

October 04, 2021

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001. Tel: 022 - 2272 1233 / 34 Fax: 022 - 2272 2131 / 1072/ 2037 / 2061 / 41	National Stock Exchange of India Ltd. Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051 Tel: 022 - 2659 8235 / 36 / 452 Fax: 022 - 2659 8237/ 38
Scrip Code: 532345	Symbol : GATI
ISIN No.: INE152B01027	ISIN No.: INE152B01027
Re.: Gati Limited	Re.: Gati Limited

Dear Sir/Madam,

Sub: Newspaper advertisement for transfer of equity shares to IEPF

In terms of regulation 30 read with Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find the enclosed copies of the newspaper advertisement published on October 04, 2021 in all editions of Financial Express (in English) and Hyderabad Edition of Nava Telangana (in Telugu) titled - Notice [For transfer of Equity Shares of the Company to the Investor Education and Protection Fund (IEPF)].

The advertisement copies are also available on the Company's website at www.gati.com.

You are requested to kindly take above information on your records.

Thanking You.

Yours faithfully,
For **Gati Limited**



T.S. Maharani
Company Secretary & Compliance Officer
M.No.: F8069

Encl.: As above

Economy

MONDAY, OCTOBER 4, 2021



E-COMMERCE POLICY

Piyush Goyal, commerce and industry minister

I welcome all the feedback and look forward to a very robust and healthy consultation with all the stakeholders... We are trying to balance everybody's interest and come up with a robust framework in which this (policy) can be implemented in the interest of all Indians

HIGH GTR GROWTH

No immediate plan to increase tax transfers to states

Adjustments, if any, to be done only in the last quarter

PRASANTA SAHU
New Delhi, October 11

THE CENTRE HAS no immediate plan to enhance the monthly devolution to states from the budget estimate (BE) level, in anticipation of a higher-than-budgeted growth in gross tax revenue (GTR). Adjustments, if any, would be done only in the last quarter.

The GTR grew at a robust 70% on year in the first five months of FY22 and was 30% higher than the corresponding period in the pre-

pandemic year, FY20. The targeted growth rate (BE) for GTR in the current fiscal year is 9.5%.

After the pandemic hit tax revenues in FY21, the Centre had retained the budget transfers for the first two months as per BE before lowering the monthly transfers from June onwards till February, which resulted in the states receiving a quarter of their annual share in central taxes in March alone, compared with just 14% in the year ago month.

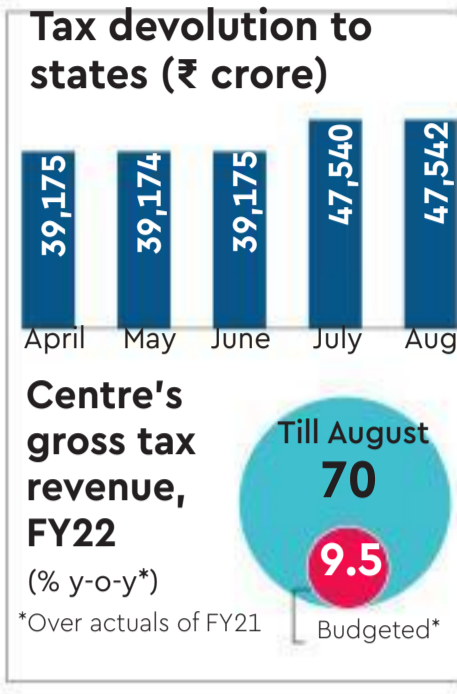
A senior finance ministry official told *FE* that the devolution is as per standard formula and that the adjustments would be made in the fourth quarter only.

While dip in revenues may

have forced the Centre to adjust devolution from Q1FY21 itself, some analysts are of the view that it should reciprocate by enhancing monthly devolution now, instead of waiting for the fourth quarter of the current financial year.

The Centre's GTR stood at ₹8.6 lakh crore in April-August 2021, compared with ₹5.04 lakh crore in the year ago period and ₹6.6 lakh crore during the period in FY20.

