NEWS ITEMS ON CAG/ AUDIT REPORTS (14.06.2022)

1. Railways needs to focus on non-bulk freight *(thehindubusinessline.com)* Updated: June 13, 2022

The potential to expand revenues here is immense. And, there are few other options to save IR from a financial mess

The deteriorating financial health of Indian Railways (IR) is reflected in the high operating ratio (OR), which means that working expenses are higher than traffic earnings. High ratio indicates poor ability to generate surplus and thereby a requirement for budgetary support.

The Comptroller and Accountant General's (CAG's) report shows IR's OR was 114 per cent for 2019-20 against the budgeted 98 per cent. CAG reports take more than a year to come out and if we discount the Covid years of 2020-21 and 2021-22, this report does reflect the situation pretty accurately. The report commented that the declared OR of 98 per cent camouflaged the reality by excluding pension payments. At the same time, with IR's capex mounting to ₹2.45-lakh crore in this year's budget which has gone up five times since 2014, the long-term debts of IR have now topped ₹3-lakh crore.

IR, on the other hand, continues on its all-out modernising spree, with special stress on building its infrastructure. Such upbeat spend on infrastructure means the Centre believes that massive upgrade in rail infrastructure is needed for the country's economy and viewing IR's financial health in isolation is not important, per se.

But as IR spends on its infrastructure, it should keep its head above water. Passenger services would continue to be subsidised due to obvious political considerations so this necessitates some imaginative changes in the way it carries freight.

IR has a 26 per cent share of freight business with other modes having 74 per cent share, mainly dominated by roads. CAG also commented on IR's over-dependence on coal movement, being 49 per cent of its commodity basket, and that any shift in bulk commodities pattern due to market conditions or technology could significantly affect its freight earnings.

Non-bulk cargo emphasis

The freight business is broadly divided into bulk and non-bulk cargo. IR's focus has historically been on bulk commodities comprising coal, cement, fertiliser, petroleum products, foodgrains, and residual bulk raw materials required by industry. This approach has taken IR's attention from non-bulk business which is nearly half of overall freight business today. While bulk freight has rail infrastructure at both origin and destination, or at least at production point, the same is not true for non-bulk traffic.

Non-bulk freight traffic comprises packages of perishables, consumer goods which need time-bound, door-to-door service, needing low inventory, employing multimodal services. These features of non-bulk traffic do not exist in IR's ecosystem and, therefore, this cargo is not amenable for carriage by rail. However, non-bulk cargo yield per million tonnes is far better, approximately ₹200 crore vis-à-vis ₹100 crore for bulk cargo.

IR's freight loading has increased roughly at the rate of 4 per cent per year, from 1,000 million tonnes in 2012-13 to 1,418 million tonnes in 2021-22, albeit with an exceptional but unsustainable increase of 100 million tonnes last year.

IR can make significant inroads in the non-bulk space by focussing on some special areas, viz:

Domestic container services for light cargo with equivalent dimension of double stack dwarf containers

Parcel business permitting high cube vans with superior containers viz. providing 10 cub m per tonne

Higher height automobile wagons with Dedicated Freight Corridor (DFC) height of 5.1 m compared to present 4.3 m for all automobiles

Roll-on-roll-off services with time-guarantee and competitive rates of container haulage benchmark

Low cost air-cooled vans for agriculture produce, including fisheries, dairy products, etc; and

Multimodal logistics parks, envisaged as Gati Shakti terminals in the Union Budget

Non-bulk cargo also needs wagon customisation different from wagon standardisation usually followed by the Railways. A beginning would, however, need to be made by IR for establishing proof of concept for high-cube container services embracing dimension of dwarf double stack, wide-bodied roll-on-roll-off wagons and high-cube parcel vans beating competition from road. Once these services take off, such wagons can be brought under private investment. This process was followed in the case of automobile wagons and they have found a considerable market. Non-bulk cargo also reduces un-remunerative empty running of freight trains as experienced with container trains which are charged on to and fro basis. RITES's National Rail Plan study, commissioned in 2019-20, also indicates that IR's growth must include transportation of non-bulk traffic.

This can be raised through steps in areas like raising average speed of freight trains to 50 kmph in next 20 years; gradual reduction in freight charges by 30 per cent to compete with road; customised wagons with height at DFC level for light parcel cargo, automobiles, container segment, etc. and; lowering of logistics cost by developing multimodal facilities.

These improvements can be developed around DFCs where time-guaranteed services can be introduced from FY23-24.

The time to act on these measures is now, else IR's finances would keep slipping, rendering it dependent on government bail-out. https://www.thehindubusinessline.com/opinion/railways-needs-to-focus-on-non-bulk-freight/article65524431.ece

2. The BBNL-BSNL merger: A faltering force meets an immovable object? (*orfonline.org*) June 13, 2022

It is hard to see how the BBNL-BSNL merger might boost efforts to provide broadband to India's villages.

In April 2022, it was announced that India's flagship rural broadband project: Bharat Broadband Network Ltd (BBNL), the special purpose vehicle set up to implement BharatNet would merge with Bharat Sanchar Nigam Ltd (BSNL), the national telecom service provider.

Three linked arguments have been made for the merger. First, BharatNet's repeated failure to meet its implementation targets has greatly slowed progress toward its stated goal of providing high-speed broadband connectivity to India's 250,000 village panchayats. Second, the project's costs have skyrocketed because of these delays. The cost of laying one kilometre of optic fibre cable (OFC), for instance, has doubled between 2020-21 and 2021-22, and the overall outlay for the project has tripled from INR 20,100 crore to over INR 61,100 crore. Third, the merger of BBNL with BSNL is expected to yield synergies which will improve project coordination, contain costs, and accelerate outcomes.

The journey so far

BharatNet's approach toward the government-set deadlines has exemplified the notion that the sooner one falls behind, the more time one will have to catch up. The project began life as the National Optical Fibre Network (NOFN) in 2011 but little progress was made between 2011 and 2014. The present government inherited the initiative, rebranded it as BharatNet in 2015, and projected 2018 as its completion date. Operational setbacks and poor execution soon began to make this seem unrealistic, and at different points, target dates of 2020 and 2021 were agreed upon. The National Digital Communication Policy envisaged connectivity of 1 Gbps for every panchayat by 2020, which would be upgraded to 10 Gbps by 2022. Yet another deferral was in store though. In his Independence Day speech last year, Prime Minister Modi declared that within the next 1,000 days, i.e., by mid-2024, every Indian village would be connected by OFC. These plans seem to have been unsettled now, and 2025 is being regarded as the new date by which villages may expect to receive broadband.

Across the country, BharatNet's quality of service (QoS) has long plagued panchayats and villages. Complaints by village officials about frequent line faults, connection outages, and the lack of response to requests for service and repairs have grown increasingly common.

There is now a broad consensus that the project management of BharatNet so far has been sub-standard. According to a recent ministerial statement in the Rajya Sabha, as of March 2022, only 27 percent of the expected number of villages had received network connectivity. The concept of connectivity ratio (CR) is important to consider here. CR is defined as the ratio between (a) the number of villages in a state that have been made service-ready by BharatNet, and (b) the total number of villages in that state. A connectivity ratio of 20 percent, therefore, would mean that in a particular state, 20 out of every 100 villages are service-ready. Of India's 33 states and union territories (UTs), only two: Punjab and Chandigarh have been able to achieve a CR of 90 percent, eight others have a CR of over 60 percent, and at the lower extreme, Himachal Pradesh has attained a CR of only 2.1 percent.

Less than a third of India's villages are service-ready

Moreover, there continues to be a significant difference between the number of villages to which OFC has been laid, and those which are actually connected to the OFC and enjoy functioning broadband. This discrepancy has existed since BharatNet's earliest phases and peaked during the pandemic. Since late 2020, however, there has been a decline in both the rate of installing OFC and of providing connectivity itself.

Across the country, BharatNet's quality of service (QoS) has long plagued panchayats and villages. Complaints by village officials about frequent line faults, connection outages, and the lack of response to requests for service and repairs have grown increasingly common. These QoS issues are partly explained by a 2021 CAG report that revealed that the agreements governing BharatNet's implementation did not include any provisions for penalising the agencies tasked with maintaining the OFC network. Efforts by state governments and project personnel to liaise with BharatNet's central administrators to rectify these inefficiencies have yielded little result. This has prompted a fragmentation of operations whereby several states have created special purpose vehicles to execute the project themselves.

Will the merger help?

It is not clear how the BBNL-BSNL merger might act as a panacea for rural broadband. BSNL itself has incurred major losses over the last five years and developed certain notoriety for slow decision-making and red-tapism. The telecom company is currently in the process of receiving a capital infusion of INR 44,720 crore as part of a revival plan to put it back on its feet, support technology up-gradation and internal restructuring, and enable the allocation of 4G spectrum.

BBNL and BSNL have engaged in the past, and the outcomes have been less than inspiring. BBNL depends heavily on BSNL to provide connectivity and bandwidth at the block, panchayat, and village levels, but on numerous occasions, BSNL has been unable to deliver on its commitments. For several years now, BBNL has been cutting back on outsourcing BharatNet-related work to BSNL as the latter has not always utilised BBNL's funds effectively, sometimes even using them for unsanctioned purposes. BBNL has even had to "take back" a project originally entrusted to BSNL—for maintaining the OFC for 120,000 panchayats—and assign it to another agency instead. Given this background of uneasy and sometimes downright unsuccessful collaboration, it is hard to imagine BSNL assuming all the responsibilities that BSNL currently manages, and ensuring the operation, maintenance and utilisation of the already-laid OFC network as well.

