FINANCIAL EXPRESS

### • IMPERIAL, CLARIDGES MOVE DELHI HC

# Govt revises ground rent for 5-star hotels

**DAMINI NATH** New Delhi, July 14

THE UNION GOVERNMENT has revised the annual ground rent for land leased to several prominent five-star hotels in New Delhi — from thousands or lakhs of rupees a year to crores each — leading to at least two such hotels, The Imperial and The Claridges, to challenge the move in the Delhi High Court, it has been learnt.

The land and development office (L&DO) under the ministry of housing and urban affairs in March this year issued demand notices for ₹177.29 crore for The Imperial and ₹69.37 crore for The Claridges as revised ground rent from 2002 and 2006, respectively, until now. This, the L&DO said, was calculated with the rate of ₹8.13 crore for Imperial and ₹3.85 crore per year for Claridges, an increase from the current rate of ₹10,716 and ₹8.53 lakh, respectively. The rates were 5% of the property value of the plots in 2002 and 2006, respec-

tively, the L&DO notices said. The lessees of the two plots have moved the HC, terming the revision arbitrary and challenging the L&DO's claim of ground rent on the revised rate retrospectively. Both cases were heard in May and the next hearing is scheduled on July 22. The plots were leased by the British for construction of hotels when the development of New Delhi as capital was underway.

The 7.938 acre-plot on Janpath Lane on which The Imperial is situated was given on perpetual lease by the British to S B S Ranjit Singh with effect from April 8, 1932, with the lease dated July 9, 1937. The annual ground rent was to be revised after 30 years. The descendants of the original lessee, current joint**CONTESTED CLAIMS** 

■ The 7.938 acre-plot on Janpath Lane on which The Imperial stands was given on perpetual lease by the British with

effect from

April 8, 1932



■ The 2.94 acre-plot of land on Aurangzeb Road, now known as Dr A P J Abdul Kalam Road, on which The Claridges is situated, was given lease from November 12, 1936

hotels have termed the ground rate revision arbitrary

lessees Hardev Singh Akoi, Gobind Singh Akoi and Raidev Singh Akoi, argued in their petition that the March 28 demand letter had been "issued arbitrarily in haste", without any showcause notice issued to them. They said the last revision was carried out in 2006 for the period of 2002 to 2032, so the next revision was due in 2032.

In the case of Claridges, the 2.94 acre-plot of land on Aurangzeb Road, now known as Dr A P J Abdul Kalam Road, was given to Lala Jugal Kishore on November 12, 1936 on perpetual lease. The property was then purchased by the current lessees and petitioner, Claridges Hotel Pvt Ltd in 1972. The petitioner argued that the March 27 demand notice was against the clauses of the lease, which said the ground rent would be revised every 30 years and that the rate would not be more than 1/3the letting value of the site, without the building, on the date of the revision. They said the last revision for the Claridges land was done by L&DO with effect from January 15, 2016, when the ground rent was increased to ₹8.53 lakh from ₹2.13 lakh, so the next revision had to be after January 14,2046.

In its notices, the L&DO said

since there had been "challenges" and "delays in ascertaining the letting value", it had issued an ad-hoc policy on December 24, 1983 for calculating the letting value, which included the 1/3 of the letting value formula. "The same was limited to the first revision of ground rent," it said.

The L&DO said since ground rent was last revised with effect 1972 for Imperial and 1976 for Claridges and the 30-year period was up in 2002 and 2006, respectively, it was decided to revise the ground rent "at the rate of 5% of the land value" prevailing. In its notices, the L&DO gave the hotels 30 days to pay the amount, failing which a 10% per annum interest would be charged. According to ministry sources, the revision of ground rent in 2006 and 2016 for Imperial and Claridges, respectively, had been an ad-hoc measure. Hearing the petitions in May, the high court ordered the L&DO to give the two a hearing before fixing the ground rent.

Sources said a round of hearings have taken place, with more hearings planned for this week. The L&DO has issued demand notices with revised ground rent to other five-star hotels in Delhi as well, they said.

