

NUMBER WISE

INDIAN STATES ARE LIVING DANGEROUSLY ON SUBSIDIES

Their tax revenues can't keep up with their largesse: it's a policy that risks putting them in economic peril

SHAH GEBA
New Delhi, 19 April

Subsidies were ample in the mercantile period before the industrial revolution. The British paid bounties to increase corn exports in the late 17th century. During the First World War, the US government subsidised oil producers to drum up production, and in the late 1920s, it subsidised farmers to keep demand and supply in check.

In India, subsidies protect industry and help the poor. While subsidies are a tool of emancipation for economists, politicians use them to win support.

Pakistan and Sri Lanka are in crisis partly because of the burden of subsidies. Two weeks ago, Indian civil servants advised the prime minister that the politics of subsidies would lead the country down the same path.

An analysis of subsidies across different levels of Indian government is unavailable, as even local governments provide some. One source for such information is the Reserve Bank of India's study of state finances between 2018-19 and 2020-21.

A *Business Standard* analysis found that between 2018-19 and 2020-21, the compounded annual growth rate of subsidies was greater than that of states' own revenues. The combined subsidy bill of Indian states increased 12.7 per cent from ₹1.87 trillion in 2018-19 to ₹2.26 trillion in 2020-21. In the same period, states' own tax revenues jumped 1.1 per cent from ₹12.14 trillion to ₹12.41 trillion. As a result, subsidies as

a proportion of states' own tax revenue increased from 15.4 per cent to 19.2 per cent. The ratio is expected to decline to 15.6 per cent in 2021-22 (as per budget estimates), assuming that tax collections increase by 28.5 per cent.

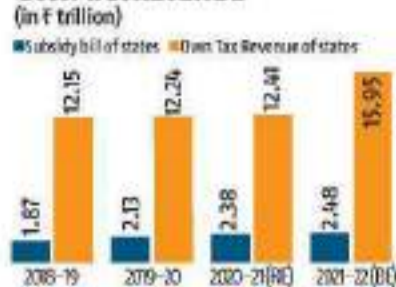
Of the 30 states and UTs for which data is available, only 10 had a subsidy-to-own-tax revenue ratio of less than 10 per cent in 2020-21. Eleven states had a ratio between 10 per cent and 20 per cent, and nine had a ratio of more than 20 per cent. In contrast, in 2018-19, 14 states had a ratio of less than 10 per cent. The budget estimates for 2021-22 show a slight improvement from the 2020-21 revised estimates.

Some states are in dangerous territory. According to RBI data, Chhattisgarh's subsidies accounted for 115.9 per cent of its own tax revenues in 2020-21. The state expected a slight improvement to 99.3 per cent in 2021-22, but subsidies will still absorb the entirety of its tax revenues.

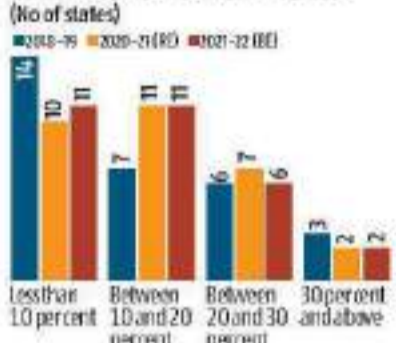
Punjab's subsidy bill in 2020-21 was 36 per cent, and it is expected to improve to 34.2 per cent in 2021-22. Bihar had a subsidy burden of 27.2 per cent in 2020-21, Karnataka was 26.5 per cent, and Madhya Pradesh was 25.3 per cent. With their debts rising, states are spending more on interest payments, administration expenditures, and pensions. Nearly a third of the central government's tax revenues also went into subsidies in 2021-22, and the ratio was much higher in 2020-21.

Subsidies are important, but politicians running governments need to realise the capacity to pay the bill.

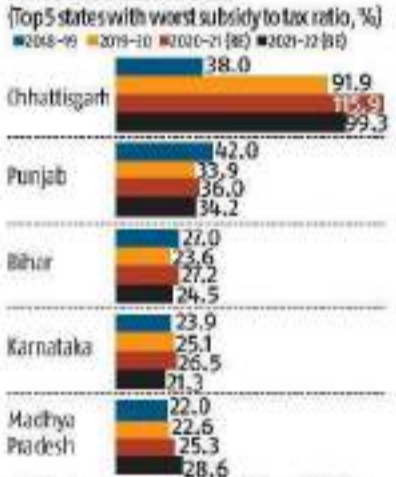
SUBSIDY BILL HAS INCREASED FASTER THAN OWN TAX REVENUE



SUBSIDY TO TAX RATIO FOR A MAJORITY OF STATES IS HIGH



CHHATTISGARH IS THE WORST AMONG ALL STATES



Grounded Aerocity takes off

Business travellers' hub welcomes increased footfall after easing of restrictions

AKSHARA SRIVASTAVA
New Delhi, 19 April

On a Sunday afternoon, groom-to-be Siddharth Mishra is lounging at a hotel lobby in Aerocity, with his kin and kin in tow. Mishra, a resident of Ahmedabad who is getting married in two days in New Delhi, has opted to stay at a popular destination that is crawling back to business as usual.