It is not clear how the BBNL-BSNL merger might act as a panacea for rural broadband. BSNL itself has incurred major losses over the last five years and developed certain notoriety for slow decision-making and red-tapism.

Perhaps the only advantage BSNL might bring to Bharatnet after the merger is that it already has over 2 million fibre-to-the-home (FTTH) connections and is adding around 100,00 new connections every month. This growing base of fixed-access platforms may prove valuable. In other respects, BSNL has demonstrated little capacity for supporting BBNL. It now seems that some of BharatNet's weaknesses and delays may have stemmed from BSNL's inertia.

Under the circumstances, one cannot but wonder if the merger of BBNL and BSNL will be a case of a faltering force meeting an immovable object. The shortcomings of executing BharatNet chiefly in partnership with public sector undertakings have been apparent for years. But it was only in July 2021 that BBNL finally floated a tender for a public-private partnership (PPP) and began bid interactions with potential private partners. The private sector response was guarded. Companies were well aware of the project's deficiencies. They knew too that by being made responsible for operating and upgrading BharatNet across 16 states for the next 30 years as the PPP's terms stipulated, they would find themselves troubleshooting on a gargantuan scale without adequate incentives. Not surprisingly, not a single bid was received and the tender was eventually cancelled in February 2022.

The private sector's lack of interest amounts to a resounding vote of no-confidence in BharatNet. Following the BBNL-BSNL merger, the government intends to issue a revised PPP plan later in 2022. But unless the new plan is significantly different from the last one, there is no reason to believe that it will be received any differently.

Conclusion

BharatNet's goal of connecting 250,000 panchayats and 600,000 villages with high-speed broadband is central to the government's vision of India emerging as one of the world's largest connected nations and "1.5 billion Indians being connected to the Internet over the next two years".

The project is backed by strong political will and commitment. The Prime Minister has emphasised that 'rural digital connectivity is a no longer mere aspiration but has become a necessity'. Besides, whilst presenting the Union Budget 2022, the Finance Minister stated that 5 percent of all collections under the Universal Services Obligation Fund (USOF) would be used to enable broadband and mobile services across rural India and that the laying of OFC under BharatNet would proceed apace in 2022-23.

It is a moot question whether the BBNL-BSNL merger will be able to transform BharatNet into the agile, fast-moving enterprise that it needs to become. The recent performance history of both entities, whether considered separately or in conjunction, has been subpar.

On-ground implementation, however, has always been the project's Achilles' heel. It is a moot question whether the BBNL-BSNL merger will be able to transform BharatNet into the agile, fast-moving enterprise that it needs to become. The recent performance history of both entities, whether considered separately or in conjunction, has been subpar. And in the meantime, despite the good intentions that drive BharatNet, it has become a byword for operational inefficiency, unreliable QOS, and missed targets. Unless these elements are addressed in the post-merger phase, broadband for all will remain unattainable, and a key chapter in India's development story will remain unwritten. https://www.orfonline.org/expert-speak/the-bbnl-bsnl-merger-a-faltering-force-meets-an-immovable-object/

3. Making zoos built on forest land may cause misuse of funds, harm ecology: Activists in Uttarakhand *(timesofindia.indiatimes.com)* June 13, 2022

DEHRADUN: The decision of the Union ministry of environment, forest and climate change (MoEFCC) to make construction of zoos on forest land a "forestry activity" has evoked strong reactions from senior retired forest officers, environmentalists and wildlife activists in Uttarakhand.

Experts fear this will open up secluded wild habitats to tourists and disrupt forest ecosystems, since lesser clearances from wildlife boards or expert agencies of the central government will be needed for building public utilities and doing concretisation works inside forests.

Earlier, when building zoos on forest land was classified as a "non-forestry" activity, public utilities like canteen, toilets etc. would require a slew of clearances from wildlife boards and expert bodies of the central government.

"The area requirement for various components of zoos, such as parking, recreation, water bodies, roads, rest rooms, boating, restaurants, power supply, research centre, staff rooms etc.

should not be exaggerated and authority concerned may ensure legitimate forest area requirement for such components", reads an excerpt from the "don'ts section" of the communique issued by the MoEFCC on June 8, a copy of which is with TOI.

The order also encourages "conserving natural terrain and species and avoiding too much human interference", saying establishments that support in-situ conservation (conservation of endangered species in their habitat) will be encouraged and "only degraded forest land, i.e. with a crown density below 40 percent, may be used for the establishment of zoo".

Activists however called this a "half-baked" approach aimed at getting more revenue out of leisure activities.

Pointing out how recently, CAG had detected misuse of Compensatory Afforestation Fund Management and Planning Authority (CAMPA) funds for establishment of two zoos in Kashmir, activists said they feared the same will happen in Uttarakhand in the name of zoos and safaris.

"This will allow poaching into CAMPA funds. Already, Haldwani zoo and Pakhro tiger safari project are facing allegations of misuse of CAMPA and other forest funds. The move by the government is simply going to add to the problem," said Renu Paul, Doon-based activist.

She pointed out it's a "triple loss", as Forest Conservation Act (FCA) 1980 has been diluted, and CAMPA funds will not be used for afforestation.

"Malsi zoo in Dehradun is a case in point. It's clearly being expanded deep inside a reserve forest. Now, more forests will be cleared to make way for construction activities in zoos. Funds meant for afforestation will be used to make enclosures for wild animals, museums, photo galleries, cemented statues etc," Paul added.

Senior retired forest officers also pointed out "the irony of using funds meant for afforestation for tree felling." "The most questionable part right now is that tree felling will technically be a 'forestry activity'.

The earlier rule of only 15% land in a zoo being available for public utility now stands null and void, which means any amount of space can be used for infrastructure development as well as zoos," said a former officer, who did not wish to be named https://timesofindia.indiatimes.com/city/dehradun/making-zoos-built-on-forest-land-forestry-activity-may-cause-misuse-of-funds-harm-ecology-activists-in-uttarakhand/articleshow/92185578.cms

4. KHADC CEM for probe into anomalies *(theshillongtimes.com)* June 14, 2022

SHILLONG, June 13: The Khasi Hills Autonomous District Council (KHADC) Chief Executive Member Titosstarwell Chyne favours an "independent" inquiry into alleged irregularities in the council's accounts.

He said he will propose it to the council's Executive Committee (EC).

"I will make this proposal during the EC meeting which will deliberate on the letter received from the Governor's Secretariat relating to the observation made by the Account General. I

will convene the meeting of the EC as soon as Deputy CEM Gigur Myrthong, who is in-charge of Finance, is available," Chyne said.

In a letter to Governor Satya Pal Malik on June 1, the Comptroller and Auditor General of India (CAG) said it had written to the CEMs of the three ADCs on March 23 this year on their failure to prepare their accounts on time.

On Friday, Governor Satya Pal Malik stated that an inquiry could be conducted on the lapses, if deemed necessary.

He had taken up the matter with Chief Minister Conrad K Sangma and sent a formal letter to him urging him to ensure timely and correct preparation of accounts by the ADCs through his personal urgent intervention.

Chyne said the KHADC had immediately replied to the AG's letter.

Official sources said one of the problems which the council is facing in preparing its accounts is the non-submission of utilisation certificates of the schemes by the MDCs. This resulted in the council not being able to incorporate the same in the accounts.

Chyne welcomed the suggestion made by leader of Opposition in the council, PN Syiem on the need to strengthen the Finance department. According to Chyne, senior audit officials and chartered accountants are helping the council in preparing the accounts.

He said he will examine if a Finance Committee can be constituted to assist the EC on financial matters. https://theshillongtimes.com/2022/06/14/khadc-cem-for-probe-into-anomalies/

5. CAG की रिपोर्ट में बड़ा खुलासा: नोएडा में 10,000 करोड़ की जमीन पर हो गया अतिक्रमण, अब चलेगा बुलडोजर *(jagran.com)* June 13, 2022

नोएडा प्राधिकरण की 10 हजार करोड़ से अधिक की जमीन पर अतिक्रमण कर रखा है। यह जमीन करीब 45 लाख वर्गमीटर से ज्यादा है। जिसकी पुष्टि प्रदेश सरकार ने कैग की रिपोर्ट के जरिये नोएडा प्राधिकरण की फाइलों की जांच सौंपी थी, उसकी रिपोर्ट में सर्किलवार अवैध कब्जे की बात सामने आई है।

अब इससे भी कहीं ज्यादा प्राधिकरण की अर्जित और कब्जा प्राप्त जमीन पर कब्जा हो चुका है। इससे वि कास परियोजनाओं के निर्माण में बाधा आ रही है। नोएडा में हो रहे अवैध निर्माण की वास्तविक स्थित का पता लगाने के लिए शासन की ओर से नोएडा में लैंड आडिट कराया जाएगा। यह काम एक सप्ताह में शु रू हो सकता है।

इसके लिए नोएडा प्राधिकरण को एक एजेंसी का चयन करना होगा। हालांकि प्राधिकरण ने हाल ही में खा ली पड़े भूखंडों के लिए एनआइसी से सर्वे कराया था, लेकिन यह सिर्फ लैंड बैंक के लिए था। अब सर्वे अवै ध कब्जाधारियों का पता लगाने के लिए किया जाएगा। नोएडा को परियोजना और विकास के हिसाब से द स सर्किल में बांटा गया है।

इन सर्किल में सुपरवाइजरों और जेई का काम निगरानी करना है। ताकि जमीन पर अवैध निर्माण के बारे में जानकारी दे सकें लेकिन वह ऐसा नहीं करते। यही वजह है कि सिर्फ लैंड से संबंधित ही सैकड़ों की सं

ख्या में मामले अदालतों में हैं। नोएडा प्राधिकरण की मुख्य कार्यपालक अधिकारी रितु माहेश्वरी ने अवैध कब्जे को मुक्त कराने को कह दिया है। इसमें झुग्गी झोपड़ी वालों से शुरूआत कर दी गई है। 25 जून से यहां पर सीलिंग की कार्रवाई होगी। https://www.jagran.com/uttar-pradesh/noida-ncr-encroachment-on-land-worth-10000-crores-cag-report-revealed-in-noida-22800355.html

SELECTED NEWS ITEMS/ARTICLES FOR READING

6. 5 Years of GST – Hits and misses (*timesofindia.indiatimes.com*) June 13, 2022

Half a decade ago, on July 1, 2017, India welcomed its biggest change in its indirect tax system with the Goods and Services Tax (GST), which revamped the country's entire indirect tax structure and significantly modified tax administration and compliance.