# NHAI to monetise 12 projects via InvIT in FY25

**MUKESH JAGOTA** New Delhi, July 14

THE NATIONAL HIGHWAYS Authority of India (NHAI) has identified 12 operational highway stretches with a combined length of 850 km for transfer to the National Highways Infrastructure Trust (NHIT) in the current financial year, as part of its asset monetisation drive. The leasing out may fetch the NHAI up to ₹20,000 crore, official sources said. In 2023-24, NHAI mobilised ₹16,000 crore via the NHIT (InvIT) route, by leasing out 889-km stretches.

In all, for monetisation through the modes of toll-oper-

ate-transfer (ToT) and InVIT, the NHAI has identified 33 highway stretches with a total length of 2,741 km for 2024-25. The target for the year has been set at ₹54,000 crore via InvIT and ToT, and projectbased financing.

The NHAI has sharply cut down on fresh borrowings in recent years, in a bid to pare its heavy debt. It is relying primarily on Budget outlays to sustain the highway construction pace, with monetisation proceeds being other major mode of fundraise. Half of the stretches that will be offered to NHIT this fiscal are in Andhra Pradesh, while two are in Chhattisgarh and one each in Uttar Pradesh, Rajasthan, Ut-

The yield from monetisation varies for every stretch depending on traffic volumes and toll collections. Last year, the entire process was completed at one go through 'InvIT Round 3'. This year, this process may be

tarakhand and Gujarat, the

sources said.

completed in two phases. Funds for the acquisition will be raised by NHIT through a mix of debt and unit capital from existing stakeholders. NHIT is also planning to also raise debt through issuance of bonds in the current financial year. The size of the bond issue is still being finalised, but it could be in the range of ₹2,000 crore to ₹3,000 crore, the sources said. This amount will be double of ₹1,500 crore raised through bonds by NHIT in October 2022, which was its maiden attempt to raise debt from the public for asset monetisation programme.

While NHAI is the sponsor of NHIT with a holding of 15.48%

of units, other NHAI is likely raise unitholders are Onup to ₹20,000 tario Teachers' Pencrore through sion Plan and Canada Pension Plan monetisation of Investment Board 12 highway with 25% each, and stretches with a SBI Mutual Fund length of 850 km (9.67%) and SBI this financial year Pension Fund Scheme (2.06%).According to rating

> fied stretches for monetisation by NHAI have a monetisation potential of ₹53,000-60,000 crore. Officials are, however, sticking to a conservative target because monetisation of all stretches may not be possible during the year.

agency Icra, identi-

Under the National Monetisation Pipeline, road sector monetisation was expected to account for ₹1.6 trillion or 27% of the total monetisation during FY2022-FY25. By FY2024, NHAI and the ministry of road transport and highways had realised around ₹53,541 crore through TOT and InvIT. Since 2018-19 when the highway monetisation programme began, NHAI has raised ₹1.08 trillon through recycling of assets.

THE FLOATING BUS



A partially submerged bus in a flooded area in Thane, Maharashtra, following heavy rainfall on Sunday. The India Meteorological Department has issued a 'red' alert for several districts in Maharashtra, predicting very heavy rainfall

### Components scheme: Finmin opposes capex-linked subsidy

**JATIN GROVER** New Delhi, July 14

THE FINANCE MINISTRY is

believed to have opposed a proposal for a capex-linked subsidy in the new electronics components manufacturing scheme, people aware of the matter said.

This is because officials at the finance ministry believe that there is a risk in supporting the proposals upfront capital expenditure and without linking it with specific targets. Firstly, the concern is that beneficiaries might not start or delay the production, after claiming capital subsidy, which in a way could affect the exchequer. Secondly, there are chances that companies inflate their capex requirements and project

cost, and that would make it difficult for the government to ascertain the correct cost, sources said.

