

## **NEWS ITEMS ON CAG/ AUDIT REPORTS (10.06.2022)**

### **1. Disinvestment is down, not dead ([thehansindia.com](http://thehansindia.com)) June 10, 2022**

#### **In a nutshell, the government must keep the privatisation process on, the recent setbacks notwithstanding**

Is disinvestment dead? The much-awaited initial public offering (IPO) of Life Insurance Corporation opening about 8 per cent lower on the bourses on May 17 and trading lower than the issue price since then; the sale of BPCL has been put off. So, one may be tempted to conclude that the privatisation process is in a deep freeze, if not dead. However, the process can be revived if the government decides to take the setbacks into its stride and stays the course. Abandoning or slowing down privatisation would be an easy but wrong response to the hindrances.

Public sector enterprises or undertakings (PSEs, also called PSUs) should be sold for several reasons. First and foremost, as Prime Minister Narendra Modi has said more than once, the business of government is not business. Instead of running hotels and steel mills, politicians and bureaucrats must focus on governance.

Second, PSEs are increasingly becoming a drain on the economy. In December last year, the Comptroller and Auditor General (CAG) released a financial audit report on the state of Central CPSEs. The number of state-run companies and corporations making profit came down to 224 in 2019-20 from 233 in 2018-19. The profit earned too declined to Rs 1,40,976 crore in 2019-20 from Rs 1,77,758 crore in 2018-19. Unsurprisingly, the return on equity (ROE) of 224 CPSEs also decreased to 15.31 per cent in 2019-20 from 18.69 per cent of 233 CPSEs in the previous fiscal.

The CAG report also highlighted the continuous decline in the return on capital employed (ROCE)—from 11.79 per cent in 2017-18 to 10.47 per cent in 2018-19 to 6.38 per cent in 2019-20.

Public sector banks (PSBs) are not included in CPSEs. PSBs too have proved to be white elephants. Between 2016-17 and 2020-21 alone, the government had to infuse Rs 3,10,997 crore in PSBs for the purpose of recapitalisation. It needs to be mentioned that this was all taxpayer money.

To what avail? After incurring collective losses for five straight years between 2015 and 2020, PSBs earned a combined net profit of Rs 31,820 crore in 2020-21.

PSB recapitalisation brings us to the third point: there is no way that State-run entities, be it CPSEs or banks, can be made sprightly companies which fill the exchequer and galvanise the economy, as was the purpose when these were created decades ago. There are numerous CPSEs which received several revival packages—but couldn't get out of coma. The government should learn from this experience.

It needs to be mentioned here that privatisation has never been an easy exercise. When the Atal Bihari Vajpayee government decided to sell Balco to Sterlite in 2001, there was a lot of resistance to the sale. Right from the trade union leaders to the Opposition leaders in New Delhi to the then Chhattisgarh chief minister Ajit Jogi—everyone was against it. Even elements

within the Sangh Parivar were opposed to privatisation, but the government went ahead and it did happen.

When the Modi government recommenced privatisation after a gap of almost two decades and decided to sell Air India, it faced a lot of criticism. Its perseverance paid: today the taxpayer doesn't have to pay for the losses of the so-called national carrier which ran into tens of thousands of crore. Perhaps it was called the national carrier because the nation carried it!

In a nutshell, the government must keep the privatisation process on, the recent setbacks notwithstanding. <https://www.thehansindia.com/business/disinvestment-is-down-not-dead-747848?infinitemscroll=1>

## 2. क्यों स्वदेशी जेट इंजन के निर्माण में भारत की विफलता का रिमाइंडर है, एक बिलियन यूरो का संभावित फ्रांसीसी सौदा ([hindi.theprint.in](http://hindi.theprint.in)) 9 June, 2022

इस महीने के अंत में रक्षा मंत्री राजनाथ सिंह भारत की रणनीतिक रूप से सबसे महत्वपूर्ण परियोजनाओं में से एक- देश के 6.5- जनरेशन एडवांस मीडियम कॉम्बैट एयरक्राफ्ट (एएमसीए) को पावर देने वाले 120-केएन (किलो न्यूटन) इंजन का विकास- की समीक्षा करने वाले हैं.

अगले दशक के भीतर लड़ाकू जेट के भारतीय वायु सेना के मानवयुक्त सामरिक बेड़े की आधारशिला बनने की उम्मीद है.

लेकिन मुश्किल ये है कि भारत के सबसे महत्वाकांक्षी नियोजित विमान को चलाने के लिए कोई स्वदेशी जेट इंजन नहीं है.

फ्रांसीसी इंजन की दिग्गज कंपनी Safran, राफेल ऑफसेट अनुबंध के हिस्से के रूप में इंजन बनाने के लिए आवश्यक तकनीक को स्थानांतरित करने के लिए एक बिलियन यूरो से अधिक की मांग कर रही है.

जब 2016 में भारत के साथ 7.8 बिलियन यूरो के राफेल सौदे पर हस्ताक्षर किए गए थे, तो फ्रांस ने सौदे के बदले में भारत में 50 प्रतिशत या 3.9 बिलियन यूरो का निवेश करने वादा किया था.

1 बिलियन यूरो का सौदा भारत के जेट-इंजन वैज्ञानिकों के साथ- साथ वायु सेना के लिए देश के अपने स्वयं के लड़ाकू जेट इंजन का निर्माण करने में विफलता की दर्दनाक याद को ताजा कर देता है.

देश ने अंतरिक्ष कार्यक्रम के साथ- साथ मिसाइलों के लिए पावर प्लांट के उत्पादन में महत्वपूर्ण सफलता हासिल की है. हालांकि, स्वदेशी लड़ाकू जेट-इंजन विकसित करने में सफलता हाथ न आने वाली रही है.

सरकारी सूत्रों ने कहा कि भारत अब भविष्य के विमानों के लिए एक नया जेट इंजन बनाने के लिए फ्रांस के साथ संयुक्त रूप से काम करने की संभावना तलाश रहा है. पिछले साल, ब्रिटिश फर्म रोल्स-रॉयस ने दिप्रिंट को बताया था कि वह एएमसीए के लिए इंजन के सह-विकास और निर्माण पर भारत के साथ काम करने का इच्छुक है.

हालांकि सरकार फ्रांस के साथ सौदा करने के लिए उत्सुक है. आधिकारिक सूत्रों ने कहा, यह एक ऐसे देश के साथ सहयोग को और मजबूत बनाना है, जो भारत के अत्याधुनिक सैन्य प्रौद्योगिकी के सबसे महत्वपूर्ण प्रदाताओं में से एक रहा है.

### **लड़ाकू जेट-इंजन चुनौती**

कुछ देश लड़ाकू विमानों के लिए जेट इंजन बनाने के लिए आवश्यक जटिल तकनीक हासिल करने में सफल रहे हैं.

कुछ समय पहले तक सिर्फ चीन का पांचवीं पीढ़ी का J-20 फाइटर - जिसे 'माइटी ड्रैगन' के रूप में भी जाना जाता है - मूल रूप से रूसी निर्मित AL31F इंजन से लैस था. और फिर उसके बाद WS-10 ताइहांग था.

1980 के दशक में संयुक्त राज्य अमेरिका से आयातित CFM-56II टर्बोफैन इंजन से मिला WS-10 पॉवर और रखरखाव की पुरानी समस्याओं से जूझ रहा था.

WS-10 को अधिक शक्तिशाली और आधुनिक WS-15 से बदलना शुरू कर दिया गया. लेकिन कुछ विशेषज्ञों के अनुमान के मुताबिक यह अभी भी आधुनिक पश्चिमी जेट-इंजन तकनीक की एक जेनरेशन से पीछे है.

बोइंग 747 असैनिक विमान को चलाने वाले इंजनों में कम से कम 40,000 पार्ट होते हैं. कंबुश्चन चैंबर में तापमान 1,400°C तक जा सकता है.

एक अमेरिकी गैर-

लाभकारी ग्लोबल पुलिस थिंक टैंक, रैंड कॉर्पोरेशन के विशेषज्ञ टिमोथी हीथ के अनुसार, इन उच्च-स्तरीय तकनीकों में महारत हासिल करना इतना कठिन है कि बहुत कम देश ही इसमें सफल हो पाते हैं.

देखा जाए तो कुछ अर्थों में लड़ाकू जेट-इंजनों के निर्माण की क्षमता देश के मिलिट्री-इंडस्ट्रीयल बेस की सच्ची परीक्षा है. संयुक्त राष्ट्र सुरक्षा परिषद के सभी पांच स्थायी सदस्य - संयुक्त राज्य अमेरिका, रूस, चीन, यूनाइटेड किंगडम और फ्रांस - उन्नत इंजन बनाने में माहिर हैं.

हालांकि जापान और जर्मनी जैसे कुछ देशों के पास भी ऐसी तकनीक है, इस विशिष्ट क्लब के बाहर कुछ ही देश सफल लड़ाकू जेट इंजन का निर्माण कर पाए हैं.

### **तकनीक में महारत हासिल करने के असफल प्रयास**

अपने पहले स्वदेशी लड़ाकू एचएफ-

24 मारुत के सामने आने वाली समस्याओं के बाद भारत ने स्वयं के लड़ाकू जेट-इंजन के बारे में सोचना शुरू किया था.

मारुत को ब्रिस्टल ऑर्फियस 12 इंजन द्वारा संचालित किया जाना था. जब इंजन विकसित करने की उत्तरी अटलांटिक संधि संगठन (नाटो) की परियोजना ध्वस्त हो गई तो भारत को कम शक्तिशाली ब्रिस्टल ऑर्फियस 703 को स्वीकार करने के लिए मजबूर होना पड़ा.