The past five years have been a nothing short of a roller coaster ride for both the industry and the government. Measures such as the introduction of e-invoicing, linking of inward and outward supply returns with the main GST returns, have all helped revenues of May 2022 touch the INR 1.41 lakh crore mark. There has also been a significant increase in the tax base with India having about 1.36 crore active GST registrations as on 31 March 2022.

Based on a GST survey and a subsequent analysis by Deloitte India, the following insights are useful to note.

What has worked well

(a) Digitization in compliance: Automation of tax compliances by the government has been a massive win and has worked efficiently, especially in comparison with the erstwhile regime. This has been possible because of the introduction of a 'one-stop-shop' portal i.e. GSTN, for all compliances under GST. The pandemic, coupled with the introduction of the e-invoicing regime under GST, has resulted in a steep learning curve and companies, especially MSMEs, have been able to capitalize on this digital wave to fast track growth and strengthen their internal compliance processes.

(b) Use of technology tools: The first phase was focused on building the core functionalities needed by taxpayers and officers. With that in place, GSTN's next focus was to leverage technology and data available to improve compliance, detect frauds and support policymaking. To this end, GSTN formed a Business Intelligence and Fraud Analytics (BIFA) unit in March 2019, which employed artificial intelligence and machine learning to develop the BIFA tool which has emerged as one of the major triumphs in the last five years of GST. GSTN also distributes numerous internal reports to tax officers on a daily basis to assist them in improving day-to-day tax administration.

(c) Functioning of GST Council: The GST Council is a true testament to the fiscal federal and consensus-based structure, which is a cornerstone of the GST regime. The central and state governments have been working together on critical legal issues. The GST Council has met 46 times in the last five years, with the next meeting scheduled to take place soon.

Areas of improvement

While the government has been largely successful in creation of a common tax for exchange of goods and services across country, the GST system still demands a simpler structure and lower compliance burden, in line with India's overarching aim of ease of doing business.

(a) Need for unlocking credit: The purpose behind implementation of GST was to ensure seamless tax credits across the entire value chain without any losses. However, the credit restrictions carried forward from the erstwhile regime add to cost of businesses, blocking precious working capital for companies. The issue of inverted duty structure also continues to be a hurdle as refund of input services is currently not allowed.

(b) Dispute resolution: While much has been accomplished in terms of technology and compliance, legal disputes relating to GST are still at a nascent stage. There have been multiple instances of inconsistent judgements passed by regional advance ruling benches. Such contrary judgements have resulted in unnecessary litigation for several businesses. Setting up of the GST Tribunal has also seen inordinate delay due to larger legal issues on construct resulting in many writ petitions at high courts, increased cost and pendency of litigation for companies and the efforts involved.

(c) Expanding GST tax network: With petroleum outside the ambit of GST, a large part of the economy is still outside the tax net. Inclusion of petroleum products under the GST net, would reduce cost for companies as taxes would then become fully fungible.

(d) Use of Blockchain Technology: While GSTN has revolutionized the GST landscape, blockchain technology has enormous potential to resolve glitches and improve efficiency in GSTN, since the unreliability of GST network for small businesses at remote locations still continues to be a challenge.

(e) Taxation of Virtual Digital Assets: The government, in its recent Budget, also announced that cryptocurrencies would be taxed under income tax at a rate of 30%. The GST law on supplies related to NFT, on the other hand, does not (yet) provide any explicit guidance in this area. The NFT market has grown at an exponential rate in recent years, thanks to the increasing popularity of NFTs. However, the GST classification of NFT transactions remains unanswered and the question that arises is whether NFT transactions ought to be classified as supply of "goods" or "services" and also whether it can qualify as an actionable claim. It is hoped that clarity on this emerges soon.

(f) Ease of doing business (EODB) changes: While technology under GST has kept pace with requirements of government and industry alike, compliance provisions are still playing catch-up. For instance, the GST law requires setting up of a principal office in each state where supplies are made from. Also, "deeming fiction" provisions of self-supply and cross-charge are hoped to be reviewed, particularly where it is revenue neutral.

During the last five years of GST, the government has been pro-active in issuing a flurry of notices, circulars, clarifications, and orders. The government has been paying attention to the concerns of stakeholders by streamlining required process, to avoid unnecessary pile up of litigation and unending disputes. In the next five years, positive changes in taxpayers' compliance and in government's efforts, will ensure a more simplified and smooth GST structure for all stakeholders.

Having said this, GST is at a crucial juncture. States have been anxious about revenue inflows once the five-year GST compensation window expires at the end of this month. It will be important for GST collections to remain buoyant and for economic growth and recovery post the pandemic to continue to show signs of recovery, if we are to continue to see forward-looking policy reforms. The rationalisation of tax rates now underway by a Group of Minister set up last year, ought to help allay these fears and ensure that we continue to remain on the trajectory planned for the coming years. https://timesofindia.indiatimes.com/blogs/voices/5-years-of-gst-hits-and-misses/

7. Call to extend GST compensation *(telegraphindia.com)* Updated: June 14, 2022

Opposition-led states, including Bengal, Kerala and Chhattisgarh, have demanded that the Centre pays GST compensation beyond June and the issue could dominate the GST Council meeting likely to be held later this month.

The recent Supreme Court judgment that the recommendations of the GST Council are not binding on the Centre and states and that the council as a body holds only persuasive values could result in states imposing taxes to meet the revenue demand.

Finance ministry officials said Rajasthan, Tamil Nadu, Chhattisgarh, Kerala, Bengal and Delhi have demanded an extension of the compensation for another five-year period as the states have not bounced back from the Covid-19 impact on the economy.

Amit Mitra, principal chief adviser to the chief minister and the finance department of the Bengal government, in a letter to Union finance minister Nirmala Sitharaman sought the continuation of the GST to the states for the next 3 to 5 years beyond June.

Mitra said the unforeseen battle against the pandemic has put the fiscal health of the states under huge stress. “On top of that, the massive inflationary pressures have severely aggravated and impaired the economies of states which today are struggling with massive fiscal burdens. The GDP has not yet reached the pre-pandemic level and is not likely to reach a desirable trajectory any time soon,” the letter said.

Speaking to The Telegraph, Mitra later explained that states have not reached the projected revenue generation which formed the basis of the compensation formula. In comparison to assumed 14 per cent revenue growth on the base year of 2015-16, the states have barely crossed 6-7 per cent, he argued.

Mitra said there are “ominous” signs that the Centre may not extend compensation. The Modi government, which usually lags in clearing compensation, has paid the entire dues as on May 31. “When the state and the Centre agreed to the formula, nobody could foresee the pandemic which is into its third year. Covid has put huge fiscal stress on states,” he said.

Seeking an extension of the compensation beyond June, K.N. Balagopal, finance minister of Kerala, told The Telegraph: “The GST law from inception itself is against the interest of federalism. Since the GST regime came into being, the Centre had been arbitrarily imposing its decisions on the states, affecting their revenue and forcing them to impose treasury restrictions.”

He said the recent apex court order has “upheld the freedom of the states in taxation which was important. It would pave the way for states to protect their rights.”

Chhattisgarh GST council member T.S. Singh Deo said several questions like sharing of revenue by the Centre, issues of producing states, continued encroachment of fiscal power of the states by the Centre among others would come under scrutiny.

While the Centre has stated that beyond June, the cess collected till March 2026 would be used to pay back the principal and interest for the borrowed sum, the states are expected to put pressure on compensation extension as revenue collection has been below expectations.

States had accepted to be part of the GST on the assurance that being given full compensation for the first five years of introduction of GST on the assumed revenue growth rate of 14% over the base year of 2015-16. And, any shortfall needs to be compensated by Cess.

States are demanding that the Centre continue to compensate them as the revenue buoyancy has not been as promised and the Covid-19 had a huge impact on revenue collection.

The SGST growth was at an average of 6.7 per cent during FY18-21, which is lower than the 9.8 per cent growth recorded by the taxes subsumed under GST during FY14-17, a report said.

“The share of state GST (SGST) in their own tax revenue (SOTR) during FY18-FY21 stood at 55.4 per cent, compared with 55.2 per cent during FY14-FY17 indicates that the growth in both SGST and non-SGST components of SOTR has been broadly similar. This means the GST implementation did not result in any incremental benefit to the SOTR," India Ratings and Research said in the report.