As per extant norms, tax devolution is made in 14 instalments to states in a year, one in each month up to February and three instalments in March. The monthly devolution to states were ₹39,175 crore during April to June and ₹47,540 crore during July to



August. "The Centre should do opposite of what it did in FY21 and make available a portion of extra tax collections to states to step up spending, which will help the

economy," said NR Bhanumathy, vice-chancellor of Bengaluru's Dr. B. R. Ambedkar School of Economics University. It could also reduce the borrowing requirement of some fiscally stressed states like Kerala.

With economic recovery after the second Covid wave hit April-May, the states' own tax revenues have shown improvement in recent months, reducing their borrowing requirements.

After the 12.6% contraction in the gross state development loan (SDL) issuance to ₹3.1 lakh crore in H1 FY22, the Reserve Bank of India has pegged the SDL issuance at ₹2 lakh for Q3 FY22, similar to the level in Q3 FY21.

However, Telangana (by

The gross tax revenue grew at a robust 70% on year in the first five months of FY22 and was 30% higher than the corresponding period in the pre-pandemic year, FY20. The targeted growth rate for GTR in the current fiscal year is 9.5%

₹9,500 crore), Andhra Pradesh (by ₹5,800 crore) and Kerala (by ₹4,000 crore) together borrowed ₹19,300 crore more than indicated in H1 FY22, rating agency ICRA said in a report. A senior Kerala finance ministry official said a mid-course correction in devolution in light of the higher central tax collections would help the state's finances.

According to ICRA, the Centre's tax devolution to

states for the full year is expected to exceed FY22BE of ₹6.66 lakh crore by about ₹60,000 crore, boosting states' cash flows in Q4FY22 (February-March).

"Factoring in our expectation of higher-than budgeted Central tax devolution in FY2022, we project the net SDL issuance at ₹1.7 lakh crore in Q4 FY22, 15.3% lower than ₹2 lakh crore in Q4 FY21. For FY22, we estimate net and gross SDL issuance at

₹5.5 lakh crore and Rs 7.6 lakh crore, respectively, 15.3% and 4.7% lower than the year-ago levels," ICRA said.

If the pace of GTR growth in the first five months of this year continues throughout the year, GTR will rise to ₹25.93 lakh crore as against the BE of ₹22.17 lakh crore.

This could drive up the tax-to-GDP ratio to 11.6% in FY22, the highest since FY08, far exceeding the budgeted level of 9.9%. This, of course, assumes that the nominal GDP for this year will touch the budgeted level of ₹22.87 lakh crore, recording an annual expansion of 12.9% upon the provisional estimate for FY21. Tax buoyancy, too, will shoot up to as high as 2.2 in FY22.

From the Front Page

Insolvency code: Govt mulls next set of changes

The most crucial reasons for the delay in resolution and asset value erosion are the bottle-

necks in the NCLT system, Sinha had told *FE* in August. As many as 13,170 insolvency cases involving claims of ₹9.2 lakh crore are awaiting resolution before the NCLT. About 71% of the cases have been pending beyond 180 days.

The House panel had also flagged risks of procedural

uncertainties from unsolicited and late bids. Analysts say often late bids are submitted by either ineligible promoters or their proxies to delay the resolution process. The panel also suggested that a professional code of conduct be firmed up for the powerful committee of creditors, which decides on all important matters in a resolution process.

To fix these issues, the Insolvency and Bankruptcy Board of India (IBBI) has now stipulated that bidders be allowed to modify the resolution plans only once. Similarly, it says CoC members will have to comply with a code of conduct, aimed at preserving the integrity of the resolution process. They will also come under the regulatory purview of the IBBI (and not sectoral watchdogs like RBI), which will initiate action if they don't abide by the code, to be implemented soon.