बेंगलुरु में गैस टर्बाइन रिसर्च एस्टैब्लिशमेंट (GTRE) ने अंततः आफ्टरबर्नर के साथ ऑफियस 703 का एक संस्करण तैयार किया ताकि इंजन की शक्ति बढ़ जाए. हालांकि इंजन मारुत के एयरफ्रेम के लिए अनुपयुक्त साबित हुआ या अगर इसे छोड़ दे तो ये विमान अपने आप में सर्वश्रेष्ठ था.

1983 में सरकार ने 560 करोड़ रुपये की अनुमानित लागत से मल्टी-रोल लाइट कॉम्बैट एयरक्राफ्ट (LCA) पर काम करने को मंजूरी दी थी. एलसीए सोवियत में बने मिग - 21को बदलने के लिए था.

भारत और विदेशों में किए गए व्यवहार्यता अध्ययनों से पता चला है कि जब दुनिया में कहीं भी पूरी तरह से उपयुक्त इंजन उपलब्ध नहीं था, रोल्स-रॉयस आरबी- 1989 और जनरल इलेक्ट्रिक F404-F2J इंजन अधिकांश आवश्यकता को पूरा करते थे.

1982 से GTRE, स्वदेशी GTX-37 इंजन पर काम कर रहा था. और फिर इसे LCA पर अपनाने के लिए जोर दिया गया.

चार साल बाद, एयरोनॉटिकल डेवलपमेंट एजेंसी, हिंदुस्तान एयरोनॉटिक्स लिमिटेड और जीटीआरई ने जीटीएक्स-37 का मूल्यांकन करने के लिए संयुक्त रूप से एक अध्ययन किया.

दिसंबर 1986 में, GTRE ने LCA के लिए स्वदेशी कावेरी इंजन बनाने का प्रस्ताव रखा. इस प्रस्ताव के आधार पर सरकार ने मार्च 1989 में 382.86 करोड़ रुपये की परियोजना की मंजूरी दी थी.

जबकि जीटीआरई ने नौ प्रोटोटाइप कावेरी इंजनों के साथ-साथ चार कोर इंजन विकसित किए जिनका 3,217 घंटे परीक्षण किया गया था. पर वे एक लड़ाकू विमान को पावर देने के जरूरी मापदंडों को पूरा करने में विफल रहे.

कावेरी ने 81 kN के 'वेट थ्रस्ट' की बजाय सिर्फ 70.4 kN उत्पन्न किया था. जब एक लड़ाकू विमान को ज्यादा पावर की जरूरत होती है तो इंजन उसे थ्रस्ट दे सकता है

नियंत्रक और महालेखा परीक्षक (CAG) ने 2011 में जारी कड़ी आलोचना वाली रिपोर्ट में कहा था, '642 प्रतिशत की लागत में वृद्धि और लगभग 13 वर्षों की देरी के बावजूद जीटीआरई एक इंजन देने में असमर्थ रहा है जो एलसीए को पावर दे सकता था.'

रिपोर्ट में आगे कहा गया, 'परियोजना को अब इंजन के आगे के विकास के लिए एक विदेशी कंपनी के साथ एक संयुक्त उद्यम में प्रवेश करने के विकल्प का सामना करना पड़ रहा है.'

बड़ी संख्या में अन्य महत्वपूर्ण परियोजनाओं को भी इसी तरह विदेशी कंपनियों का हाथ पकड़ना पड़ा.

स्कोलर एरिक अर्नेट ने उल्लेख किया है, एडवांस लाइट हेलीकाप्टर एक भारतीय-डिज़ाइन और भारतीय-निर्मित हेलीकॉप्टर होना था. लेकिन हेलीकॉप्टर में इस्तेमाल किया जाने वाला पावर इंजन फ्रांसीसी फर्म टर्बोम का के साथ सह-डिज़ाइन किया गया था.

## पुराने इंजनों के लिए नई भूमिकाएं

कावेरी इंजन को अब ड्रोन जैसे अन्य तकनीकों में इस्तेमाल के लिए फिर से डिजाइन किया जा रहा है।

डीआरडीओ के एक वरिष्ठ अधिकारी ने दिप्रिंट को बताया,

‘कावेरी परियोजना ने हमें कई महत्वपूर्ण तकनीकी डोमेन में महारत हासिल करने में मदद की है और इस परियोजना के कारण, स्वदेशी 80-

केएन श्रेणी के इंजनों के डिजाइन, विकास, निर्माण, संयोजन, परीक्षण और योग्यता के लिए देश के भीतर इको सिस्टम मौजूद है।’

अधिकारी ने आगे कहा,

‘इसके अलावा, कावेरी प्रोजेक्ट के जरिए हासिल की गई तकनीकी क्षमताएं एएमसीए जैसे हाइर-थ्रस्ट इंजनों के विकास में बहुत उपयोगी हो सकती हैं’ उन्होंने आगे कहा, जब कुछ नया बनाने की बात आती है तो हमेशा कठिनाइयों का पार करना होता है।’

विशेषज्ञों का कहना है कि समस्याएं धातु विज्ञान, विनिर्माण बुनियादी ढांचे और परीक्षण सुविधाओं में अंतराल से लेकर भारत के परमाणु परीक्षणों के बाद महत्वपूर्ण तकनीकों को देने से इनकार करने तक थीं। एक अन्य अधिकारी ने कहा,

‘और कोई भी देश, यहां तक कि हमारे सबसे करीबी दोस्त भी जेट इंजन के लिए तकनीक में सहयोग देने के उत्सुक नहीं थे’

सीएजी ने अपनी रिपोर्ट में कहा कि भारत की जेट-

इंजन की तलाश में इस क्षेत्र में माहिर वैज्ञानिकों की कमी का भी सामना करना पड़ा था। रिपोर्ट में आगे कहा गया,

‘प्रोजेक्ट को मंजूरी के समय में जितनी प्रशिक्षित मैनुफैक्चर को स्वीकृत दी गई थी, जीटीआरई को लक्ष्य तक पहुंचने के लिए उसे लगभग दोगुना करना पड़ा था।’

रिपोर्ट में कहा गया है,

‘आज भी संस्थान की वैज्ञानिक और तकनीकी शाखा में कर्मचारियों की कमी है, जो प्रोजेक्ट प्रगति को प्रभावित कर रही हैं।’ <https://hindi.theprint.in/defence/why-india-failure-to-manufacture-indigenous-jet-engines-reminder-potential-1-billion-euro-french-deal/338151/>

**3. गाजियाबाद में अवैध निर्माण और सरकारी जमीन के कब्जे का होगा ऑडिट, कैग ने मांगी 5 साल की रिपोर्ट** ([navbharattimes.indiatimes.com](http://navbharattimes.indiatimes.com)) Jun 10, 2022

गाजियाबाद: कैग ने जीडीए के अवैध निर्माण और सरकारी जमीन पर कब्जा छुड़वाने को लेकर किए गए प्रयास का ऑडिट किए जाने का फैसला है। इसको लेकर कैग की तरफ से जीडीए से पिछले पांच साल में अवैध निर्माण के खिलाफ की गई कार्रवाई और सरकारी संपत्ति पर कितने जमीन को कब्जे से मुक्त करवाया गया है इसकी पूरी डिटेल रिपोर्ट मांगी गई है, फिलहाल जीडीए के अधिकारी इसकी पूरी रिपोर्ट तैयार करने में लगे हुए हैं। इसके तहत कैग ने जोनवार रिपोर्ट मांगी है। साल 2017-18 से लेकर 2021-22 तक की रिपोर्ट देनी होगी।

प्रवर्तन की टीम इसकी रिपोर्ट तैयार करने में जुटी हुई। खास बात यह है कि अवैध निर्माण के खिलाफ कार्रवाई के कारण के बारे में पूछा गया है। बताया जा रहा है कि इस तरह का ऑडिट पहली बार किया जा रहा है। पिछली बार जब कैग की टीम आई थी तो उस समय अवैध निर्माण और सरकारी संपत्ति पर कब्जे को लेकर कोई ऑडिट नहीं हुआ था। इसलिए इस बार के ऑडिट में इसको लिया गया है। बताया जा रहा है कि इस ऑडिट में प्रवर्तन टीम के अधिकारियों की गड़बड़ी पकड़ी जाएगी। जिसके बाद इन पर कार्रवाई का सिलसिला शुरू होगा।

### **शमन शुल्क वसूली का देनी होगी डिटेल**

कैग ने जीडीए से पिछले पांच साल के शमन शुल्क की वसूली की भी डिटेल मांगी है। पिछले पांच साल में जीडीए ने कितना शमन शुल्क वसूला है। इसमें जीडीए को बताना होगा कि शमन शुल्क लेकर कितने अवैध निर्माण को वैध किया है। साथ ही किस नियम के तहत वैध किया गया है। इसमें यदि अधिकारी ने कम पैसे लेकर अवैध निर्माण को वैध किया होगा तो ऑडिट में उसके फंसने की संभावना काफी अधिक बढ़ जाएगी।

“कैग ने अवैध निर्माण और सरकारी जमीन को लेकर जीडीए की ओर से पिछले पांच साल में क्या कार्रवाई गई है, इसकी रिपोर्ट मांगी है। जल्द ही इसकी रिपोर्ट बनाकर भेजी जाएगी। यह एक तरह का परफार्मेंस ऑडिट है। -सुशील कुमार चौबे, ओएसडी, जीडीए”

### **ऑडिट में फंसने की संभावना**

बताया जा रहा है कि जीडीए कई एरिया में बिना ध्वस्तीकरण के आदेश के भी अवैध निर्माण पर कार्रवाई कर देता है जबकि यह नियम के खिलाफ होता है। ऐसे प्रकरण की पुराने मासिक रिपोर्ट के आधार पर पकड़ने की संभावना बढ़ जाती है।