Emphasising the need for the extension of the compensation as the tax buoyancy has not been as promised before the implementation of the GST, https://www.telegraphindia.com/business/call-to-extend-gst-compensation/cid/1869869

8. Why India needs a fiscal council right now *(moneycontrol.com)* Updated: June 14, 2022

Tough times call for difficult measures to ensure a better future. As India grapples with the fallout of the pandemic and geopolitical turmoil on its finances, the country needs to create an independent fiscal council that will bolster its budgetary performance and improve economic forecasting.

While the large spike in budget deficits since the pandemic hit are an aberration, the government’s fiscal marksmanship has often been off the mark.

Fiscal targets have seldom been met and estimations of nominal growth and revenue have typically been over-optimistic. In recent years, however, these numbers have been underestimated.

The perfect storm of global monetary tightening, higher inflation and supply-side disruptions means that the sovereign will need to keep spending more for a while to come. As such, there is a pressing need for an external and independent scrutiny of the government’s economic forecasts and its budget projections.

About 50 countries have fiscal councils, which act as budgetary watchdogs, raising the reputational and electoral costs of undesirable policies and broken commitments by governments. These councils assess the sovereign's budget plans and performance, evaluate macroeconomic and budgetary forecasts, and monitor the implementation of fiscal rules, according to the International Monetary Fund.

In India, successive Finance Commissions have recommended the formation of a fiscal council but governments have rejected the proposals.

The establishment of a fiscal council with powers to access records from the Union and state governments was one of the key recommendations of the 15th Finance Commission. The commission said there were institutional gaps in the production, collation, coordination and publication of fiscal data, as well as an independent review of fiscal projections and the medium-term budgetary framework across all levels of government.

Shape of the new body

A fiscal council must be independent, non-partisan and underpinned by a clear legal framework that gives it a statutory footing, according to the 15th Finance Commission's report.

Provisions must also be made with respect to its leadership, resources, mandate, functions, publications, and access to information.

On where the fiscal council can be housed, there are a few options.

While the US Congressional Budget Office has legal separation from the executive and lawmakers, the UK's Office for Budget Responsibility is responsible to both the executive and the parliament. About 33 percent of fiscal councils are independent bodies based in parliaments.

It is uncommon for fiscal councils to be housed within the executive, in national audit offices, or central banks, according to the 15th Finance Commission.

What the fiscal council should do

Provide multi-year macroeconomic and fiscal forecasts: In India, the government and central bank issue official economic forecasts. While the finance ministry's economic survey projects real growth for the next financial year, the budget assumes a nominal GDP growth on the basis of which it makes projections for its revenue, expenditure, and fiscal deficit targets for the year.

The central bank also estimates growth and inflation, typically over a nine-to-12-month horizon. Another non-partisan assessment will provide robustness to policymaking in India.

Evaluate fiscal performance: Right now, the Central government gets a free pass when it misses budget gap targets. So do the states. A fiscal council's independent evaluation of budget outcomes would keep a check on fiscal profligacy. Several fiscal councils across the world also provide recommendations on fiscal policies to inform the public debate.

Assess long-term fiscal sustainability: While the Fiscal Responsibility and Budget Management Review Committee recommended that both the Central and states governments

must bring down their debt-to-GDP ratios, these targets have been roiled by the record fiscal expansion during the pandemic.

Governments also often disregarded concerns raised by rating companies, especially when such commentary is not favourable. An independent assessment by a fiscal council could go a long way in keeping a check on government spending, especially in the good times.

Assess fiscal policy statements and costing of new measures: A fiscal council will bring in external assessment of whether fiscal targets are being met or missed and warn about the impact of new schemes that could result in the ballooning of expenditure.

Why now?

According to Lekha Chakraborty, professor at the National Institute of Public Finance and Policy, an autonomous research institute under the ministry of finance, fiscal transparency and accountability are needed for the market to have confidence in a high public debt regime.

"Constituting a Fiscal Council in India is, therefore, crucial at this juncture to analyse the fiscal risks and to formulate post-pandemic fiscal strategies to ensure fiscal credibility in times of geopolitical uncertainties," Chakraborty wrote in an article.

The Covid-19 pandemic and the current geopolitical as well as economic uncertainties present a good opportunity for the government to do some much needed housekeeping. India's finance ministry has already used the pandemic-era budgets to clear liabilities like dues of the Food Corporation of India and started declaring public sector borrowings as part of the budget documents.

Still, it faces an uphill task as the debt-to-GDP ratio is estimated to remain elevated despite solid medium-term growth prospects.

Also, global monetary tightening means higher interest costs. Note that the government pays about one-fourth of its revenue as interest.

All this means that the overall fiscal metrics may be strained for several years, keeping borrowing costs in the economy higher for longer. https://www.moneycontrol.com/news/business/economy/why-india-needs-a-fiscal-council-right-now-8676801.html

9. For effective financial inclusion, India needs a more inclusive, updated database *(moneycontrol.com)* Updated: June 14, 2022

The Reserve Bank of India's Annual Report 2021-22 released last month has a stunning piece of new data showing an astounding rise in the aggregate number of Business Correspondents (BCs) in the country over the last year. While the number of BC outlets in villages increased from 1,194,640 in December 2020 to 1,844,732 in December 2021, the hike was more dramatic in urban areas from 324,507 to 1,412,529.

The footnotes to Table IV.6 state that the data for December 2021 are provisional, and that "There is a significant increase in data reported by few private sector banks." It is extremely surprising that the rise from 1.5 million BCs in India to 3.2 million in one year has been

attributed to better data reporting by “few private sector banks”. It is also curious that no additional information is provided in the section.

The issue of improved data metrics for financial inclusion has been flagged by many, including us at the Indicus Centre for Financial Inclusion (ICFI) for many years. Financial inclusion is a national policy objective, and in a large heterogeneous country like India, it is imperative that granular data is monitored regularly by the government and the RBI. The BCs are the mainstay of financial inclusion, accounting for more than 95 percent of the banking outlets in rural India, and play a critical role in ensuring that government welfare payments reach beneficiaries in villages.

However, while the Pradhan Mantri Jan Dhan Yojana (PMJDY) has ensured widespread access to banking, there are still some gaps on the ground. In a recent study by Dvara Research across seven states, almost 50 percent of respondents who had a problem during cash withdrawal of their government benefits cited ‘Cash-out point far away’ as their issue. Unless there is geographically granular data throwing a spotlight on specific locations that lack active outlets, such issues will go unaddressed, leading to grievances among beneficiaries. In March, the RBI announced the framework for geo-tagging payment system touch points, this should be used to identify the specific problem locations.

While more than three-fourths of the PMJDY accounts have been opened by public sector banks, if a significantly large share of the BCs is with the private sector banks, as the latest RBI data seem to suggest, there are a number of implications for the ecosystem. For instance, it may be time to relook the current structure of interchange fees paid out by the account opening bank to the BC when a customer makes a transaction at an outlet/micro-ATM that does not belong to the account opening bank.

As flagged by the SBI Ecowrap in November 2021, with the distribution of BCs skewed towards private sector banks and distribution of account opening banks skewed towards public sector banks, the latter are estimated to be paying out Rs 600-700 crore annually as interchange fees, even while they bear the costs of operation of the accounts. Correct data is key to an appropriate fee structure, which affects the operational viability of the entire network involved in welfare payouts and financial inclusion. Without viability, service quality is bound to be hit at the last mile.

There is a wealth of information that the RBI can collate that can inform policy decisions as well as product and service offerings by industry. This includes data on active/dormant agents, usage of accounts, the quality of service/transactions, etc. Granular data on geographies is critical as mentioned above. The recent BCG-PhonePe Pulse report on digital payments has an excellent map showing the uneven adoption of digital payments across time in different states — this is the kind of analysis that the RBI can facilitate at the district level. Then there is long-pending ask for gender-disaggregated data. While the gender-gap and specific challenges that women face in accessing financial services are well known, there is no data available even on something as basic as the number of women BCs in India.

In 2015, a recommendation proposed by ICFI was picked up by the RBI Committee on Medium Term Path for Financial Inclusion for “a unified, harmonised database of the financial inclusion footprint, in terms of outlets, service points, devices, connectivity and BC networks, aggregated and monitored by a single source” (Indicus Policy Brief November, 2015). The Indian Banks Association (IBA) was given the responsibility to set up an online BC registry. However, the

database is not available in the public domain. Given the latest disclosure in the annual report, it appears that even this registry does not seem to be functioning as it was intended by the RBI.

The Department of Financial Services set up a Working Group in December to identify the gaps in the BC ecosystem, the report is to be finalised. It is high time that the government, the RBI, the NPCI and the IBA work together towards a database updated in real time to give the correct picture of financial inclusion in India. https://www.moneycontrol.com/news/opinion/for-effective-financial-inclusion-india-needs-a-more-inclusive-updated-database-8679091.html

10. In major defence policy reform, govt announces 'Agnipath' scheme for soldier recruitment *(indianexpress.com)* Updated: June 14, 2022

Defence minister Rajnath Singh and chiefs of the Army, Navy and Air Force on Tuesday announced a significant reform on how soldiers across the three services will be recruited under the new Agnipath scheme which will come into effect immediately. Soldiers recruited under the scheme will be called Agniveers.