The regulator's action came after a few cases in recent months tested the spirit of the IBC. For instance, in the case of Siva Industries Holding, the lenders accepted a one-time settlement by its former promoter, who had offered just 6.5% of the total debt, and filed a withdrawal application before the NCLT. In the case of Videocon, the NCLT had highlighted that the lenders were taking an almost 96% haircut and exclaimed that Twin Star Technologies' offer was very close to the stressed firm's liquidation value, which was meant to be confidential.

₹3,050-cr

penalty on VIL, Bharti may revive litigation

"These allegations were frivolous and motivated. Bharti Airtel takes pride in maintaining high standards of compliance and has always followed the law of the land. We will challenge the demand and pursue the legal options available to us".

Cases relating to intra-circle roaming, one-time spectrum charges, etc between the operators and DoT are pending in various courts.

Industry executives and telecom sector analysts told *FE* that the timing for levying this penalty is not conducive as it burdens the operators at a time when the government has provided them financial relief by way of deferring their adjusted gross revenue and spectrum payment dues.

Since there's a new chairman at Trai, some said that the DoT could have once again referred the matter to the regulator.

In the past, the DCC had tried its best to get the matter sorted by asking Trai to review the amount as the sector was under financial stress, but, unfortunately, the regulator stuck to its guns.

In fact, before the matter was sent to Trai for a review, a seven-member internal committee of DoT had rejected by 4:3 the regulator's recommendation to levy the penalty and had left the final decision to the DCC.

To be sure, in 2019 the DCC could have ignored the Trai's

recommendation and gone ahead with either scrapping the penalty or lowering the amount. This is because the Trai does not have powers to levy fines. It had suo motu issued the recommendation to the DoT based on a complaint by Reliance Jio. As a licensor the power to levy fines and or cancel licences lie with the DCC which may seek recommendations from the Trai, but in this case it was not so.

In October 2016, Trai had recommended that a fine of ₹50 crore be levied on Bharti Airtel and Vodafone each in 21 circles, while a similar amount be levied on Idea Cellular in 19 circles. Thus the penalty for Bharti and Vodafone was ₹1,050 each, while for Idea it was ₹950 crore. In August 2018, Vodafone and Idea merged and was christened Vodafone Idea.

The Trai had recommended fines after it had issued show-cause notices to the three operators towards end-September 2016 after finding high levels of congestion in their networks, leading to call failures made to and from the Jio network beyond the permissible limits.

The three incumbent companies in their defence had said that there is a 90-day period since the commercial launch of services by an operator for providing the demanded points of interconnect and they conformed to this deadline. They said it was unfair for Trai to monitor congestion levels on a daily basis and recommend a fine. Ideally, it should have measured congestion on a monthly basis, where the results would have been different.

NTPC to list three subsidiaries, exit JV with SAIL

These transactions are cumulatively expected to fetch around ₹39,832 crore.

The government has not prescribed any mandatory method for asset monetisation, and said that models to be adopted will depend upon various factors including "asset profile, objectives for monetisation, expectations of sponsor and investors".

The IPO process of NREL — through which NTPC plans to set up all its new renewable capacity — is expected to be complete in Q3FY23, the source said.

NTPC had incorporated NREL to focus on its green energy business in October, 2020, and its IPO is seen to unlock significant value given the market performance of other renewable energy companies which have much lower capacity addition targets. The company aims to attain 60,000 MW of green capacity by 2032 from the current level of around 1,400 MW, and wants to have 8,000 MW of installed renewable energy base by FY23. "NREL should be bigger than NTPC in times to come," the aforementioned person added.

NTPC had acquired 100% equity stake in NEEPCO, which is primarily engaged in gener-

ating and supplying electricity in the northeastern region, from the Government of India in March, 2020. It operates seven hydro (1,525), three gas-based (527 MW) and one solar (5 MW) power stations, including the 600 MW Kameng hydro project. Recently, the Union power ministry has advised NEEPCO to reduce its manpower/megawatt strength from current high levels. It has also been directed to diversify operations into renewable energy and expand business across the country. Subsequently, NEEPCO signed a MoU with state-run Indian Renewable Energy Development Agency for developing a five-year action plan for building and acquiring renewable energy projects.