### **500 करोड़ रुपये से अधिक जमीन पर कब्जा**

जीडीए की 48 हेक्टेयर से अधिक जमीन पर भू-माफिया ने कब्जा कर लिया था। जिसमें से जीडीए ने पिछले कुछ सालों में करीब 13 हेक्टेयर जमीन को भू-माफिया से कब्जा मुक्त कराया है बाकि 24 हेक्टेयर जमीन अब भी भू-माफिया के कब्जे में है। इसकी कीमत 500 करोड़ रुपये से अधिक है। इंदिरापुरम, वैशाली और कौशांबी में करीब 14 हेक्टेयर जमीन पर कब्जा था। इसमें 7 हेक्टेयर से कब्जा खाली करवाया गया है लेकिन अभी भी 7 हेक्टेयर जमीन पर कब्जा बना हुआ है। इस 7 हेक्टेयर में से करीब 4 हेक्टेयर जमीन पर अब घनी आबादी की बसावट है जबकि 2.5 हेक्टेयर पर कोर्ट का स्टे ऑर्डर है। ऐसे में सिर्फ आधा हेक्टेयर जमीन को खाली करवाया जाना संभव है। जीडीए की इंद्रप्रस्थ योजना में पहले करीब 14 हेक्टेयर जमीन पर कब्जा था। इसमें करीब 3 हेक्टेयर जमीन को खाली करवाया गया है लेकिन अब भी 11 हेक्टेयर जमीन खाली कराया जाना बाकी है। इसमें 5 हेक्टेयर जमीन ऐसी है जहां घनी आबादी बस चुकी है जबकि 4 हेक्टेयर जमीन को खाली करवाया जाना संभव है।

### **नोटिस ज्यादा, कार्रवाई कम**

जीडीए के इंजीनियर अपनी नौकरी बचाने के लिए सबसे पहले अवैध निर्माण के खिलाफ कार्रवाई का नोटिस जारी कर देते हैं लेकिन बाद में मिलीभगत करके उस अवैध निर्माण को बढ़ावा देते हैं। ऐसे अवैध निर्माण को ध्वस्त किए जाने की कार्रवाई नहीं होती है। ऑडिट में यह पता चलेगा कि जीडीए की अवैध निर्माण के खिलाफ कार्रवाई को लेकर क्या स्थिति रही है। किस जोन में सबसे खराब स्थिति रही और किस जोन

की स्थिति ज्यादा बेहतर थी। <https://navbharattimes.indiatimes.com/state/uttar-pradesh/ghaziabad/cag-audit-ghaziabad-development-authority-action-on-encroachment/articleshow/92119554.cms>

#### 4. गांधीसागर बांध जांच में सुरक्षित, आज से राणाप्रताप सागर में छोड़ा जाएगा पानी ([bhaskar.com](https://www.bhaskar.com)) Jun 10, 2022

Chittorgarh: रूगांधीसागर बांध कैग की रिपोर्ट के बाद कराई गई जांच में पूरी तरह से सुरक्षित माना गया है। बांध की डाउनस्ट्रीम की स्पिल-वे के नीचे जल बहाव क्षेत्र में गहरे गड्ढे नहीं पाए गए हैं। स्पिल-वे के उत्प्लव मार्ग में किसी तरह का डैमेज नहीं मिला है। गांधीसागर बांध के बकेट को खाली कराकर की गई जांच के बाद यह बात स्पष्ट हो गई है। इस जांच के लिए रावतभाटा के राणाप्रताप सागर बांध को 1138 फीट तक खाली कराया गया था। गांधीसागर बांध के बकेट को भी डिवाटरिंग कर खाली किया गया था।

अब जांच पूरी होने के बाद गांधीसागर बांध शुक्रवार से 3 पनबिजलीघर से बिजली उत्पादन कर पानी छोड़ेगा। यह पानी राणाप्रताप सागर में आएगा। इसके बाद राणा प्रताप सागर बांध का जलस्तर 5 फीट बढ़ा दिया जाएगा। शुक्रवार से 5 फीट से अधिक पानी छोड़ना शुरू कर दिया जाएगा। ऐसे में बांध मानसून से पहले पूरा भर जाएगा। जल संसाधन विभाग रावतभाटा के एग्जीक्यूटिव इंजीनियर रविंद्र कटारा बोले- राणाप्रताप सागर बांध का जलस्तर इस समय 1137.87 फीट है। गांधीसागर का जलस्तर 1299.24 फीट है। गांधीसागर बांध राणा प्रताप सागर बांध के जलस्तर को 1143 फीट तक लेकर जाएगा। इतना पानी छोड़ा जाएगा।

कैग ने बांध से 40 लाख की आबादी पर खतरा बताया था

8 महीने पहले कैग ने रिपोर्ट दी थी कि चंबल पर बना गांधीसागर बांध और उससे करीब से जुड़ी 30 से 40 लाख की आबादी पर गंभीर संकट है। बांध की डाउनस्ट्रीम में स्पिल-वे के ठीक नीचे में गहरे गड्ढे हो गए हैं और स्पिल-वे (उत्प्लव मार्ग) भी डैमेज हो गया है। बांध की जल्द से जल्द मरम्मत नहीं कराई गई तो इसका टूटना तय है और इससे राजस्थान और मप्र के 7 जिलों की 30 से 40 लाख की आबादी बर्बाद हो जाएगी। <https://www.bhaskar.com/local/rajasthan/chittorgarh/rawatbhata/news/gandhisagar-dam-safe-in-investigation-water-will-be-released-in-ranapratap-sagar-from-today-129915982.html>

#### 5. ADCs have failed to respond to govt: CM ([theshillongtimes.com](https://www.theshillongtimes.com)) Jun 10, 2022

SHILLONG: Chief Minister, Conrad K Sangma on Thursday said the three Autonomous District Councils (ADCs) have not yet replied on the letter which the Comptroller and Auditor General of India (CAG) had written to Governor Satya Pal Malik.

He said upon receiving the letter from the CAG, the government had sought a detailed report from the ADCs.

“As soon as it was sent to us, the DCA Minister himself had conducted a meeting of the DCA and written to the district councils to reply and give a detailed report on the matters that were raised but no reply has come so far. We are awaiting it,” Sangma told reporters.

On Wednesday, the Khasi Hills Autonomous District Council had said it could not prepare its financial accounts for the 2019-2020 and 2020-2021 fiscal years due to the COVID-19 pandemic.

The Garo Hills Autonomous District Council and the Jaintia Hills Autonomous District Council are yet to make any statement.

In its letter to the Governor, the CAG had highlighted the lapses by the ADCs in maintaining their accounts.

Sangma admitted that the maintenance of accounts in the ADCs has been an issue for a long time.

Stating that there are issues concerning the overall maintenance of accounts, Sangma said it is a systematic problem and efforts are being made to tell them to improve those and come up with different rules.

He insisted on reforms for proper maintenance of books and accounts and said, "The councils are autonomous in nature and therefore, it is their responsibility to ensure they take the necessary steps."

The CAG stated that the non-maintenance of accounts in the ADCs is an indication of financial mismanagement that points to embezzlement of funds.

The CAG also revealed that the deficiencies were communicated to Chief Secretary, RV Suchiang on March 17, the Chief Executive Members of the ADCs on March 23 and the CM on March 30, but no action was taken by any of the authorities. <https://theshillongtimes.com/2022/06/10/adcs-have-failed-to-respond-to-govt-cm/>

## **6. Non-maintenance of accounts in autonomous district councils is an issue: Meghalaya CM ([uniindia.com](http://uniindia.com)) June 9, 2022**

Shillong: Meghalaya Chief Minister Conrad Sangma on Thursday said that nonmaintenance of accounts in the three autonomous district councils has been an issue that has been plaguing the councils for a very long time.

Sangma was reacting to the opposition Trinamool Congress (TMC) urging Governor Satya Pal Malik to take cognisance of the Comptroller and Auditor General's letter to him on the failure of the three autonomous district councils in the state to prepare their accounts on time and seeking his intervention into the anomalies.

"So it (non-maintenance of accounts) is not that this year this issue has come up. This has been there for 20-30 years now. It is a systematic problem that the councils face and efforts are being made every now and then to tell them to improve those and come up with different rules," Sangma told reporters.

However, Sangma said the autonomous district councils are independent bodies and underscored the need of these institutions to legislate laws for proper maintenance of accounts



In the letter to Malik, the CAG pointed out as many as ten accounts — two of Khasi Hills Autonomous District Council (KHADC) , three of Jaintia Hills Autonomous District Council (JHADC) and five of the Garo Hills Autonomous District Council (GHADC) are still pending for submission as on December 31, 2021. The GHADC has not submitted accounts from 2016-17 to 2020-21, the JHADC has not submitted accounts from 2018-19 to 2020-21 while the KHADC is yet to submit the accounts for 2019-20 and 2020-21.

The CAG also revealed that the deficiencies in the autonomous district councils were communicated to Chief Secretary RV Suchiang on March 17, 2022, the Chief Executive Members of the respective Councils on March 23, 2022 and Chief Minister Conrad K Sangma on March 30, but no action was taken by any of the authorities.

However, Sangma said that the District Council Affairs Minister Lahkmen Rymbui himself had conducted a meeting and the department had instructed and written to the different ADCs to reply and give a detailed report on the matter.