"This is a major defence policy reform introduced by the Government to usher in a new era in the Human Resource policy of the three services. The policy, which comes into immediate effect, will hereafter govern the enrolment for the three services," the government said in a statement.

The proposal was approved by the Cabinet Committee on Security on Tuesday morning. Moving forward it will make the permanent force levels much leaner for the over 13-lakh strong armed forces in the country.

Under the scheme, most Indian soldiers will leave the service in just four years. Of the 45,000 to 50,000 recruited annually, only 25 per cent will be allowed to continue for another 15 years under permanent commission. The move will considerably reduce the defence pension bill, which has been a major concern for governments for many years.

Recruitment will begin within 90 days under the scheme which will bring "all India, all class" recruitment to the services. This is especially significant for the Army, where the regiment system has region and caste bases, and with time that will be eliminated to allow anybody from any caste, region, class or religious background to become part of existing regiments.

Several veterans have raised concerns about how this new structure can be detrimental to the existing structure, where loyalty towards the regiment and battalion, and retaining their pride, plays a significant role as a motivator in the harshest of circumstances.

Announcing the scheme, Rajnath Singh said "efforts are being made that the profile of the Armed Forces should be as youthful as the wider Indian population." A youthful armed forces will allow to be easily trained for new technologies.

The minister added that it will increase employment opportunities and because of the skills and experience acquired during the four-year service such soldiers will get employment in various fields. "This will also lead to availability of a higher-skilled workforce to the economy which will be helpful in productivity gain and overall GDP growth," Singh said.

The average age in the forces is 32 years today, which will go down to 26 in six to seven years. It will create "future-ready" soldiers, said Lt Gen Anil Puri, additional secretary, Department of Military Affairs.

The government statement mentioned that it "has been designed to enable a youthful profile of the Armed Forces. It will provide an opportunity to the youth who may be keen to don the uniform by attracting young talent from the society who are more in tune with contemporary technological trends and plough back skilled, disciplined and motivated manpower into the society."

It noted that "it will enhance the youthful profile of the Armed Forces and provide a fresh lease of 'Josh' and 'Jazba' whilst at the same time bring about a transformational shift towards a more tech-savvy Armed Forces – which is indeed the need of the hour. It is envisaged that average age profile of Indian Armed forces would come down by about 4-5 years by implementation of the scheme." It also said that the scheme will "lead to much more youthful and technically adept war fighting force by ensuring a fine balance between youthful and experienced personnel in the Armed Forces."

Under the new system, which is only for personnel below officer ranks (those who do not join the forces as commissioned officers), aspirants between the ages of 17.5 years and 21 years will be eligible to apply. The recruitment standards will remain the same, and recruitment will be done twice a year through rallies.

Once selected, the aspirants will go through training for six months and then will be deployed for three and a half years. During this period, they will get a starting salary of Rs 30,000, along with additional benefits which will go up to Rs 40,000 by the end of the four-year service.

Importantly, during this period, 30 per cent of their salary will be set aside under a Seva Nidhi programme, and the government will contribute an equal amount every month, and it will also accrue interest. At the end of the four-year period, each soldier will get Rs 11.71 lakh as a lump sum amount, which will be tax-free. They will also get a Rs 48 lakh life insurance cover for the four years. In case of death, the payout will be over Rs 1 crore, including pay for the unserved tenure.

However, after four years, only 25 per cent of the batch will be recruited back into their respective services, for a period of 15 years. For those who are re-selected, the initial four-year period will not be considered for retirement benefits.

Lt Gen Puri said the government will help rehabilitate soldiers who leave the services after four years. There will be a "whole of government" approach, and they will be provided with skill certificates and bridge courses. The impetus will be to create entrepreneurs, he added.

The announcement is likely to evoke a mixed response from tens of thousands of aspirants across the country. While there has not been any recruitment in the last two years, with the government attributing it to the Covid-19 pandemic, the Agnipath scheme has also been under consideration for nearly the same period. Though the announcement will kickstart the recruitment process, however, many aspirants will also be unhappy with the temporary structure of joining the forces now, and being asked to leave after four years.

According to data shared by the Defence Ministry with the Parliament on March 28, more than one lakh positions for Junior Commissioned Officers and other ranks are vacant in the Army. It also noted that while more than 90 recruitment rallies were held each year in 2017, 2018 and 2019, only 47 recruitment rallies were held in 2020-2021, and just four in 2021-2022, due to the pandemic.

For the government, one of the most important advantages of the scheme would be the significant pension savings, as there is a large population of ex-servicemen in the country. The government had allocated nearly Rs 1.2 lakh crore for pensions for the Defence Ministry and the armed forces in the current fiscal year, which is about a quarter of the total defence budget of the country, and is larger than the capital acquisition allocation.

According to a calculation, when the plan was proposed two years ago, the comparison of the cost incurred by the government for a soldier with 17 years of Terms of Engagement against a three-year service will lead to a lifetime savings of Rs 11.5 crore for just one soldier. It was expected that "there are likely to be immense financial benefits to the organisation due to reduction in pay and gratuity payouts".

Over the last two years, the armed forces have been trying to create the best possible structure for the scheme. The initial proposal by the Army had mentioned that the idea was to open it up for youths who do not want to make defence services their permanent vocation, but still want to experience the thrill and adventure of military professionalism. https://indianexpress.com/article/india/govt-announces-agnipath-scheme-for-soldier-recruitment-7968882/

11. India to buy additional numbers of Apache and Chinook helicopters to counter China and Pakistan *(defenceview.in)* June 14, 2022

The Indian Government wants to purchase an additional seven Chinook and six Apache helicopters to strengthen its fleet.

In a virtual interview given to The Hindu, Boeing's Vice President said that the Indian Government wants to purchase an additional seven Chinook and six Apache helicopters. He also stated the advantages of the F-18 Super Hornet over Rafale-M.

With the Aircraft Carrier INS Vikrant scheduled to be commissioned on 15 August 2022, the Indian Navy is in urgent need of carrier-capable jets.

The Indian Navy is considering the French Dassault Rafale-M and Boeing F/A-18 E/F Super Hornet for its aircraft carriers.

The Navy has the actual requirement of 57 carrier-based fighters that can operate from both of its carriers – INS Vikramaditya and INS Vikrant.

But later the navy decided to buy 31 of its newly designed indigenous Twin Engine Carrier Based Deck Fighter (which is currently under development and expected to conduct its first flight in 2026). Now the navy will buy 26 fighters either from the USA or France.

The F/A-18 E/F Super Hornet fighter jet has distinct advantages in terms of capability over the competitor French Rafale-M jet to operate from the Indian Navy's aircraft carriers. India is also negotiating the purchase of additional Chinook CH-47F(I) Chinook heavy-lift helicopters and

AH-64E Apache attack helicopters, according to Torbjorn (Turbo) Sjogren, vice president of, International Government and Defence, Boeing.

“One thing we’re very confident about is the capability that readiness and the proficiency of the product. The F/A-18 and F/A-18F can operate off Indian aircraft carriers. That’s a clear discriminator we’ve got over the French,” Mr. Turbo said in a virtual interview to The Hindu, pointing out that the twin seater trainer variant of the Rafale-M cannot operate from carriers and would be sitting on the ground. The number of trainer aircraft within the deal is not an insignificant number, he noted.

Two Boeing F/A-18 Super Hornets were there in Goa last month to show their capabilities and suitability to operate from Indian Navy Aircraft Carriers. They demonstrated their ability on the Indian Navy’s Shore Based Test Facility located at Naval Air Station INS Hansa in Goa. The French Rafale-M carried out similar demonstration earlier this year.

Indian Air Force operates 22 AH-64E Apache Guardian and 15 Chinook Heavy-lift Military Cargo Helicopters which were purchased from Boeing through the Foreign Military Sales Programme of the United States Government under a 3 billion USD deal in September 2015.

India signed a deal for additional numbers of Apaches in February 2020. These new Apaches will be operated by the Indian Army.

On a discussion on another deal, Mr. Turbo said “The Indian Army is looking for more Apaches and Indian Air Force is looking for more Chinooks.”

Talking about the large numbers of Boeing Products used by the Indian Armed Forces, Mr. Turbo said, “The performance of our products, and the teams that support our products, I think, is instrumental in terms of those campaigns going forward.”

He further stated that, the size of the Indian Aircraft Carrier, the logistics of the aircraft, in terms of how many aircraft and how to move the aircraft on the carrier, there are challenges. But our team in Bangalore has solved the problem.

How Boeing products are boosting Indian Military Power?

Currently, India uses several different types of advanced weapons manufactured by the Boeing Company. Examples include C-17 Globemaster III Strategic Military Transport Aircraft, P-8I Poseidon Maritime patrol and submarine hunter aircraft, AH-64E Apache Guardian Attack Helicopter and CH-47 Chinook Heavy-lift Military Cargo Helicopter.

The AH-64 Apache is extremely helpful for the Indian Air Force and Indian Army in the Tank destroyer role, each apache gunship is equipped with 16 Hellfire Anti Tank Guided Missiles. Enough to completely destroy enemy armored vehicles.

The CH-47 Chinook is an advanced multi-mission helicopter that is providing the Indian Air Force with excellent strategic airlift capability while performing different types of missions. The Indian Air Force has used Chinook in the lifting and transportation of various military equipments such as armoured vehicles and the M-777 Howitzer. Chinook’s ability to work at high altitudes has been very helpful for the IAF, the aircraft can easily be used in areas such as

Siachen Glacier and Ladakh. In these high altitude areas, Chinook is used to assist Indian forces deployed at the Indian borders with China and Pakistan.