The development assumes

significance as the ministry electronics information technology (MeitY) based on the industry's recommendations was looking at both a capital subsidy for setting up components manufacturing facilities as well as a

electronic components. Now, based on the inputs from the finance ministry, MeitY will rework on the proposal in discussions with the industry and come up convincing a framework, people in the know said.

production-linked incentive

(PLI) scheme for certain

The finance ministry

believes that capex-linked subsidy should discouraged. It wants an incentive scheme, which can be mapped to employment generation, an official said on condition of anonymity.

government is working on a new component-linked incentive scheme to make India both a producing nation as well as a component-producing destination, and to increase the domestic value addition This comes after the ₹3,285crore scheme for promotion of manufacturing of electronic components and (SPECS) semiconductors ended on March 31. The industry has sought a ₹40,000-45,000 electronics components incentive scheme for at least

eight years.

# Talent crunch hits Big Five audit firms

MANU KAUSHIK New Delhi, July 14

**THE BIG FIVE** audit firms in India are facing a talent crunch. A regulatory clampdown and a higher number of "relatively safer"career opportunities elsewhere are pulling chartered accountants (CAs) away from the audit profession. A senior partner at a Big Five

firm told *FE* that the auditing verticals in top firms are oper-

ating with 20% lower staff than the required strength. At present, the top five firms have around 12,500 people in their audit function."The amount of work is increasing every year but the staff strength is not growing as fast. Although we need to increase the capacity to handle the additional work and deal with the regulatory oversight, getting the right workforce has certainly become a

challenge," said the audit verti-

cal head at a Big Five firm.

Another partner in the same firm said that the talent crunch is largely due to heightened regulatory scrutiny and expanding opportunities beyond the traditional audit. "When I completed my CA in 1980s, there were fewer avenues. But young CAs today have a vast number of opportunities, and unless somebody is passionate about auditing, most of them usually land up somewhere else," he said.

Branch Account No. Actt Holder

What makes the matters worse for large audit firms is that the country is now producing more CAs than ever. For instance, the number of CAs who cleared the final exam in 2023 stood at 12,326, which denotes a pass percentage of 13.8% much higher than the 2% pass percentage a few years ago."The pass percentage for CAs has improved considerably but we are not just looking for simple CAs. We want CAs who have the right aptitude and highest ethical standards," said a partner at another Big Five firm.

In terms of all companies whose equity shares were listed on NSE (main board) as on March 2024, the Big Five Indian audit firms handled 580 assignments of 1,961 companies (for which auditor details were available for 2023-24). The number of assignments were 3.2% higher than the previous financial year.

Ac opening

### **CHEMPLAST SANMAR LIMITED**

Regd: Office: 9, Cathedral Road, Chennai 600086 CIN: L24230TN1985PLC011637 Phone: 044-2812 8500

Website: www.chemplastsanmar.com: Email: grd@sanmargroup.com

#### PUBLIC NOTICE – 40th ANNUAL GENERAL MEETING

The 40th Annual General Meeting ('AGM') of Chemplast Sanmar Limited ('CSL') will be held at 3.00 PM on Thursday, the 8th August, 2024 through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') facility in compliance with the applicable provisions of the Companies Act, 2013 and the Rules made thereunder, read with circulars issued by the Ministry of Corporate Affairs ('MCA') and Securities and Exchange Board of India ('SEBI'). The VC / OAVM facility will be provided by KFin Technologies Limited to transact the businesses as set out in the Notice convening the AGM.

The e-copy of the Notice of the AGM along with the Annual Report for the Financial Year 2023-24 of the Company will be available on the website of the Company at www.chemplastsanmar.com, websites of the Stock Exchanges i.e., BSE Limited & National Stock Exchange of India Limited, at www.bseindia.com and www.nseindia.com respectively and on the website of the Company's Registrar and Share Transfer Agent, M/s. KFin Technologies Limited at https://evoting.kfintech.com/public/downloads.aspx (KFin)

Members can attend and participate in the Annual General Meeting through the VC/OAVM facility ONLY, the details of which are provided by the Company in the Notice of the AGM. Members attending the Meeting through VC/OAVM facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

The Notice of the Annual General Meeting along with the Annual Report has been sent only through electronic mode to those Members whose e-mail addresses are registered with the RTA / Depositories. Members who have not yet registered their email addresses are requested to update their e-mail ID with their respective DPs to receive the login ID and password for remote e-Voting /e-Voting at the AGM. The Company will not despatch a physical copy of the Notice of the AGM and the Annual Report to the Members in view of its green initiatives and the MCA Circulars. However the same shall be made available upon receipt of request from the Member(s), in writing to the Company email ID: grd@sanmargroup.com or the Registrar of Share Transfer Agent, KFin Technologies Limited email ID: einward.ris@kfintech.com

