in India”. BSNL stands out as one of the examples of how a public sector company is run down only to allow the huge infrastructure of towers and optical fibers to be handed over to the private players.
People, social activists, trade unionists & politicians support the Tax The Top campaign at Kanyakumari

Emphasizing the need to immediately address the widening gap between the super rich and the rest of India, people wrote en masse to the Finance Minister to demand a wealth and inheritance tax to raise resources for higher social spending. The likes of Aruna Roy, Thomas Isaac, Perumal Muruugan, Nikhil Dey, Gabriela, Thomas Franco and Elangovan expressed solidarity with the #TaxTheTop campaign. Discussions around the idea generated wider support among those who attended the three day fair at Nagarcoil and Kanyakumari organized by the Jansarokar Mela organizing Committee, Kanyakumari.