Other Boeing products such as the Submarine Hunter P-8 Poseidon and C-17 Globemaster III are also helpful for the Indian Armed Forces in detection and destruction of enemy submarines and the transportation of large military equipments and supplies to the battlefield respectively. https://www.defenceview.in/india-to-buy-additional-numbers-of-apache-and-chinook-helicopters-to-counter-china-and-pakistan/

12. The way forward on 5G *(indianexpress.com)* Updated: June 14, 2022

In January, "telecom neutrals" among others heaved a collective sigh of relief when the government, driven to the edge of the precipice, announced a rescue package that allowed breathing space for some telecom companies (telcos). Vodafone Idea (Vi) got a respite in the form of government equity against spectrum and licensee fee dues. Airtel breathed easy on account of easier and longer payment terms, while Jio and BSNL were largely unaffected for opposite reasons. For Jio, the dues were an insignificant share of their expanding balance sheet while for BSNL the toll was only on paper. BSNL has largely become redundant to the narrative of preserving competition in the sector, the chief inspiration for the rescue package. Imagine, to borrow from John Lennon, if there was no Vi, subscribers would be at the mercy of a virtual duopoly. Not a pretty sight when just a few years ago we boasted of a hypercompetitive market with the lowest tariff in the world when the dominant narrative was the need for consolidation.

In 1994, the task was much easier — trying to save the sector from the dominance and abuse of a public sector monopoly that operated largely on fulfilling the demands of the elite rather than the public. The irony of a public sector monopoly serving the elite was largely lost since the public sector was commonly accepted as an instrument of state patronage in India's dirigiste political economy. In the following years, the combined forces of technology and deregulation helped break the shackles of public sector dominance despite the latter's stiff resistance. How does one break the monopoly of the private sector that embraces cutting-edge technology and has established its dominance, arguably through the market rather than administrative fiat? Admittedly, it is much harder this time, because neither deregulation nor technology is available today as tools to boost competition. Only redesigning policy will help. But, that as we argue, will require dollops of political will.

Let us begin by asserting that a competitive telecom sector is fundamental to realising India's digital ambitions. That cannot be accomplished by a sector dominated by a duopoly, always vulnerable to cartelisation, let alone a monopoly. Serious competition needs at least three, if not more, strong and spirited national operators that compete on all aspects of network quality, package availability and service innovation. Monopolies have no incentive to innovate. Competition will guarantee that operators find it attractive to invest in network infrastructure upgradation and offer consumers a wide range of innovative service options.

Competition, however, cannot be willed into the sector. It needs careful nurturing, assiduous fostering and regulatory neutrality. Neither of these features has been available in sustained measure. It has been a case of here today, gone tomorrow. Regulatory uncertainty, henceforth, will be even more catastrophic than ever before. The imminent 5G networks demand massive investment and sophistication of operations. This will not be achieved unless the playing field is level across the relevant operators and honest incentives are provided to operators to embrace new technology.

The near-death of competition signalled by the incipient exit of Vi late last year pushed the Department of Telecommunications (DoT) to announce steps to prevent the premature exit of a sagging operator. It is another story whether the cause was regulatory or market ineptitude or perhaps a combination. Alas, one will never know, but DoT in its wisdom decided it was time to preserve competition. As a part of its support package for the telecom sector, in October 2021, it dispensed with the requirement of performance bank guarantees required earlier as security, increased the tenure of spectrum holding from 20 to 30 years, allowed for the surrender of the unutilised or underutilised spectrum after 10 years and most importantly removed the levy of spectrum usage charges. In addition, the government acquired a 35 per cent stake in Vi in lieu of the dues that the operator owed it.

Preserving numbers is, however, not the same thing as promoting and more importantly nourishing competition. While the package may have prevented the exit of Vi from the market, to embed competition within the sector, structural changes are necessary. In this context, revisiting the spectrum assignment regime is perhaps crucial. There is not an iota of doubt that spectrum auctions have served India well in the past due to the acrimonious political economy associated with administrative spectrum assignment, including the ill-conceived and botched-up First Come First Serve (FCFS) method. Auctions allowed for transparent assignment and served as a revenue-generating tool for the government. Revenue generation, however, was seen only through the lens of spectrum sold but not the opportunity cost of unsold spectrum due to high reserve prices. As we speak, only three serious telcos are remaining and it is highly unlikely that any other player would want to enter at this stage. The auction regime worked well when demand exceeded supply, but if there is an adequate quantity of spectrum for everyone, that constraint would not exist.

Administrative assignments can thus be considered once again. The wisdom of past experience and the egregious fallout of FCFS mode of assignment undoubtedly had a bruising impact on the collective consciousness in the government to the extent that such malfeasance will not risk being repeated. At the same time, an administrative assignment will include the possibility that all spectrum can be assigned at reasonable prices and in the process, a grand bargain can be struck with telecom operators.

There is an ongoing debate between the regulator, TRAI and the Digital Communications Commission (DCC) on whether 5G spectrum should be assigned to companies like TCS, Amazon and Google, among others, for their private enterprise business. Naturally, telcos (and the DCC) are opposed to this but were it to occur the move would impact both the business model of operators and the discovered price in an auction. In a dynamic market such as telecom, operators have always faced and will continue to meet market uncertainty. Recall that in 2014, the emergence of Over the Top (OTT) players damaged the business model of telecom licensees by making all calls and messaging virtually free. 5G spectrum assignment for enterprises would likewise adversely affect the business model of telcos. But there will be enterprises that telcos could serve that are not large enough to purchase 5G spectrum. A grand bargain that allows enterprises to buy 5G spectrum while assigning spectrum to the existing telcos through the administrative route will also serve the revenue needs of the government. Indeed, one could argue that if all spectrum is assigned, direct revenue collections could be higher compared to the auction route, in which spectrum risks being unsold. In addition, a competitive telecom sector would be an indirect source of tax revenue as well.

This is an opportunity to also signal to the public sector operator that 5G business is outside the range of its capability set (for a host of reasons linked to processes, incentives and legacy)

and hence like Air India it needs to be privatised in the fullness of time. Its asset stock is worth thousands of crores, but the same cannot be said of its revenue flows. As we said earlier, these are difficult decisions and will need much more political will than in 1994. Happily, the payoffs are also likely to be an order of magnitude higher. For the right set of decisions of course. https://indianexpress.com/article/opinion/columns/rajat-kathuria-and-mansi-kedia-write-way-forward-5g-vodafone-idea-bsnl-jio-7968029/

13. Reviving the gasping scheme *(millenniumpost.in)* 13 June 2022

A thorough relook of the ailing Central Government Health Scheme is needed to ensure its effective implementation in the interest of intended beneficiaries

The logo on the blazers of probationers of Indian Forest Service reads, 'Mens sana in corpore sano.' It means 'healthy mind inside a healthy body'. Such logos reflect the commitment and motivational approach ruling governments and corporates all over the world use to promote efficiency among their employees. In India, the Central Government Health Scheme (CGHS) is one of the best employee-oriented welfare schemes devised by the government post-independence. The scheme was introduced in 1954 and, as on today, covers 40,73,638 beneficiaries — comprising 25, 14,937 serving and 15,35,788 pensioners. The scheme is applicable to all Central government employees and pensioners including All-India Service officers/pensioners, current and former Parliament Members, Governors and Lt. Governors, a few selected autonomous organisations and a few Journalists approved by the Press Information Bureau.

This writer has been monitoring its implementation from close quarters and knows for sure what ails this unique health care scheme. The trigger to write this article is the recent meeting held by the empanelled private hospitals and diagnostic centres in which they warned the government to clear their bills totalling more than Rs 1,000 crore.

At the dispensary level, overall satisfaction among patients is of average level. The scheme has, however, become patient friendly after prescriptions writing and registrations were made online as it allows the patient to approach any dispensary anywhere in the country. One of the reasons behind poor patient perception is the shortage of doctors and staff. At the same time, the number of cashless beneficiaries in the form of pensioners is increasing every single month. So, each day the pressure of patients is increasing. Several staff engaged on contract after retirement lack sympathy and are not well trained in welfare activities. The Chief Medical Officers are by and large well-behaved but aloof to patient welfare. They are also under strain due to infrastructure bottlenecks.

But the real problem is at the headquarters level in Delhi and regional offices. Due to the way the scheme is implemented, it is tottering and gasping to survive, thanks to the incompetence and utter negligence by those officers and doctors who are in charge to monitor and supervise it. Several doctors, who are managing the scheme, find it quite enjoyable to trap it in the vicious circle of never-ending bureaucratic red tape. The senior civil servants responsible for its supervision are equally accountable for its pitiable condition. The political class gets VIP treatment while in power and all shades of Babus or file-pusher clerks fail to understand that they will soon join the pensioners and feel the heat. A few years ago, the Ministry of health and family welfare had sought suggestions to improve the scheme but most of the recommendations have been consigned in the dustbins. This writer, on the request of a large number of people, has recently written to the Prime Minister and the Health Minister, requesting them to take actions to rejuvenate the scheme.