"But none of the replies have come yet from them. So we are awaiting a reply from them on this," the Chief Minister said. <http://www.uniindia.com/non-maintenance-of-accounts-in-autonomous-district-councils-is-an-issue-meghalaya-cm/east/news/2753822.html>

## **SELECTED NEWS ITEMS/ARTICLES FOR READING**

**7. Centre wipes out its off-budget liabilities** (*financialexpress.com*) June 10, 2022

**It used to raise off-budget loans through public sector entities to fund welfare expenditure. These liabilities were around Rs 3.7 trillion at the beginning of FY21, until the government cleared food and fertiliser subsidies worth `3.15 trillion by end-FY21.**

The Centre extinguished its off-budget liabilities completely by the end of last fiscal year, in keeping with its plan to usher in total fiscal transparency.

It used to raise off-budget loans through public sector entities to fund welfare expenditure. These liabilities were around Rs 3.7 trillion at the beginning of FY21, until the government cleared food and fertiliser subsidies worth Rs 3.15 trillion by end-FY21.

Off-budget liabilities were less than Rs 50,000 crore as on February 1, 2022 and even these were cleared by March 31, as revenues exceeded the revised estimate for FY22, sources said.

In FY22, most of the off-budget settlement pertained to the ministry of housing & urban affairs at about Rs 30,000 crore, the department of drinking water at about Rs 15,000 crore and the power ministry at around Rs 4,500 crore.

“The fiscal policy framework predictability is going to improve very significantly by removing these off-budget liabilities. The Centre is setting a great example for many states, which over a period of time were seen increasing off-budget liabilities,” said NR Bhanumurthy, vice-chancellor of Bengaluru Dr BR Ambedkar School of Economics University.

The move to improve its own fiscal transparency gave the Centre the moral authority to clamp down off-budget liabilities being accumulated by many states.

In a directive to states on March 31, 2022, the Centre had said their entire off-budget liabilities of FY21 and FY22 will be adjusted against the net base borrowing ceiling (NBC) for FY23. If implemented, this policy would have severely restricted the plans of some states like Telangana, Punjab and Kerala to raise funds through state development loans (SDLs) in the current financial year and thereby their capital expenditures. The Centre's stance has already led to some delay in approvals of annual SDL limits of states, which are usually in place in April in any financial year.

In view of the difficulties faced by states, the Centre later decided to lift a virtual freeze on fresh market borrowings by states with large off-budget liabilities. It will, however, strike off at least 25 basis points (bps) from the NBC of 3.5% of gross state domestic product (GSDP) of these states in FY23.

The off-budget liabilities will be counted only from FY22 onwards. The balance debt, so estimated, will be brought above the line over the three years to FY26 in equal tranches. <https://www.financialexpress.com/economy/centre-wipes-out-its-off-budget-liabilities/2554634/>

## **8. Untaxed digital imports like video games cost India \$4.9 bn in 4 years ([business-standard.com](https://www.business-standard.com)) June 10, 2022**

**According to a report by a Geneva-based think tank, the loss of revenue was from the import of just 49 products like movies, music, and video games**

India lost almost \$1.5 billion in 2020 and \$4.9 billion in 2017-20 in revenue by not taxing electronic transmissions, a Geneva-based think tank South Centre said in a research paper.

According to a report in The Economic Times, a research paper by South Centre, which is an intergovernmental organisation of developing nations, stated that India lost its revenue in imports from items like movies, music, and video games. The paper, which comes a week ahead of World Trade Organization (WTO) ministerial meeting, said that custom duties should "regulate conspicuous consumption through imports".

WTO members, in a temporary moratorium, have agreed that they cannot impose custom duties on electronic transmission since 1998. The moratorium has been periodically extended at WTO ministerial meetings even though some nations want to make the pact permanent while India has opposed this rule.

The paper said India lost \$796 million in 2020 and \$2.55 billion in 2017-20 in revenue based on applied tariffs (the actual duty levied by nations).

Developing and least developed nations are losing tariff revenue especially during pandemic when imports of digitised goods have risen. Developing and least developed nations lost \$56 billion in tariff revenue during 2017-20, the research paper said.

"Not only are they losing the fiscal space but are also losing their regulatory space as they are unable to regulate the growing imports of digitisable products, especially of luxury items like movies, music and video games," South Centre said.

India lost more than \$500 million in revenue, as estimated by UNCTAD in 2019. "This shows how the revenue loss is gaining pace because of the moratorium," reported The Economic Times quoting an official.

The paper said, noting that revenue loss is from imports of only 49 products, "With no clarity on the definition of electronic transmissions (ET) and thereby on the scope of the moratorium, the continuation of the WTO moratorium on customs duties on ET can lead to substantive tariff revenue losses for developing and least developed countries in the future".

The think tank has estimated a loss of over \$100 million for China, Indonesia, Pakistan, Russia, and South Africa while for India, Mexico, Nigeria, and Thailand, it exceeds \$1 billion. [https://www.business-standard.com/article/economy-policy/india-lost-1-5-bn-in-2020-in-revenue-of-electronic-transmissions-report-122061000121\\_1.html](https://www.business-standard.com/article/economy-policy/india-lost-1-5-bn-in-2020-in-revenue-of-electronic-transmissions-report-122061000121_1.html)

## **9. Why India's 5G rollout could be in jeopardy? ([business-standard.com](https://www.business-standard.com)) June 10, 2022**

**Govt wants to roll out 5G services this year. But an industry body says it will have no business case if operators' concern on private captive networks is not addressed. Will it affect the rollout?**

As the government appears determined to roll out 5G services in India, telcos have opposed any move to set aside spectrum for captive private networks at an administered price.

They argued that such a move would skew the playing field. On the other side of the fence are private network supporters like the Tatas, ITC and the Broadband India Forum, which counts major global tech players among its members.

They have argued that assigning spectrum directly to enterprises is the only way to make Industry 4.0 a reality.

Now, the latest blows in this battle over 5G captive private networks have been struck.

In a move that could jeopardise India's upcoming 5G spectrum auction, the Cellular Operators Association of India sent a rather blunt letter to the Minister of Communications Ashwini Vaishnaw on Wednesday. The letter said there would be 'no business case for rollout of 5G networks' if captive private 5G networks were to be permitted.

COAI is the apex body of telecom operators with Reliance Jio, Bharti Airtel and Vodafone Idea as its key members. COAI has made its position clear -- allowing independent entities to set up private captive networks with direct 5G spectrum allotment would 'severely' impact revenues and degrade 5G's business case for telecom operators. It could even force telcos to relook at their 5G spectrum strategy, though most say they are unlikely to pull out from participating in the auction altogether.

COAI letter has said that wherever 5G has been rolled out, there have hardly been any gains in revenue from the retail segment. Instead, revenue and efficiency enhancement can happen only in the enterprise segment, which involves the use cases that an enterprise could instead meet with its captive private network if allowed to.

Telcos have said that based on global trends, 40 per cent of the revenues from 5G come from the enterprise segment. They fear that they would end up losing this chunk of revenue

Telcos have also made other arguments against the direct allocation of 5G spectrum through administrative routes to enterprises for private captive networks.

They have said that such a move would give a backdoor entry to private companies, do away with a level playing field, and rob the government of valuable revenues.

Telcos decided to respond strongly after it seemed possible that the DoT could, in its note for cabinet approval, allow captive private wireless networks to be run by enterprises, as recommended by the Telecom Regulatory Authority of India earlier. If that happens, it would be a complete volte-face.

Speaking to Business Standard, Lt Gen SP Kochhar, DG, COAI, says government will lose out on revenue due to lack of auctions. Administrative allotment would be in contravention to SC's direction. Enterprises will probably outsource the setting up of private networks. This could allow an unlicensed entity that has not participated in the auctions to become a telco. Such an entity would also not be subject to the regulations meant for telcos.

The technology companies have struck back. The Broadband India Forum, or BIF, on Thursday went to bat for direct spectrum allocation for private 5G networks at a nominal administrative fee.

Going against the position taken by telcos, BIF argued that the stance that private 5G networks would lead to revenue losses for telcos was a 'misconception'.

BIF contends indoor private campus networks do not cut into the legitimate revenue of telcos. According to the industry body, an efficient captive network through private 5G would lead to increased productivity for enterprises. This would help grow business activities and external communications, leading, in turn, to better revenues for telcos.

BIF has argued that most of the revenues accrued by telcos are external and that they remain untouched, and hence, government revenues also remain protected. Private networks constitute an additional revenue stream for both telcos and the government, it said.

There would be no revenue loss to the government on account of direct spectrum allocation for private 5G networks to enterprises, as they shall purchase the spectrum at a price to be fixed by the government and allocated administratively

Debashish Bhattacharya, Sr Deputy Director General, Broadband India Forum says private 5G networks are non-public networks. It is limited to a local area and has only one potential user in that given area. You cannot have an auction when there is only one user, he says. It is being misrepresented that SC has mandated that spectrum can only be assigned through auctions, he adds. SC has said auctions might be the best way of maximising revenues. The apex court has also said that revenue maximisation might not always be the best way to serve the public good. Digitalisation of all industries towards Industry 4.0 is the public good in this case. Additional license fee and spectrum usage charges paid by private networks will increase government revenues.

The Business Standard Morning Show had earlier reported that the 5G spectrum auctions are likely to see a muted response from the telcos due to their unmet concerns over pricing. This could be a reason for the slowing down of 5G rollout in India, or at least, lead to an uneven spread of 5G services. The tussle over private captive networks will only add to the list of rollout roadblocks. [https://www.business-standard.com/podcast/companies/why-india-s-5g-rollout-could-be-in-jeopardy-122061000071\\_1.html](https://www.business-standard.com/podcast/companies/why-india-s-5g-rollout-could-be-in-jeopardy-122061000071_1.html)

#### **10. Private 5G networks will be an additional source of revenue, enterprises tell Government ([newindianexpress.com](https://www.newindianexpress.com)) June 9, 2022**

A day after Telecom Service Providers (TSPs) urged the government not to provide 5G spectrum directly to private enterprises citing a huge loss to the exchequer and sub-optimal utilisation of this scarce resource, the private enterprises called their concern a "misconception". They claimed it will in fact become an additional source of revenue for the government.