A stone's throw from the Indira Gandhi International airport, Aerocity was designed especially for travellers arriving in the national capital for a layover or for work. Packed with a range of 5-star hotels, cafés and clubs, the place not only spells comfort and ease as a transit space for travellers but also as a hospitality hub for locals from Delhi and Gurugram.

However, two years of the pandemic have had a major impact on the economy of the place, with many hotels left with unoccupied rooms despite slashed rates and cafés and restaurants mostly remaining vacant.

But with the easing of travel restrictions and regular international flights resuming late last month, hotels and cafés are seeing more footfall than before.

At Central Mall in Workmark 3, walk-ins have grown in the past few months.

"Most people here are just browsing and not everyone buys, but it's better than before. We do get some sales, especially from international travellers who are picking up things for their families and friends and don't like shopping at the airport," says a salesperson at the mall that houses several fashion outlets.

Across the road at Roseate House, seven groups of people are waiting to check in. The upscale hotel is sold out for the night, as it has been since mid-March.

Shubhangi Gupta, a guest relation associate at the hotel, says the room tariff, which had dropped to ₹5,500 (exclusive of taxes) in January, is now up to ₹9,500.

"From 20-30 per cent occupancy till two months ago, we have now come to a stage where rooms are sold out almost every night. With international flights



At Novotel, the number of international guests has increased

Back in business

At Roseate House, room tariff has gone up from ₹5,500 (exclusive of taxes) in Jan to ₹9,500; occupancy up from 20-30% 2 months ago to almost full

JW Marriott occupancy up to 60 per cent now, mostly driven by domestic demand; tariffs up from ₹15,000 in Jan to ₹17,000

At Novotel, occupancy levels between 80 and 100%, banquet halls also fully booked

Cafés also witness increase in walk-ins; Underdogs café says 50% more since Dec 2021

opening up, overseas clientele at the hotel has also grown in number," she adds.

At the JW Marriott Hotel, occupancy is up to 60 per cent now, mostly driven by domestic demand. On Sunday, the banquet halls are fully booked as they simultaneously host a wedding, a birthday party and a conference of an Indian multinational company.

"We're seeing more domestic customers, while international tourists are beginning to trickle in slowly. Among domestic customers, most people are here on business. But we also have some locals staying with us since it's a long weekend," says Shah Nawaz Khan, who works in the F&B section at the establishment.

for lunch at Smoke House Deli, two buildings away at The Walk — an avenue lined with cafés.

The Beer Café is buzzing with the chatter of customers long denied social get-togethers, now guzzling away with friends.

"I just wanted to take a trip because I was tired of being cooped up inside for so long. So I'm here — staying at a posh hotel, meeting friends and having a nice time, before I get back to my job in three days," says Tanvesha Garg from Chennai.

Two stores down, at Underdogs café, walk-ins have increased by almost 50 per cent since December 2021. "Most of the customers we serve these days are business people winding down after a long day at work. We are also seeing many American, Australian and Chinese travellers," says a waiter at the café. He admits a strange happiness at getting to hear multiple accents and languages after a long time. "It signals normalcy," he says.

Jagdish (he uses only his first name), who plies an auto in the area, is also relieved to see the buzz return to Aerocity. "After working for 8-10 hours a day, I am able to earn between ₹600 and ₹700. It's not a lot, but certainly better than before," he says.

"I just hope things only get better now and we don't go back to lockdowns," he adds, adjusting his mask. It's something everyone in Aerocity would wish for.

SARLA PERFORMANCE FIBERS LIMITED
CIN : L31909GJ1993PLC000056

Regd. Office : Survey No. 59/1/4, Arli Piplaria Industrial Estate, Silvassa - 365 230 (U.T. of Dadra & Nagar Haveli). Tel. 0250-3290467, Fax : 0250-2631355, E-mail : investors@sarlafibers.com, Website : www.sarlafibers.com

NOTICE FOR EXTRA-ORDINARY GENERAL MEETING

Notice is hereby given that the Extra-Ordinary General Meeting (EOGM) of the Members of Sarla Performance Fibers Limited ("the Company") will be held on **Tuesday, May 10, 2022 at 11:00 a.m.** at the Registered Office situated at Survey No. 59/1/4, Arli Piplaria Industrial Estate, Silvassa - 365 230 (U.T. of Dadra & Nagar Haveli) to transact the business, as set out in the Notice dated April 15, 2022 convening the EOGM.

The Company has sent the Notice convening EOGM and Explanatory Statement thereto on April 15, 2022, through electronic mode to the Members whose email addresses are registered with the Company / Depositories and the physical copies have been dispatched to those Members whose email addresses are not registered. The Notice convening the EOGM is available on the website of the Company at www.sarlafibers.com and on website of Stock Exchanges - BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com.