Health Minister Mansukh Mandaviya has the reputation of setting things right and his Director-General for the CGHS scheme needs to take remedial action on a priority basis. The foremost requirement is to make arrangements for sufficient budget and clear the dues of the private hospitals timely. One of the reasons for delay in payment is that when the funds are surrendered, the next year's budget is reduced. Those who are responsible for delay never get punished and this is the biggest drawback at the Central secretariat offices. Second, the empanelment process needs a relook from its beaten path of lowest tenders. Innovative efforts need to be made to meet the challenges in the implementation of welfare schemes. The unscrupulous hospitals quote very low and unsustainable rates due to competition, and then find it difficult to deliver. The empanelment of private hospitals should be based on marketable but sustainable rates. As far as allowing a particular medicine is concerned, it should be based on scientific facts and not on the whims and fancies of the Director of CGHS and the wellness centre doctors who misuse their power quite often and thus play with the lives of the patients. Third issue is the need to reduce the paperwork and running to and fro from wellness centres to specialists. Ideally, each patient should be allowed a minimum number of times in a year to directly approach the empanelled hospitals in chronic diseases as in emergency situations. Fourth, to meet the shortage of manpower, either more posts of physicians and specialists should be created or private doctors and specialists should be hired. The Ministry should also review the suggestions received by it a few years ago. In nutshell, the scheme needs a thorough relook to meet the aspirations of its beneficiaries. http://www.millenniumpost.in/opinion/reviving-the-gasping-scheme-481886

14. Air pollution reducing life expectancy in India by 5 years: Study *(hindustantimes.com)* Jun 14, 2022

Air pollution is the greatest threat to human health in India reducing life expectancy by five years with Delhi, the most polluted state, standing to gain it by 10 years on average if annual average pollution levels did not exceed five micrograms per cubic metres, according to Energy Policy Institute at the University of Chicago (EPIC)’s Air Quality Life Index (AQLI) released on Tuesday. In contrast, child and maternal malnutrition reduces average life expectancy by about 1.8 years and smoking by 1.5 years, it said.

Delhi was also the most polluted state with around 9.7 years of life expectancy lost on average as per AQLI’s analysis last year based on the old revised World Health Organisation (WHO) target of 10 micrograms per cubic metre for reducing the burden of disease. As per this year’s analysis, Uttar Pradesh, Bihar, Haryana and Tripura are among the top five polluted states, which stand to gain the most in life expectancy if the pollution levels are met.

Globally, India is the second most polluted country preceded by Bangladesh, where life expectancy reduced by 6.9 years in 2020 due to poor air and followed by Nepal (4.1 years), Pakistan (3.8 years) and the Democratic Republic of Congo (2.9 years).

The AQLI found that particulate air pollution takes 2.2 years off global average life expectancy, or a combined 17 billion life years. The impact on life expectancy is comparable to that of smoking, more than three times that of alcohol use and unsafe water, six times that of HIV/AIDS, and 89 times that of conflict and terrorism, the analysis said.

“It would be a global emergency if Martians came to Earth and sprayed a substance that caused the average person on the planet to lose more than two years of life expectancy. This is similar to the situation that prevails in many parts of the world, except we are spraying the substance,

not some invaders from outer space," said Milton Friedman Distinguished Service Professor in Economics Michael Greenstone, the AQLI's creator along with his colleagues at the EPIC. "Fortunately, history teaches us that it does not need to be this way. In many places around the planet, like the United States, strong policies, supported by an equally strong willingness for change, have succeeded in reducing air pollution."

All of India's 1.3 billion people live in areas, where the annual average particulate pollution level exceeds the WHO limit. Over 63% of the population lives in areas that exceed the country's own national annual air quality standard of 40 micrograms per cubic metre, the analysis found.

Since 1998, average annual particulate pollution has increased by 61.4%, leading to a further reduction in average life expectancy of 2.1 years. About 44% of the world's increase in pollution has come from India since 2013.

In the Indo-Gangetic plains, 510 million residents, nearly 40% of India's population, are on track to lose 7.6 years of life expectancy on average, if current pollution levels persist. Residents of Lucknow stand to lose 9.5 years of life expectancy if pollution levels persist.

AQLI translates particulate air pollution into its impact on life expectancy. It quantifies the causal relationship between long-term human exposure to air pollution and life expectancy.

For its fresh analysis, the AQLI team used air pollution data from 2020 when Covid-19-related restrictions were imposed globally. "According to new and revised satellite-derived PM2.5 data, the global population weighted-average PM2.5 level declined slightly between 2019 and 2020, from 27.7 to 27.5 micrograms per cubic metres — more than five times the WHO's revised guideline of 5 micrograms per cubic metres—despite a rapid slowdown in economic activities across the globe. In fact, global particulate pollution concentrations today are roughly the same as they were in 2003," the analysis said.

AQLI Director Christa Hasenkopf said this shows that air pollution is a very stubborn problem which requires consistent and strong action.

South Asia bears the highest burden of air pollution. India, Pakistan, Bangladesh, and Nepal remain among the top five most polluted countries in the world. South Asia accounts for more than half, 52%, of the expected lost life years globally due to high pollution. In each of these countries, the impact of air pollution on life expectancy is substantially higher than that of other large health threats.

The average resident of the four countries is exposed to particulate pollution levels that are 47% higher than at the turn of the century. If pollution levels in 2000 remained constant over time, the residents in these countries would be on track to lose 3.3 years of life expectancy.

India globally faces the highest health burden of air pollution due to its high particulate pollution concentrations and large population. The particulate pollution levels have increased from 53 micrograms per cubic metre in 2013 to 56 micrograms per cubic metre today—roughly 11 times higher than the WHO limit.

China stands to lose 2.5 years of life expectancy but it has also gained two years due to the reduction in pollution levels since 2013. China's pollution has been decreasing since the

country began a “war against pollution” in 2014. This decline continued through 2020, with pollution levels down 39.6% compared to 2013, the analysis said. Due to these improvements, the average Chinese citizen can expect to live two years longer, provided the reductions are sustained. Beijing recorded the largest decline in air pollution between 2013 and 2020, with PM2.5 levels falling from 85 to 38 micrograms per cubic metre in just seven years—a 55% decline. From 2019 to 2020, Beijing’s pollution fell by 8.7. https://www.hindustantimes.com/india-news/air-pollution-greatest-threat-to-health-in-india-university-of-chicago-analysis-101655179269165.html

15. Over 50 crore north Indians on track to lose 7.6 years of life if current pollution levels persist, says study *(moneycontrol.com)* JUN 14 2022

Energy Policy Institute at the University of Chicago (EPIC)'s Air Quality Life Index said about 44 percent of the world's increase in pollution has come from India since 2013. Since 1998, India's average annual particulate pollution has increased by 61.4 percent, it added.

About 51 crore people living in north India are on track to lose 7.6 years of their life if the current air pollution levels persist, says a study, calls pollution the greatest threat to human health in the country.

Energy Policy Institute at the University of Chicago (EPIC)'s Air Quality Life Index said about 44 percent of the world's increase in pollution has come from India since 2013. Since 1998, India's average annual particulate pollution has increased by 61.4 percent, it added.

As per Air Quality Life Index's (AQLI) new analysis, air pollution shortens average Indian life expectancy by five years, and in the Indo-Gangetic plains of northern India, 510 million residents, nearly 40 percent of the country's population, are on track to lose 7.6 years of life expectancy on average if current pollution levels persist. India is the world's second most polluted country after Bangladesh.

While some areas of the country are much worse than average, the air pollution is shortening lives by almost 10 years in the National Capital Territory of Delhi, the most polluted city in the world, as per the study.

The analysis said Delhi stands to gain life expectancy by 10 years on average if annual average pollution levels do not exceed five micrograms per cubic metres. It said all of India's 1.3 billion people live in areas where the annual average particulate pollution level exceeds the WHO guideline.

More than 63 percent of the population live in areas that exceed the country's own national air quality standard of 40 g/m3. Measured in terms of life expectancy, particulate pollution is the greatest threat to human health in India, reducing life expectancy by 5 years, the study said.

In contrast, child and maternal malnutrition reduces average life expectancy by about 1.8 years, while smoking reduces the average life expectancy by 1.5 years, it added.

Globally, the AQLI found that particulate air pollution takes 2.2 years off global average life expectancy, or a combined 17 billion life years, relative to a world that met the WHO guideline (5 g/m3).

This impact on life expectancy is comparable to that of smoking, more than three times that of alcohol use and unsafe water, six times that of HIV/AIDS, and 89 times that of conflict and terrorism, as per the analysis.

In no region of the world is the deadly impact of pollution more visible than in South Asia, where over half of the life burden of pollution occurs. Residents there are expected to lose about five years of their lives on average if the current high levels of pollution persist, and more in the most polluted regions, it noted. https://www.moneycontrol.com/news/india/over-50-crore-north-indians-on-track-to-lose-7-6-years-of-life-if-current-pollution-levels-persist-says-study-8684211.html

16. Making MGNREGS climate-proof *(telanganatoday.com)* JUN 14 2022

Catering to the needs of millions of people in the country, the Mahatma Gandhi National Rural Employment Generation Scheme (MGNREGS) is one of India's flagship social protection programmes. It is the largest labour guarantee scheme in the world, offering 100 days of paid labour to every rural household. The origin of the scheme comes from the National Rural Employment Guarantee Act of 2005 which came into effect in 2006. It is the first programme that is backed by a statute. Not only does it serve as a social security net for the marginalised and vulnerable population of the country, but it also provides them guaranteed employment and income resilience.