The Broadband India Forum (BIF), which has members like CISCO, Amazon, Microsoft and Intel, said there would be no revenue loss to the government on account of direct spectrum allocation as the private enterprises will purchase the spectrum at a price to be fixed by the government.

"In the present scenario, the majority of the enterprise revenues of TSPs would be through external network services, which comprise voice and data communications. Captive usage in the current situation would only contribute a minor share in processes/applications like robotics and automation, due to challenges in delivering the required SLAs through public networks. Therefore, the speculated loss in revenues for telcos via enterprise services is a misplaced one," BIF said in a statement.

The telecom regulator (Trai) in its recommendations on the 5G spectrum auction suggested the Department of Telecom (DoT) should allow Indian enterprises to build private 5G networks. However, this move was not welcomed by the telecom operators, who urged the government not to allot 5G spectrum directly to private enterprises. Many believe this bone of contention between the Indian telecom operators and Indian enterprises is the reason that the government hasn't come up with a 5G spectrum auction yet.

Cellular Association of India (COAI), which represents all the main private telcos -- Reliance Jio, Bharti Airtel and Vodafone Idea Limited (VIL) -- is of the view that if the government allots 5G spectrum directly to private enterprises, it will cause a huge loss to the exchequer. They have also raised security concerns and mentioned sub-optimal utilisation of this scarce resource.

On the security issue, BIF noted that it has been erroneously claimed that private 5G networks could be exploited by anti-social elements to bypass interception and monitoring of messages, which would be detrimental to national security. They highlighted that the private 5G networks are not connected to external public networks -- there is no connectivity to PSTN or any other PLMN/ISP -- and the spectrum is majorly needed for IoT, Machine-to-Machine (M2M), Robotics, Logistics, etc. "Hence it is not permissible for external communications and the need for lawful monitoring, interceptions and the possibility of threats to national security do not arise at all," said BIF in a statement.

Tech giants like Tata Consultancy Services (TCS) and Tata Communications have shown interest in having a private captive network. <https://www.newindianexpress.com/business/2022/jun/09/private-5g-networks-will-be-an-additional-source-of-revenue-enterprises-tell-government-2463647.html>

## **11. DoT in favour of 20-year validity for spectrum in upcoming auction: Reports ([business-standard.com](https://www.business-standard.com)) June 9, 2022**

The telecom department is batting for a 20-year validity for spectrum to be put on the block in the upcoming auctions, according to multiple sources.

The sources told PTI that the Department of Telecom (DoT) is going with Trai-recommended reserve prices to the Cabinet, which will ultimately take a call on these crucial issues related to 5G spectrum auctions.

On the vexed issue of captive networks that has seen telcos and tech players locked in a battle, the sources said the DoT is not in favour of an immediate administrative allocation of spectrum for private 5G networks in this round.

They pointed out that sector regulator Trai had mentioned that detailed studies would be done (to assess the demand and market) for such captive networks.

Conducting such studies would require more time, sources said.

Also, Trai itself has not given any suggestions on modalities or rates for any such an administrative allocation, the sources said, adding in the same breath that the final decision on all of these matters will be taken by the Cabinet.

Overall, the telecom department is in favour of 20-year validity for spectrum put for auction, as the regulator Trai had worked out its calculations for reserve price on a 20-year basis, according to the sources.

In its 5G recommendations in April this year, the Telecom Regulatory Authority of India (Trai) had said that the reserve price of spectrum allocation in case of 30 years should be equal to 1.5 times the reserve price of spectrum allocation for 20 years for the respective band.

The sources said that while Trai has suggested a '1.5 times' formula to calculate the base price for 30 years of validity, this may push up the interest outgo and instalments for players, running contrary to the spirit of reforms that sought to reduce the burden on telecom companies.

The mega auction was initially expected to be held in June, but those timelines are now likely to spill over given that the Cabinet is yet to approve the modalities of the 5G spectrum auction.

It was widely anticipated that the Cabinet will take a call on spectrum pricing for 5G auctions and related modalities at its meeting held on June 8 (Wednesday).

The sources said the DoT is very hopeful that the matter would be taken up next week.

Telecom regulator Trai recommended about a 39 per cent reduction in the reserve or floor price for the sale of spectrum for mobile services, including 5G, but the industry has termed the spectrum prices suggested by the regulator as "too high".

Cellular Operators' Association of India (COAI) has argued that the industry recommended 90 per cent lower rates, and to see only about 35-40 per cent reduction recommended in spectrum prices "is deeply disappointing".

Meanwhile, a war of words has also erupted between telcos and tech companies on the contentious issue of captive networks ahead of spectrum auction for next-generation services.

While industry body Broadband India Forum (BIF) has pushed for the direct allocation of spectrum for private 5G networks to enterprises at a nominal administrative fee, mobile operators have hit back saying that if independent entities are indeed allowed to set up private captive networks with direct 5G spectrum allotment, "the business case of TSPs (Telecom Service Providers) will get severely degraded". [https://www.business-standard.com/article/current-affairs/dot-in-favour-of-20-year-validity-for-spectrum-in-upcoming-auction-reports-122060901175\\_1.html](https://www.business-standard.com/article/current-affairs/dot-in-favour-of-20-year-validity-for-spectrum-in-upcoming-auction-reports-122060901175_1.html)

## **12. Missing the woods: Faulty methodology behind India's dismal rankings on environmental performance ([financialexpress.com](https://www.financialexpress.com)) June 10, 2022**

The latest Environmental Performance Index (EPI), brought out by Yale University and Columbia University, has sought to paint India as a climate villain. India is now ranked last in a list of 180 countries compared to 168th in 2020, having prioritised, per the report, "economic growth over environmental sustainability". It has been ranked poorly across 40 indicators divided into 11 categories—climate change mitigation, air quality, waste management, water and sanitation, heavy metals, biodiversity and habitat, ecosystem services, fisheries, agriculture, acid rain, and water resources.

Expectedly, the Centre has rejected the ranking in a detailed release, citing "biased" metrics and weights, etc. Indeed, had per capita greenhouse gas emissions been accorded a higher weight than overall emissions, India would have ranked better. The government has also said that the effect of policies to reduce emissions like increase in renewables use, electric vehicles, creation of carbon sinks, etc, in the coming years should have been taken into account while assigning ranks on emissions by 2050. The EPI authors say only the current showing matters.

Some independent assessments of the EPI hold that its methodology could have problems. Purdue University researchers, in a 2020 paper, said many current indices, including the EPI, "rely on arbitrary data weighting and transformation processes" that "introduces biases to the final outcomes". The authors' model that "circumvents" the shortcomings in the EPI methodology shows positive progression for Jordan, which had dropped in EPI rankings over time. Indeed, Chandra Bhushan, CEO of the International Forum for Environment, Sustainability & Technology, argued in a series of tweets that how the indicators are defined could lead to misleading conclusions. He cites the example of the 'tree cover loss' indicator, defined as the average annual loss in forest area (with 30% canopy cover or more) over the past five years divided by the total forest area in 2000. Eritrea, he writes, with just 43 hectares of forests, comes in at the top because it has not lost a single hectare.



Whereas, India, with 700,000 hectares lost from its forest cover of over 31 million hectares, ranks 75th. Whether the Purdue model is more sound than the EPI and whether the ability of countries to preserve whatever meagre forest cover they have outweighs any developmental compulsions countries with larger forest covers may have, are perhaps open to academic and popular debate.

What, however, isn't open to debate—in keeping with the principle of common but differentiated responsibilities—is the need to calibrate any such ranking against the historical responsibility of developed nations given their development path till a little over two decades ago. This shrank the carbon space available to the rest of the world for pursuing growth. And this is without considering the fact that many developed nations that performed relatively better in the EPI saw their early industrial growth accrue from resource exploitation in today's developing and least developed nations. This of course has left a complicated legacy in many of the poorer nations. The message embedded in India's poor score on net zero ambitions—thanks to a comparison with countries that have committed to a 2050 net zero target while India is aiming for 2070—is that the developing world must pay for the sins of the developed world. Indeed, appropriate climate responsibility would mean developed nations adopting net zero targets for much earlier than 2050. <https://www.financialexpress.com/opinion/missing-the-woods-faulty-methodology-behind-indias-dismal-rankings-on-environmental-performance/2554729/>

### **13. Avoiding the coal scarcity trap ([indianexpress.com](https://www.indianexpress.com)) Updated: June 10, 2022**

In 2021, the Indian government gave instructions to generators to import coal while we were already in the midst of a power crisis. However, this time around, the government was more careful. It directed the power stations in December 2021 itself to import coal to the extent of 4 per cent of their requirement and blend it with domestic coal.

However, as luck would have it, the measure was not enough. With the sudden early onset of summer in 2022, power demand spiked, riding on the back of the post-Covid economic recovery. The matter was further exacerbated by the Ukraine conflict, which led to a sharp increase in the price of imported coal. Even today, the average price of imported coal is about \$140 per tonne against about \$60 per tonne a year ago.

Consequently, power stations designed on imported coal stopped importing because it was no longer economical for them to generate, given their contract price with the distribution companies. About 17 GW of generating capacity dependent on imported coal was affected. Some of these units started hunting for domestic coal as a substitute, thus putting pressure on domestic coal. It's not that domestic coal was not available since enough stock had been built in the mines. The issue was of availability of railway rakes for transportation.