In terms of Section 108 of the Companies Act 2013, applicable Rules thereon and Regulation 44 of SEBI (LODR) Regulations, 2015, the Company is providing the remote e-voting facility ('remote e-voting') of KFin Technologies Limited to all its Members to cast their votes on all Resolutions set out in the Notice convening the AGM of the Company. The remote e-voting will commence on 5th August, 2024 from 9.00 AM and will end on 7th August, 2024 at 5.00 PM (IST). Additionally, the Company will also provide the facility of e-voting during the AGM. The voting rights of the members shall be in proportion to their shareholding in the company as on the cut-off date for e-voting i.e. 1st August, 2024. Detailed procedure for remote e-voting and e-voting has been provided in the Notice of the AGM. B Ravi & Associates (Firm Registration Number: P2016TN052400) Practicing Company Secretaries, represented by CS Dr. B. Ravi (FCS No.:1810 CP No.:3318) Managing Partner of B Ravi & Associates will be the scrutiniser of the entire voting process.

Date: 15th July, 2024

Place : Chennai

For Chemplast Sanmar Limited M Raman Company Secretary & Compliance Officer Membership No.: ACS-6248

## India, S Korea to meet this week for FTA review

**MUKESH JAGOTA** New Delhi, July 14

**INDIA AND SOUTH** Korea will hold talks this week to review and upgrade the bilateral Comprehensive Economic Partnership Agreement (CEPA), a senior official said. The talks — the 11th meeting for the review — are scheduled in Seoul from July 17 to 19.

The review of CEPA, which was signed in 2009 and came into force in 2010, was agreed to in 2016. Since then 10 rounds of talks have been held but the pace picked up in recent months. Some Korean officials have been on record saying that talks may finally conclude in 2024. Both sides have exchanged the lists of requested sectors where they are seeking further opening up of trade.

From the South Korean side the demand has come for sectors such as automobile, textiles, chemicals and petrochemicals, while India is seeking greater access to the steel, rice, shrimp and clothing markets. According to experts, South Korea's attempt is to increase the level of openness of the Indian market or at least get it on par with the India-Japan FTA. From South Korea's perspective, the effectiveness of bilateral trade liberalisation has been questioned as key export



sectors such as automobile have been excluded from concessions.

Indian exporters have complained of the unwillingness of the Korean industry to buy items like steel from India despite competitive pricing. Apparel makers have complained of safety standards being kept so high as to make exports difficult. The agreement covers trade in goods, investments, services, and bilateral cooperation in areas of common interest. Under the CEPA, South Korea was to phase out or reduce tariffs on 90% of Indian exports, while India would phase out or eliminate tariffs on 85% of Korean exports.

The total merchandise trade between India and South Korea grew from \$16.91 billion in 2011 to \$27.5 billion last year. While India's exports have stayed in the \$5-7 billion range, imports have increased from \$12.4 billion in 2011 to \$21.1 billion in 2023-24.



them despite various demands and notices including individual notices issued by the Bank. All borrowers are hereby informed that it has been decided to auction the Gold ornaments kept as security with the Bank and accordingly 29.07.2024 has been fixed as the date of auction at 03:00 pm in the branch premises from where the loan was availed. All, including the borrowers, account holders and public at large can participate in this auction on as per the terms