NVNL is mainly engaged in the power trading business, and is the government-nominated agency for settlement of cross-border grid operation related charges with Bangladesh, Bhutan, Nepal and Myanmar. It has implemented solar projects at identified airports and buildings through MoUs with the Airport authority of India, South Delhi Municipal Corporation and IIT Jodhpur. NVNL is also slated to supply 40 electric buses in Andaman and Nicobar Islands and 90 electric buses to the Bengaluru Metropolitan Transport Corporation. It has undertaken pilot projects on green hydrogen as well, to be carried out in Leh and Delhi with ten hydrogen fuel cell electric buses.

The ₹6 lakh crore national monetisation pipeline consists of projects worth more than ₹1.6 lakh crore in the energy sector, which also include oil and gas pipelines of GAIL, Indian Oil Corporation and Hindustan Petroleum Corporation and electricity transmission lines of Power Grid Corporation of India.

As FCI stocks pile up, Centre prunes paddy purchases at MSP

Source added that many states like Chhattisgarh, Andhra Pradesh and Telangana have been told by the Centre not to transfer parboiled rice this year, as the Central Pool has enough stock of it to meet the demand for the next 3-4 years. Paddy procured by states and their agencies are to be processed by them before being handed over to the FCI in the form of rice. The Centre wants to save expenses as processing cost of parboiled rice is higher.

According to estimates by informed observers, FCI's rice stocks are now hovering around 36 million tonne, an all-time high, as against 27.8 million tonne at the same time last year. This is against the buffer level of 10.25 million tonne. The stocks were only 15.9 million tonne on October, 2016.

The FCI rice stocks as on October 1 was even higher than the total offtake of rice (35.2 MT) from Central pool under all regular schemes like

NFSA, mid-day meal and open market sale during FY21.

The Centre on Saturday rescinded its decision to defer procurement by 10 days in Punjab and Haryana after farmers protested. A few hours before procurement of paddy was to begin from October 1, the food ministry had issued a circular to commence it from October 11 in view of high moisture content in the grain due to late rains in September.

FCI's carrying cost (handling, storage and interest) of rice is around 19% of the economic cost of the grain (₹4,293.79/quinatal for 2021-22) and it inflates the food subsidy bill. The Centre was considering privatising food stock management to bridge the deficit in India's public capacity for food grain storage and cut the carrying cost of FCI. However, the plan could not take off due to overflowing granaries near the agency's warehousing capacities.

Under a plan earlier initiated by Niti Aayog, the revenue generated from the leasing of FCI's covered warehouses to private players was to be used by the agency to create greenfield warehousing infrastructure. The idea was that private players, to be selected through competitive bidding, would get fees for carrying out the stock holding and maintenance operations.

The Commission for Agricultural Costs and Prices (CACP) has pointed out that government has emerged as the single largest buyer of food grains and driven out private sector from the market after increased production. "The Commission, therefore, reiterates its earlier recommendation that the government should review open ended procurement policy for rice and wheat and take a policy decision to procure from small and marginal farmers, who constitute 86% of total operational holdings, and a fixed quantity from other farmers," CACP said in its report for Kharif 2021-22 season.

"It is very difficult decision, politically and economically, when the farmers are demanding legal guarantee of MSP. The government has been showcasing the high procurement as an achievement whereas it is a liability in terms of country's finance," said food policy expert Vijay Sardana. But given the budgetary constraints and difficulties in disposing of the surplus stocks, there has to be a decision in the next few years to manage the unmanageable, Sardana said.

The shifting of liabilities on account of the NSSF loan for FCI to the Budget (for FY22) was aimed at reducing the economic cost of grains and the actual food subsidy outgo, as FCI will save the interest it pays on its borrowings from banks and NSSF.