There has been a flurry of activity in April and May to deal with the situation. First, all generators have been asked to import coal to the extent of 10 per cent (as against 4 per cent earlier) and that half of this should be physically available by the end of June. This would involve importing about 38 million tonnes of coal. The earlier instruction that each generator will import on its own has now been replaced with the direction that Coal India will function as the aggregator on behalf of the generators. CIL functioning as the aggregator is a better idea and it may be able to import at a cheaper cost by accumulating demand as well as standardising



the coal grade to be procured. Moreover, it would be easier for regulators to calculate the revised energy charge since the price at which coal was imported would be well-documented.

Second, the government invoked Section 11 of the Electricity Act 2003 (Act) and directed imported coal-based plants to run at full capacity with the assurance that their enhanced cost of operation would be compensated. Penalties have also been announced if power plants fail to import coal, including curtailment of domestic coal entitlements.

Third, the government invoked the concept of tolling, which allowed states to transfer their allotted coal to private generators located near the mines instead of transporting it to far away state generators. This move would ease the burden on the availability of railway rakes.

Fourth, the government issued policy directions to the Central Electricity Regulatory Commission (CERC) overriding CERC's regulations that made it mandatory to seek the consent of beneficiaries if the tariff went up by more than 30 per cent, if some alternate fuel is used. Fifth, a committee of officials was set up to rework the energy charge for imported coal-based generators. Sixth, the government is cognisant of the fact that there is a need for additional working capital and has advised REC/PFC as well as commercial banks to arrange for this.

When the government invoked Section 11 of the Act, the question being asked was whether it can really give a direction to private generators to import coal at a higher cost. For the benefit of readers, Section 11 is reproduced below verbatim: "(1) The Appropriate government may specify that a generating company shall, in extraordinary circumstances operate and maintain any generating station in accordance with the directions of that Government. (2) The Appropriate Commission may offset the adverse financial impact of the directions referred to in sub-section (1) on any generating company in such manner as it considers appropriate."

Going by Section 11(2), the government should have left the job of working out the energy charge to the regulator instead of setting up a committee of officials to do so though, of course, the CERC was represented in the committee. Section 11(2) of the Act clearly mentions that the adverse financial impact would be offset by the regulator. The committee, therefore, has no locus standi. It also gives the impression that there is an element of trust deficit between the government and the regulator and this is something we have seen on several occasions in the past as well.

Second, the committee has already worked out the revised energy costs for six of the plants but there is no transparency regarding the coal cost assumed, its calorific value, transportation cost, etc. It is no surprise, therefore, that a major generator has contested the energy charge, saying that it has been underestimated by about 33 per cent and has now approached the CERC. It is learnt that some other generators may also follow suit.

Third, we have to bear in mind that the coal problem arose because of the non-availability of rakes. With 38 MT of coal to be imported by October this year, and half of that by end of June, the need for rakes will not only go up but would be front-loaded. Back of the envelope calculations indicate that each rake can carry about 38,000 tons of coal. This means that we need 1,000 additional rakes to ferry 38 MT of coal over five months. One sincerely hopes that the requisite number of rakes would be available because otherwise, we are back to where we began. What is most important, however, is that we ensure that there is no dip in the production

of domestic coal during the monsoon season. <https://indianexpress.com/article/opinion/columns/the-scarcity-trap-7961344/>

#### **14. The curious case of central and state government properties in cities** ([orfonline.org](http://orfonline.org)) JUN 09 2022

**If the ULBS are to execute the mandates issued by the government, adequate funds need to be allocated.**

Over the years, those studying the pitiable state of municipal finances in India have consistently pointed out the dire need to shore up the fiscal health of municipal bodies. These entreaties have not had positive results, as the situation of urban local bodies (ULBs) has gone from bad to worse. While inter-governmental transfers to ULBs as a proportion of national GDP were always low (around 1 percent in the 1960s), this has been declining progressively with the passing decades, now standing at around 0.45 percent. We, therefore, have a situation where on the one hand, the contribution of cities to the national economy has been steadily rising, and on the other, the central and state contribution to the ULBs has been progressively declining. This is in sharp contrast to the United States (US), Brazil, South Africa and Russia, that share 15, 8, 6.9, and 6.5 percent of the national GDP with city governments.

In the last decade, two new pieces of central legislation dealt a killing blow to the ULBs. First was the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (RFCTLARR). The RFCTLARR, as the Act itself stated, was enacted to ensure “the least disturbance to the owners of the land...and provide just and fair compensation to the affected families whose land has been acquired...and make adequate provisions for such affected persons for their rehabilitation and resettlement and for ensuring that...affected persons become partners in development”. While the Act turned out to be overly kind to the land owners, it resulted in excessive callousness towards the ULBs. Municipalities had to pay twice the annual ready reckoner rate to land owners for any land that the cities acquired. At one stroke, most of the land acquisition was rendered beyond the means of ULBs. This essentially meant that city development plans would lie unimplemented; gardens, roads, schools, hospitals and a host of other municipal facilities would not be created in the public sector and almost all social infrastructure would henceforth happen in the private sector, beyond the reach of the urban poor. This one Act dug a deep hole in the concept of ‘quality of life’ in cities, backed privatisation of the social infrastructure of cities and accentuated anti-poverty urban development.

Municipalities had to pay twice the annual ready reckoner rate to land owners for any land that the cities acquired.

As if the RFCTLARR had not done enough damage to ULB finances, the Goods and Services Tax (GST), implemented on 1 July 2017, has been the latest to apply the ‘coup de grace’ to municipal finances. It has subsumed municipal revenue sources such as the octroi, the entry tax and advertisement tax. This has left the ULBs more cash-strapped than before. The Union Ministry of Urban Development had highlighted these concerns way back, in 2015, when GST was being formulated. It had suggested that rules be laid down for sharing of GST revenue between states and local bodies at a level that would fairly compensate the latter for the financial loss they would suffer in the unified tax regime. GST could have surely been converted into an opportunity to empower local bodies. Instead, ULBs have been left in the lurch by dividing up all of the GST proceeds between the Centre and the states. Consequently,

the entire objective of the Constitution (74th) Amendment Act for the empowerment of local bodies has been put into reverse gear.

Representing the ULBs before the latest Union Finance Commission, the Ministry of Housing and Urban Affairs, Government of India (GoI), requested a substantial increase in grants for municipal resources, with an increase of devolution to municipalities by at least 400 percent. Vijay Kelkar, the former Chairman of the 13th Finance Commission, highlighted the vertical imbalance in India's federalist structure and advocated for a greater share of GST resources for the third tier (municipal corporations) by allocating a sixth of this to the third tier. Many scholars have argued for including a separate list of revenue sources for local governments in the Constitution. While the 74th Constitutional Amendment Act suggested a list of functions for urban local governments in the 12th Schedule, it did not provide a municipal resource list to match these functions.

Surprisingly, while the Amendment Act spoke of empowering the urban local bodies, it did nothing regarding a provision of the Indian Constitution that got carried forward from the imperial past. Article 285 of the Indian Constitution talks about the exemption of properties of the Union of India from ULB taxation. It states,

“(1) The property of the Union shall save in so far as the Parliament may by law otherwise provide, be exempt from all taxes imposed by a State or by any authority within a State.

(2) Nothing in clause (1) shall, until the Parliament by law otherwise provides, prevent any authority within a State from levying any tax on any property of the Union to which such property was immediately before the commencement of this Constitution liable or treated as liable, so long as that tax continues to be levied in that State.

The Supreme Court ruled that the Union of India and its departments will pay service charges but will not pay property tax. The service charges will be paid at 75, 50, and 33.33 percent respectively of the property tax levied on private owners.

In the light of this constitutional provision, the ULBs are disabled from collecting property tax from all properties belonging to the central government. However, GoI properties were not willing to pay even service charges. This stand was challenged by the municipal corporations of Rajkot, Ahmedabad, Jamnagar and Vadodara. It finally took a judgment by the Supreme Court to settle the matter in 2009. The Supreme Court ruled that the Union of India and its departments will pay service charges but will not pay property tax. The service charges will be paid at 75, 50, and 33.33 percent respectively of the property tax levied on private owners. The different rates will apply based on the degree of services utilised by GoI departments. These charges, however, under no circumstances, will be more than what was paid by the state government properties. Further, ULBs shall not resort to any coercive methods such as stoppage of service or revenue recovery proceedings against the GOI properties for non-payment of charges. All disputes related to the issue of service charges will be resolved through a dispute redressal mechanism.

The properties of the state government, which control and supervise the ULBs, were not to be left behind. The same dispensation of exemption from property tax is practiced by their properties. And just as for the GoI properties, state properties also enjoy highly subsidised service charges. This obviously, heavily dents the only substantial tax that ULBs have after the onset of the GST.

GoI and state properties located in the cities are substantial in number. This is natural since cities are the centres where the national economy is concentrated. For example, Mumbai has more than 4,000 properties belonging to GoI and the state. Each of these properties, on average, has about 500 units. If these were assessed like normal private properties, the total property tax demand would form a sizeable chunk of the total current city demand of INR 6,000 crore. In the light of the negative impact that the provisions of Art 285 of the Indian Constitution have on the country's ULBs, the Article needs to go. Cities cannot and should not be expected to subsidise higher echelons of government. Just as municipalities are required to pay all central and state taxes, the Union of India and state properties ought to pay local taxes. Till such time that the constitutional embargo persists, in the spirit of even-handedness, nothing prevents the central and state governments to pass on an amount equivalent to the property tax to ULBs as service charge. The country has to wake up to the fact that it is not fair to ask cities to shoulder unfunded mandates and deliver a desired quality of life. In the state that these cities are, citizens could expect a progressive fall in the level of services. <https://www.orfonline.org/expert-speak/the-curious-case-of-central-and-state-government-properties-in-cities/>

**15. Gujarat: Rs 60,000 crore tax dues pending; 58% listed as non-recoverable** ([timesofindia.indiatimes.com](https://timesofindia.indiatimes.com)) Updated: Jun 10, 2022

AHMEDABAD: As the goods and services tax (GST) regime is at the cusp of completing five years, from next month, Gujarat and other states will not get compensation from the Centre to balance protected GST revenue.