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Didiidii	Account No.	name	Spouse Name	Address	Date	Payon
JUBILEE HILLS	101042519004	CHELLABOINA L KUMARI	D/O PARASURAMUDU	PLOT NO 85 PHASE 1,TELANGANA COLONY ALAI BALAI CHOWRASTA, GOPANPALLY KV RANGAREDDY HYDERABADTELANGANA500107	21/11/2023	118743.88
JUBILEE HILLS	101042518740	INDUKURI C VARMA	C/O INDUKURI SRINIVASA RAJU	INDUKURI CHAITANYA VARMA, FLAT 304, VYJAYANTHI SONNETS KONDAPUR, RANGA REDDY HYDERABAD TELANGANA 500084	06/11/2023	350177.37
PUNE TILAK ROAD	103042512386	MADDIKUNTA DEEPAK	S/O MADDIKUNTA RAMCHANDER	4 147, MAIN ROAD I B, TANDUR, ADILABAD MANCHERIAL TELANGANA 504272	30/05/2023	129703.28
JUBILEE HILLS	101042517185	NALLAMILLI V MOHAN	S/O NALLAMILLI HARA NARAYANA RAO	16 3 562,VASANTH NAGAR NEAR BUS STOP,K P H B COLONY KUKAT PALLY MEDCHAL MALKAJGIRI TELANGANA 500085	03/08/2023	127574.69
JUBILEE HILLS	101042518426	NALLAMILLI V MOHAN	S/O NALLAMILLI HARA NARAYANA RAO	16 3 562, VASANTH NAGAR NEAR BUS STOP, K P H B COLONY KUKAT PALLY MEDCHAL MALKAJGIRI TELANGANA 500085	17/10/2023	199904.53
JUBILEE HILLS	103942510103	NALLAMILLI V MOHAN	S/O NALLAMILLI HARA NARAYANA RAO	16 3 562, VASANTH NAGAR NEAR BUS STOP, K P H B COLONY KUKAT PALLY MEDCHAL MALKAJGIRI TELANGANA 500085	05/01/2024	177501.11
JUBILEE HILLS	103942510479	SOWMITHRI PRIYA	•	W O SOWMITHRI SATISH KUMAR 8 93 3 SRIVIVASA NAGAR 1ST FLOOR CHINTAL JEEDIMETLA HYDERABAD TELANGANA 500055	13/02/2024	104613,39
JUBILEE HILLS	101042519270	SOWMITHRI PRIYA	3	8 93 3 SRIVIVASA NAGAR 1ST FLOOR CHINTAL JEEDIMETLA HYDERABAD TELANGANA500055	07/12/2023	166172.81
JUBILEE HILLS	101042519272	SOWMITHRI PRIYA	B	8 93 3 SRIVIVASA NAGAR 1ST FLOOR CHINTAL JEEDIMETLA HYDERABAD TELANGANA500055	07/12/2023	110376.40
JUBILEE HILLS	103942510120	SOWMITHRI PRIYA	×	8 93 3 SRIVIVASA NAGAR 1ST FLOOR CHINTAL JEEDIMETLA HYDERABAD TELANGANA500055	06/01/2024	217024.66
JUBILEE HILLS	101042516993	CHEKKA SUPRIYA	D/O CHEKKA BALARAMA SWAMY	H NO 3 53,,SHAYAMPET MANDAL PEDDA KODEPAKA WARANGAL RURAL TELANGANA506164	18/07/2023	74855.32
JUBILEE HILLS	103942510722	CHEKKA SUPRIYA	D/O CHEKKA BALARAMA SWAMY	H NO 3 53, SHAYAMPET MANDAL PEDDA KODEPAKA WARANGAL RURAL TELANGANA 506164	13/03/2024	535782.54
JUBILEE HILLS	103942510951	CHEKKA SUPRIYA	D/O CHEKKA BALARAMA SWAMY	H NO 3 53, SHAYAMPET MANDAL PEDDA KODEPAKA WARANGAL RURAL TELANGANA 506164	02/04/2024	643630.43
JUBILEE HILLS	101042517925	BUDARAJU MYDHILY	C/O V MANOJ KUMAR	FLAT NO501, SHIVASAI RESIDENCY, CHERUKUTHOTA COLONY, SAROORNAGAR, KV RANGAREDDY,	21/09/2023	59342.98

Auction date is 29.07.2024 @ 03:00 pm The Bank reserves the right to delete any account from the auction or cancel the auction without any prior notice:

> Authorised Officer, Shivalik Small Finance Bank Ltd imancialexp.epapr.in

RANGAREDDY TELANGANA 500035