Pursuant to the provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their votes on the resolution(s) as set forth in the Notice convening the EOGM using an e-voting system from a place other than venue of the Meeting (remote e-voting). The Company has engaged the services of National Securities Depositories Limited (NSDL) to provide e-voting facility.

The remote e-voting period commences on **Saturday, May 07, 2022 at 10:00 a.m. (IST)** and ends on **Monday, May 09, 2022 at 05:00 p.m. (IST)**. During this period shareholders of the Company may cast their vote electronically. The e-voting module shall be disabled by NSDL thereafter. Once the vote on a resolution is casted by the shareholder, they shall not be allowed to change it subsequently.

The voting rights of Members shall be in proportion to the Equity Shares held by them (in physical or dematerialized mode), in the Paid-up Equity Share Capital of the Company as on **Tuesday, May 03, 2022 ("cut-off date")**.

Those Members, who shall be present in the EOGM and had not cast their votes on the resolution(s) through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote during the EOGM. The Members who have cast their votes by remote e-voting prior to the EOGM may also attend/participate in the EOGM but shall not be entitled to cast their votes again.

Those members whose e-mail ids are not registered with the depositories for obtaining login credentials for e-voting & for registering their e-mail ids are requested to send required details and documents to Company's e-mail ID investors@sarlafibers.com or to RTA e-mail ID rti.helpdesk@nseindia.com. The documents referred to in the EOGM notice are available for inspection at the Registered Office of the Company & will also be available at the time of EOGM.

M/s. Mayank Arora & Co., Company Secretaries have been appointed as Scrutinizer to scrutinize the entire voting process of the Company (viz. remote e-voting and voting at the EOGM) in a fair and transparent manner and submit report thereof to the Chairman of the Company or any other person authorized by him in writing, not later than 48 hours after the conclusion of the EOGM. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.sarlafibers.com and on the website of NSDL at www.evoting.nseindia.com immediately after the declaration of results.

Any person, who acquires shares of the Company and becomes a Member of the Company after the Notice has been sent electronically by the Company, and holds shares as on the cut-off date, may obtain the login ID and password by sending a request to evoting@nseindia.com. However, if he/she is already registered with NSDL for remote e-voting, he/she can use his/her existing User ID and password for casting the votes.

In case of any queries pertaining to e-voting, members may refer to the Frequently Asked Questions ("FAQs") and the e-voting manual available at www.evoting.nseindia.com under help section or contact at toll free number 1800 1020 980 or on mail at evoting@nseindia.com.

Place: Mumbai For Sarla Performance Fibers Limited
Date: April 18, 2022
Sd/-
(Neha Sameri)
Company Secretary & Compliance Officer

Bank of Baroda
www.bankofbaroda.in

TENDER NOTICE

Bank of Baroda, Facilities Management Deptt., Head Office, Vadodara invites sealed tender in two bid system from reputed contractors for Civil, Electrical, Plumbing & Allied Works at Bank's Residential Flats, Akshay Apartment, Vadodara, Gujarat.

"Addendum", if any, shall be issued on Bank's website under tenders section i.e. on www.bankofbaroda.in. Bidder should refer the same before final submission of the proposal.

Last date of submission of tender: 11/05/2022 up to 1400 hrs.

For further details please visit our website www.bankofbaroda.in/tenders/corporate-office

Place: Vadodara Asstt. General Manager
Date: 20.04.2022 (FM & Security) H.O. Vadodara

NSE
National Stock Exchange of India Ltd.
"Exchange Plaza", Bandra-Kurla Complex, Bandra (E), Mumbai-400 051

NOTICE

Notice is hereby given that the following trading member of the National Stock Exchange of India Ltd. (Exchange) has requested for the surrender of its trading membership of the Exchange:

Sl. No.	Name of the Trading Member	SEBI Regn. No.	Last Date for filing complaints
1.	Pee Dee Kapur Stock & Securities Limited	INZ000294035	20-June-2022

The constituents of the above-mentioned trading member are hereby advised to lodge immediately complaints, if any, against the above-mentioned trading member on or before the last date for filing complaints as mentioned above and no such complaints filed beyond this period will be entertained by the Exchange against the above-mentioned trading member and it shall be deemed that no such complaints exist against the above-mentioned trading member or such complaints, if any, shall be deemed to have been waived. The complaints filed against the above-mentioned trading member will be dealt with in accordance with the Rules, Bye-laws and Regulations of the Exchange / NCL. The complaints can be filed online at <https://www.nseindia.com/invest/RIE-a-complaint-online>. Alternatively, the complaint forms can be downloaded from <http://www.nseindia.com/invest/download-complaint-form-for-offline-registration> or may be obtained from the Exchange office at Mumbai and also at the Regional Offices.

For National Stock Exchange of India Ltd.
Sd/-
Vice President
Regulatory

Place: Mumbai
Date: April 20, 2022

Nifty50

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