At a time when the state's average growth in tax collection does not meet the projected levels, Gujarat has pending tax dues of Rs 60,000 crore, according to state commercial tax department. This figure is till February 2022 and includes GST, central sales tax (CST) and value added tax (VAT).

Of these, an estimated 58% or Rs 35,000 crore is listed as non-recoverable dues, according to department officials.

"The reasons are - the funds are stuck with the National Company Law Tribunal, or they belong to sick units or a nonrecovery certificate has been issued or in certain cases the companies have closed or bogus dealers are untraceable. The pending recoveries are only a loss to the state exchequer," said a well-placed source.

When GST was rolled out, the Centre had promised protected revenue at a 14% growth rate. Overall GST revenue for the past three years i.e., in 2019, 2020 and 2021, has grown by an average of 10.8% year-on-year.

The state commercial tax department has thus moved its focus to compliance and recovery. Estimates by department officials suggest that recoveries of Rs 60,000 crore are pending till February 2022.

"The focus is on improved compliance and recovery. When the state will see revenue dip, it is important to plug loopholes and nab evaders. We have roped in IT companies to make business intelligence softwares. Our economic intelligence unit is also aggressively identifying potential tax evaders to stop evasion and recover unpaid taxes," said Milind Torwane, state commercial tax commissioner.

Gujarat recently received Rs 3,336 crore as compensation from the Centre, which included dues till May 31, 2022.

The fall in revenue of the states will affect the government's capital expenditure, according to economic experts.

"Expenditure of the state will be affected in the absence of compensation from the Centre. It is not just Gujarat which will suffer but also other states that have large manufacturing sectors. Overall demand may weaken with higher inflation projections and this in turn may prove an additional dampener for tax collection, and in turn state revenues," said Sebastian Morris, professor of economics, Indian Institute of Management, Ahmedabad (IIM-A).

Gujarat clocked substantial growth in its tax mop-up over the past two months, albeit with low-base effect. In the current scenario with rising inflation and slowing industrial production, how growth in tax collection is sustained remains to be seen. <https://timesofindia.indiatimes.com/city/ahmedabad/gujarat-rs-60000-crore-tax-dues-pending-58-listed-as-non-recoverable/articleshow/92116511.cms>

## **16. Real cures for water woes ([thestatesman.com](http://thestatesman.com)) June 10, 2022**

The Bundelkhand region is spread over 13 districts of Central India in two states (Uttar Pradesh and Madhya Pradesh). Resolving water shortages in numerous villages and towns has been the most discussed development challenge in recent years.

This has involved two aspects – construction of large or medium dams on the one hand and undertaking decentralized, small-scale water conservation work on the other hand. However, the balance of resource availability has favoured big projects, even though the performance of several has been much below expectation and has involved the displacement of people as well as other serious adverse effects. In more recent times, this debate has been reflected most in terms of arguing for a scrapping of the massive water-transfer project, the Ken-Betwa Link, and using the huge funds allocated to it for small-scale water conservation work, including water harvesting, increasing forest cover and improving pastures and grasslands.

The debate has also intensified on whether over 2.3 million trees which are threatened by the Ken Betwa Link project can be saved. To consider options, let us first remember that the Central Empowered Committee of the Supreme Court had presented a strong critique of several aspects of this project, estimated to cost around Rs. 45,000 crore in August 2019.

Several independent experts, separately and in groups, have also criticised the threat to many villagers as well as to the Panna Tiger Reserve. Additionally, the lack of clear evidence that surplus water still exists in the Ken to divert it to the Betwa has been questioned. In popular discussion, the project has been presented as a solution to Bundelkhand's problems, but it may well aggravate the problems of people here, particularly in Panna (MP) and Banda (UP) districts.

Distribution of Ken-Betwa Link funds between the 13 districts of Bundelkhand could make available over Rs. 3,500 crore to each of the 13 districts of the Bundelkhand region for water conservation over the next eight years. Even if other districts are to be included, Rs. 2250 crore each can be provided to 20 districts over the next eight years for small-scale water conservation and water harvesting, minor irrigation and improvement of green cover.

It is clear to those involved with water issues that if Ken-Betwa project funds are instead spent on small-scale water conservation and rainwater harvesting projects, apart from repairing and improving existing traditional water systems, as well as on increasing green cover in various ways, it will make a huge contribution to resolving the water crisis of Bundelkhand. But this reality is not being accepted by those who want to benefit from the mega project's huge funding, concentrated in one place.

In the past, the water crisis in Bundelkhand has been attributed to deforestation, mismanagement and wrong priorities and not necessarily to inherent water shortage. It is important to remember that: Bundelkhand normally receives about 900 to 1000 mm. annual rainfall.

Bundelkhand has a network of seven major rivers – Chambal, Sind, Betwa, Dhansan, Ken, Tons and Yamuna, and ten smaller rivers – Pahuj, Paisuni, Baghein, Sonar, Vyarma, Mahuar, Urmil, Lakheri, Jamni, Bina, and their numerous tributaries.

This region had also been rich in traditional water collection sources.

A report titled 'Problems and Potential of Bundelkhand with Special Reference to Water Resource base' was prepared by the Centre for Rural Development and Technology (CRDT) and Vigyan Shiksha Kendra (VSK). This report (CRDT-VSK Report) noted several special features of Bundelkhand, "The rainfall is capricious and erratic in amount, pattern, intensity and distribution. Extreme deviations from the normal are quite common. About 90 per cent of the total rainfall is received during four months, July to September. The high intensity of rain hardly leaves any time for the water to infiltrate into the soil, and the deforestation has left little scope to capture the rainwater and transport it to ground-water levels."

It states: "Among the regions to the south of the Himalayan Foothills, Bundelkhand has a larger share of rocky formation with slopy terrain. Because of the Vindhyan plateaus flanked by high steep cliffs, this region has an unusually high rate of water run-off gushing towards the north, creating deep gorges and rapids. This has meant greater problems of water retention."

Keeping in view these factors, the following solutions could work better for Bundelkhand:

**Revival of Traditional Water Sources:** In recent decades many traditional sources of water have suffered from neglect. Adequate resources should be made available for repair, cleaning and maintenance of traditional water sources. As the CRDT-VSK Report says. "Notably, the reservoirs constructed at the foothills by the Chandelas between the ninth and thirteenth centuries and by the Bundelas later, are still existing, partially fulfilling the need for irrigation and even drinking water in their respective areas. All these reservoirs seem to have been scientifically designed with the provision of spillways for surplus water. Some reservoirs are found to have been connected with canals which were used as recharging sources for the downstream irrigation wells and/or for irrigating the fields directly. In addition, check dams, weirs, barrages, wells, step-wells (bavdis) and artesian wells were constructed. Bundelkhand has, thus, a glorious tradition of reservoirs, tanks, ponds, wells, which have gone into disuse in certain parts of the region." Adequate efforts should be made to protect the traditional water sources and their catchment areas, whenever possible.

Efforts should be made to understand how the traditional system works, particularly in the case of inter-linked water sources, and renovation work should be carried out on the basis of this

understanding. Local people should be closely involved not only in the actual work but also in the planning.

**New Water-Harvesting Work:** Learning from the traditional well-constructed structures which have lasted for so long, new tanks, check dams, field ponds and wells need to be created where feasible. In Patha or plateau areas, there is good scope for creating low-cost drinking water sources by tapping small natural springs and creating small well-like structures around them to keep the water clean.

In a paper titled ‘Solving water problems of Bundelkhand’, P.R. Pisharoty, a well-known expert on water-related issues, has made some specific recommendations:

Contour bunding on gently sloping terrain.

Construction of several water ponds – three to four in each village – with each of them being at least 8 meters deep. The surface area of each pond can vary from a tenth of a hectare to one or two hectares. They should be so located that each has a catchment area fifty to a hundred times its surface area. A depth of eight meters is necessary since the average evaporation over the Bundelkhand area is two to three meters of water per year. Water from some of these tanks can be pumped into deep wells as a method of recharging groundwater.

Individual houses or housing complexes should have underground, cement-lined “reservoirs” into which the rainwater falling on the roofs of the buildings and the open spaces around them can be led through suitable closed pipes or channels.

Shallow broad area percolation tanks should be used. Due to the heaviness of our rainfall, it is less penetrating in proportion to quantity than in those countries where much of it falls in a state of fine division. The rate of penetration over Bun- the delkhand area is likely to be 10 to 15 per cent of the monsoon rainfalls.

Hence the need for special efforts to increase the groundwater recharge.

**Protect Forests, Plant More Trees:** As forests of this region have been badly depleted in recent years, there is a clear need to protect whatever is left and to plant many more trees.

A massive effort for afforestation of the hills can be successful only with the close involvement of people. As afforestation is not easy on denuded hills, soil and water conservation efforts must be made to first create conducive conditions for plants and trees to survive. Mixed indigenous species should be planted, trying to mimic natural local forests as much as possible. Regeneration of degraded areas should be taken up with the involvement of weaker sections, particularly tribal communities.