For FY22, the food subsidy had been estimated at ₹2.42 lakh crore while the revised estimate of FY21 was raised to ₹4.23 lakh crore from ₹1.16 lakh crore (BE). With the continuance of free food grains distribution under the Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY) for seven months (May-November) in the current fiscal, entailing an estimated expenditure of about

₹94,000 crore, the subsidy outgo is set to rise further.

SPV for non-core assets to draw talent from private sector

Currently, there are 21 sick/loss-making CPSEs which have received Cabinet nod for closure, some nearly a decade back. These units have been unable to attain closure due to various reasons including delay in disposal of immovable assets such as 15,000 acres of land across the country.

The new policy will also aid the objective of the new strategic sector policy which envisages closure of CPSEs wherever required and cut the losses to the exchequer. The proceeds from non-core asset monetisation of departments and those identified for closure would largely boost the non-tax revenues of the government.

On August 23, the Narendra Modi government had unveiled a National Monetisation Pipeline (NMP), seeking to generate upfront revenues of ₹6 lakh crore in four years starting from FY22, out of operational infrastructure projects, under various innovative log-term lease plans that involve minimal ceding of government's ownership of the assets. The move is in step with a plan to revert to the path of fiscal consolidation without any lapse of time and create the fiscal head to finance the ₹111 lakh crore National Infrastructure Pipeline and other capital-intensive ventures. The idea is to crowd in private investments in infrastructure by making matching public funds available.

The assets to be monetised, through structured contractual partnership as against privatisation or slump sale of assets, will include highway stretches, power transmission networks, freight corridors, airports, ports, gas pipelines, and warehousing facilities.

Policy to be robust, balanced, says Goyal

"I do believe that I welcome all the feedback and look forward to a very robust and healthy consultations with all the stakeholders... We are trying to balance everybody's interest and come up with a robust framework in which this (policy) can be implemented in the interest of all Indians," Goyal said.

The very purpose of releasing draft rules is to elicit public opinion, ideas from other departments, from stakeholders, encourage feedback, he said, adding the government has always believed in engaging with all the stakeholders before taking a final decision on any policy.

Citing example of data privacy law, national education policy and jewellery hallmarking norms, he said the government conducts stakeholders consultation to arrive at a good decision.

Domestic jewellers are now appreciating the hallmarking norms, which they were opposing earlier tooth and nail, he said.

"The consumer rules around the e-commerce are under public consultation. I warmly welcome feedback from various stakeholders but I have to protect everybody's interest and balance consumers interest, e-commerce interests, retailers interests," he said, adding that "everybody's interest will be taken into consideration and a balanced and a very robust policy will be finalised."

When asked if there is any move to link all the policies together, he said every department has to protect its own stakeholders.

The DPIIT under the commerce and industry ministry is also framing a national e-commerce policy.

"Consumer department has to protect the interest of consumers. E-commerce policy is a matter for industry department to focus on, because they have to protect the interest of industry and internal trade... so we have an orderly behaviour in the industry and at the same time ensure that internal trade is also protected," he said.

LETTERS TO THE EDITOR

Need to cut taxes on oil

By raising the prices of petrol/diesel, oil companies have shared the burden of the proportionate increase of international crude oil rates with consumers. Recently, oil prices have crossed the mark of ₹100/litre in many states. Why are the central and state governments not cutting taxes on oil? As the majority of oil consumers are farmers, who have to run agricultural machinery on diesel, the government needs to chalk out a strategy to extend direct/indirect oil subsidies to farmers. — Yugal Kishore Sharma, Faridabad

Air India divestment

It is hard to understand what's causing the delay of an official announcement with regard to Air India being taken over by the Tata group. According to newspaper reports, the Tatas have outbid Spicejet for the Airlines. In a way, it would be poetic justice, if what once belonged to the Tatas, goes back to them. The group carries immense goodwill among the country's people and hopefully, would be able to run it profitably. The Government of India should also go the extra mile to help the group. — Anthony Henriques, Mumbai

● Write to us at feletters@expressindia.com