The CRDT-VSK Report places emphasis on the role of grasslands. “Development of grasslands, as sources of fodder for cattle is necessary to prevent cattle grazing in the slopes of the hills. Grasslands, apart from providing fodder and contributing to the success of afforestation of hills, will help to soak of the rain and recharging groundwater.”

**Restrict practices which Increase water scarcity:** At least three such restrictions may be emphasised here (a) restrictions on excessive ground-water extraction (b) restrictions on

destructive mining practices and (c) restrictions on highly water-intensive crops. Destructive mining practices have been responsible for creating water scarcity in several villages.

Making use of Mangal Turbine; A farmer scientist of Bundelkhand Mangal Singh had invented the Man- gal Turbine to provide a means of lifting water from streams without using diesel or electricity. The Maithani Committee appointed by the Rural Development Ministry, Government of India, as well as several officials and independent experts have praised this invention. Although this has wider relevance, as it was invented in the special conditions of Bundelkhand, its relevance is particularly high for the region.

If proper priorities are decided and adequate attention is given to these aspects, water scarcity can be tackled effectively and there is no real need for implementing costly and dubious projects like the Ken-Betwa Link. <https://www.thestatesman.com/opinion/real-cures-water-woes-1503079684.html>

### **17. Revised MSPs still about 47% lower for most of the 14 crops under scheme: Report ([timesofindia.indiatimes.com](https://timesofindia.indiatimes.com)) June 9, 2022**

MUMBAI: If the very low extent of procurement under the MSP is any indication, the very scheme is inefficient, given the low intake and massive price differences between the support and market prices, according to a Crisil analysis.

The government on Wednesday announced an average 6 per cent increase in the minimum support prices (MSPs) for this Kharif marketing season (2022-23), which is the highest in the past three seasons.

But going by the past three years' data, the impact of the MSP has been almost nil on 12 of the 14 crops covered under the scheme, according to the analysis.

According to Crisil, of the 14 crops covered under MSP, only paddy and cotton saw a meaningful procurement during the past three years, with 45 per cent for paddy and 27 per cent of cotton output were procured at MSP but when it comes to groundnuts it was only 4-5 per cent of production and for pulses, it was even less.

The massive price difference is due to the fact that in fiscal 2019, the government had said going forward MSPs would be fixed at 50 per cent over the all-India weighted average cost of production.

According to the agency, three aspects have to be looked at when assessing MSPs: the increase in the cost of production, level of crop procurement at MSP and traded prices of crops.

However, from none of these parameters, the scheme is beneficial for farmers, the agency said, because both intakes at the MSPs -- which are as low as 47 per cent of the mandi price in the case of cotton and other crops, also the prices are never on par with the market prices.

Even the cost of production assessment by the Commission for Agricultural Costs and Prices (CACP) for this season is flawed and much lower than the actual cost to the tune of 5 per cent as against 3 per cent calculated, the report said.



Based on ground-level interactions, the agency estimates show the increase in the cost of production for the previous Kharif season was much higher at 5 per cent, compared to the 3 per cent shown by CACP.

This was due to an increase in diesel price (which happened after the CACP assessment), which impacts machine labour that constitutes 12-13 per cent of the cost of production.

Additionally, while selling prices for fertilisers remained largely stable due to a rise in subsidies, that of pesticides was up 7-8 per cent, which is not factored in fully in the current MSP revision.

Labour and irrigation also turned dearer, which together account for 55-60 per cent of the farming cost.

The second important aspect while assessing MSP is the level of procurement since farmers can obtain the benefit of MSP only when their crop gets majorly, if not fully, procured at the MSP.

While paddy farmers in the North can benefit from the 5 per cent increase in the MSP, for cotton farmers it will be better to sell in the open market as the cotton MSP is 47 per cent lower than the mandi prices in May 2022.

When it comes to oilseeds, the MSP for soybean has the sharpest rise of 9 per cent followed by sesame and sunflower (7 and 6 per cent jump, respectively). But despite this 9 percent increase in soybean MSP, it is still 36 per cent lower than the mandi price for May.

While the mandi prices are expected to cool off during the peak arrival season in October-November, they are expected to be above the MSP for cotton and oilseeds, the report said.

Among pulses, moong has the highest rise in MSP at 7 per cent, followed by jowar at 8, and ragi at 6 per cent over last year. <https://timesofindia.indiatimes.com/business/india-business/revised-msps-still-about-47-lower-for-most-of-the-14-crops-under-scheme-report/articleshow/92113274.cms>

## **18. Telangana state urban local bodies owe Rs 90 crore to EESL ([newindianexpress.com](https://www.newindianexpress.com)) 10th June 2022**

HYDERABAD: As many as 138 cash-strapped Urban Local Bodies (ULBs) in the State have not cleared Rs 90 crore outstanding bills of the Energy Efficiency Services Limited (EESL), a wing of Ministry of Power, for maintaining street lights. This is despite repeated letters written by EESL to the Telangana government, asking it to clear the dues.

Of a total of Rs 220 crore bills, only Rs 130 crore bills have been cleared. The Khammam Municipal Corporation leads the list of ULBs which have not cleared these bills with Rs 5.16 crore pending dues followed by Greater Warangal Municipal Corporation (Rs 4.89 crore), Nalgonda (Rs 4.63 crore), Mahbubnagar (Rs 4.17 crore), Badangpet (Rs 2.65 crore), Kamareddy (Rs 2.57 crore), Miryalaguda (Rs 2.38 crore), Karimnagar (Rs 2.35 crore), Armoor (Rs 2.34 crore), Suryapet (Rs 2.15 crore), Jalpally (Rs 2.15 crore) and Sangareddy (Rs 2.04 crore). The Greater Hyderabad Municipal Corporation (GHMC) and Mulugu Municipal Corporation are not in this list.

## **MAUD Dept takes note**

Following a series of letters from the EESL, the Municipal Administration and Urban Development Department took a serious view of the issue and instructed the Municipal Commissioners of these ULBs to immediately clear the pending dues.

“Instructions have already been given to all the Municipal Commissioners to reconcile all the dues, duly deducting the penalties if any imposed and clear the outstanding dues immediately on a pro-rata basis along with regular payments meeting the same from the general funds as per the availability without fail. The dues should be paid until the month of June, 2022. The ULBs have also been instructed to make payment to EESL on a timely basis,” informed a source.

EESL is responsible for implementation of the Domestic Efficient Lighting Programme (DELP) or the UJALA scheme. The basic objective of the EESL is to implement energy efficient projects on turnkey basis in association with municipal corporations and municipalities. <https://www.newindianexpress.com/cities/hyderabad/2022/jun/10/telangan-state-urban-local-bodies-owe-rs-90-crore-to-eesl-2463817.html>

## **19. Audit finds Rs 49-crore fraud in Jagadhri division power utility ([tribuneindia.com](https://tribuneindia.com)) June 9, 2022**

Yamunanagar: A special audit team of the Uttar Haryana Bijli Vitran Nigam Limited (UHBVNL) has detected a fraud of Rs 49.29 crore in respect of transactions pertaining to the payment of gratuity in sub-urban division, Jagadhri of the Yamunanagar district.

The team has so far completed the audit for the period 2018-19 (April 1, 2018) to 2021-22 (up to May 2022). The team has to do the audit from 2016 onwards in this connection.

As per an interim report submitted to the higher authorities of the Uttar Haryana Bijli Vitran Nigam Limited by the special audit team recently, some staff members of the Nigam allegedly prepared fraudulent cash vouchers in the name of 1,063 persons by stating therein that the payment was being made towards the gratuity of the said persons. On the basis of the bogus vouchers, cheques were prepared and, subsequently, Rs 49,28,89,371 was got credited into wrong accounts.

The report claimed that most of the persons were not employees/pensioners of the Uttar Haryana Bijli Vitran Nigam Limited to whom the payment of the gratuity had been made.

In its report, the special audit team held responsible two Executive Officers (XENs) and six officials of the Nigam for the fraud.

According to information, the fraud came to light when Suresh Kumar of Karad village of Panipat lodged a complaint at the Samalkha police station of Panipat district in February 2022, alleging that money was being sent in his bank account by a bank branch of Bilaspur town of Yamunanagar district.

On the complaint of Suresh Kumar, after registering a case, when the Samalkha police investigated the matter, this fraud of gratuity came to light in the office of the Uttar Haryana Bijli Vitran Nigam Limited of Bilaspur town.

In connection with the fraud, the police arrested an XEN of the department.

Thereafter, the higher authorities of the Uttar Haryana Bijli Vitran Nigam Limited got an audit conducted at its offices in Bilaspur and Jagadhri by a special audit team.

Rajinder Kumar, Superintending Engineer, operation circle, Uttar Haryana Bijli Vitran Nigam Limited, Yamunanagar, said, "On the basis of the interim audit report, an action taken report has been sought from me by the higher authorities of the UHBVNL."

"We have issued show-cause notices to all eight officers and officials, who have been held responsible for this fraud in the interim audit report," said SE Rajinder Kumar.

### **Gratuity report manipulated**

As per an interim report, some staff members of the nigam allegedly prepared fraudulent cash vouchers in the name of 1,063 persons by stating that payment was being made towards the gratuity of the said persons.

### **Show-cause notices issued**

On the basis of the interim audit report, an action taken report has sought by the higher authorities of the UHBVNL. We have issued show-cause notices to all eight officers and officials, who have been held responsible for this fraud in the interim audit report. — Rajinder Kumar, SE, Operation Circle, UHBVNL, Yamunanagar. <https://www.tribuneindia.com/news/haryana/audit-finds-49-crore-fraud-in-jagadhri-division-power-utility-402544>