The majority of the job-seekers under MGNREGS are from the most climate-vulnerable areas. The aim is to build household resilience to climate change so as to enable them to deal with risks and challenges. As per IPCC 2014, the most adversely affected by climate change are the rural poor in developing countries. In the past few years, the focus has revolved around the stakes in rural development and the impact of lurking climate change. Numerous policy changes and focused interventions on targeted groups have been designed to reduce the loss of lives, livestock and livelihoods due to climate change.

A Lifeline

Climate change can be triggered by any event such as increase in sea levels, rise in temperatures and sporadic changes in weather or glacial meltdown. In the event of such occurrences, the people living on the margins are the worst hit. It is evident that in many States the scheme has been able to deliver increased investment in water conservation infrastructure and availability of water for irrigation, leading to increased production in agriculture and ultimately livelihoods. Though MGNREGS guarantees 100 days of employment in rural areas to every household where adult members volunteer to do unskilled labour, in drought-prone areas, the households can demand 150 days of work.

There are five capital assets that lead to building sustainable livelihoods: natural, physical, human, social and financial. Under MGNREGS, there are 262 permissible works of which 182 are associated with natural resource management and 80 with non-natural resource management. For FY22, the allocation stood at Rs 1,31,519.08 crore.

The Act stands out as it brings together right-based entitlements and demand-driven employment. As of 2022, the number of job cards issued stood at 16.17 crore which proves that a large number of people sought employment under the scheme. During the pandemic, the scheme proved to be a lifeline for the rural poor. It facilitates the creation of rural infrastructure

and agricultural activities, thus ensuring long-term livelihood support for the masses. However, climate change has threatened the reversal of these developmental interventions.

Right Mapping

It is high time that mapping of social protection instruments with climate risk management instruments was done to address the issue of poverty in the context of climate change. Sensitivity to climate change hazards needs to be inculcated. By sensitivity, one means the degree to which a community, eco-system or economy is affected by climate hazards. Various enabling or disabling factors may include household-level income, assets, governance and socio-economic factors such as caste, religion, gender, ethnicity and nativity.

Diverse local needs have to be taken into cognisance. This also pertains to, and at the same time, strengthens the 'decentralisation' or 'bottom-up approach' that incorporates the key elements of the Act. The basic architecture of the Act enables panchayats or village councils to be the central authority to implement and monitor its activities. Community ownership is further built by engaging the local people in the listing of prioritisation of works along with the focus on climate change adaptation that may eventually bring in effective and responsive climate support.

Field experience has shown that at the gram panchayat level, the functionaries are now aware of the climate change threats and are able to come up with local level suggestions and ideas for mitigating the same. They are able to prioritise the works in the Gram Panchayat Development Plan and address the concerns. They give priority to water harvesting, drought-proofing and flood protection activities. Eco-restoration has also been evidenced in many hinterlands. Locally available cost-effective means to deal with climate risks are being taken note of. Micro-irrigation projects, construction of check-dams, desilting of ponds, restoration of canals, etc, are some of the works that not only mitigate the risks but also provide immense opportunities for drawing wages under the scheme.

Key Step

MGNREGA has already made a major contribution to resilience but requires improvements in governance and state capacity to maximise its contribution. Convergence is key. Converging MNREGA with other interventions that support climate risk management can help programme implementers spread the financial and delivery costs of resilience activities. Moreover, focused studies are required to address climate change risks and their impacts.

A key message that needs to be propagated under IEC (information, education & communication) in the programme is that the target groups should know that MGNREGA works to address the climate change vulnerability and protects the farmers from such risks apart from conserving natural resources. Though the programme is not designed exclusively for dealing with climate change, the underpinnings cater to the same on a larger scale.

Nevertheless, there remains a critical prerequisite for actionable policy strategies that can safeguard support for vulnerable and marginalised groups at the macro level not only by 'mainstreaming' new initiatives of climate support into existing development discourse but also in the designing of approaches to confront challenges and threats.

Climate resilience can be achieved by integrating climatic information, adopting low-carbon intensive technologies and building infrastructure that is resilient in nature. In the times to come, all stakeholders, be it government or non-government, need to come together to usher in changes at the grassroots level. https://telanganatoday.com/opinion-making-mgnregs-climate-proof

17. Lessons from Namibia: Does India's gender budget need an overhaul? *(orfonline.org)* JUN 14 2022

The government needs to adopt a more nuanced gender-responsive budgeting to deal with gender inequality in India.

Gender-responsive budgeting was first introduced in 2001 in India. In 2003, the Government of India suggested that all ministries and departments include a section on gender issues in their respective annual reports. In 2004, an expert group was set to classify government transactions and "to examine the feasibility of and suggest the general approach to gender budgeting". By 1 January 2005, all departments and ministries were instructed to form gender budgeting cells as per the Department of Economic Affairs, Ministry of Finance guidelines.

In 2005, the Ministry of Finance issued its first note on gender budgeting under the annual budget circular. The gender budget statement in India comprises two parts:

Part A of the budget comprises women-specific schemes, which provide 100 percent allocation for women (schemes such as Poshan 2.0).
Part B of the budget comprises pro-women schemes which provide at least 30 percent to 99 percent of the allocation for women (such as Samagra Shiksha).

Later, the Department of Expenditure, Ministry of Finance laid out guidelines for Gender Budget Cells (GBC) highlighting its functions on 8 March 2007. A gender budgeting scheme was launched to facilitate capacity building and support research, to encourage planning, formulation of budgets and implementation procedures with a gender lens, allowing state governments and government agencies to use this scheme. Later in 2013, a set of guidelines highlighting a road map towards institutionalising gender budgeting was issued to all states.

The much-awaited gender budget, in 2022, too declined marginally this year from 4.4 percent in 2021 to 4.3 percent of the total union budget.

Until 2015–16, 56 ministries and departments have set up gender budgeting cells but India's gender budget has been below 5 percent for the last five years. The much-awaited gender budget, in 2022, too declined marginally this year from 4.4 percent in 2021 to 4.3 percent of the total union budget. Though the budget has increased in absolute numbers, it has decreased as the total of the union budget. In 2021, the amount for gender budget allocated was US$ 19.7 billion, this has seen an increase of 11 percent to US$ 22.05 billion. Furthermore, Part A of the scheme which focuses on women-specific schemes has been allotted US$ 3.45 billion, leading to an increase of 6 percent, as compared to the last year's US$ 3.25 billion. Part B of the scheme, which consists of pro-women schemes, which have a primary focus on women, has been allocated 84 percent of the total gender budget at US$ 18.6 billion, this section of the budget has seen an increase of 12 percent from US$ 16.6 billion. In 2020, the pre-pandemic gender budget was 4.72 percent of the union budget.

The pandemic has brought out greater fault lines in the society, clarifying that even though women account for 48 percent of the population in the country, they continue to bear the brunt of the pandemic. However, areas such as digital literacy, skill training, and domestic violence against women, only received 2 percent of the budget.

Lessons from Namibia

Namibia, a Sub-Saharan country ranked sixth in the World Economic Forum's Global Gender Index 2021 report, followed by Rwanda, making them the only two African countries to have made to the list of top 10 countries. Although India ranks 131 in HDI (Human Development Index) and Namibia at 130, Namibia has 91.7 percent of legal frameworks that promote, enforce, and monitor gender equality under the SDG indicator as compared to 83.3 percent in India.

Post-Independence from South Africa in 1990, the Government of Namibia, in1997, adopted the National Gender Policy (NGP) and National Plan of Action (NPAC), in order to address inequalities in men and women which was approved in 1998. The Namibian government has come a long way and has created gender cells in every O/M/A (Offices/Ministries/Agencies) since it launched the National Gender Policy (2010-2020) and National Plan of Action (NPAC) policy. In 2014-15, there was a significant increase in the number of women in the Parliament—it increased from 25 percent to 47 percent. Additionally, politicians were trained in gender sensitivity; parliamentary debates from a gender perspective increased; and the Namibian government granted NAD$5.4 billion to Gender Responsive Budgeting (equivalent to 9.2 percent of the total budget) for its annual budget in 2022.

The Namibian government has come a long way and has created gender cells in every O/M/A (Offices/Ministries/Agencies) since it launched the National Gender Policy (2010-2020) and National Plan of Action (NPAC) policy.

In 2015, the Ministry of Gender Equality and Child Welfare (MGECW) of Namibia came out with a set of Gender Responsive Budgeting (GRB) Guidelines. These guidelines highlight the current gender inequity challenges that Namibia faces, this includes: teenage pregnancies, gender-based violence, high poverty levels, especially amongst young women and insufficient funding for gender programmes. The guidelines also enlist policy solutions to effectively address the challenges, such as adopting gender-specific expenditures that promote gender equality in public services, conducting gender budget analysis, and developing gender-responsive budgeting tracking tools for the parliament.

Approaches to Gender Responsive Budgeting in Namibia

There are two key GRB approaches followed in Namibia:

The three-category expenditure approach:

-Gender-specific expenditures: Allocations to programmes that specifically target groups of women, men, girls, and boys. These include expenditure on maternal health, girls' education, micro-credit, and income generation activities for women.

-Expenditures that promote gender equity in public service: This comprises allocations to equal employment opportunities in government departments and authorities.

-General or mainstream expenditure: The focus of this category is on the differential impact on women, men, girls, and boys. It covers all expenditures, which the above two categories do not include. It consists of expenditures on education, health, infrastructure, mining, security, and defence.

The five-step approach to gender-responsive budgeting

A situation analysis of women and men, girls and boys:
This analyses the gender needs and uses them to plan, and design programmes.

Gender analyses of policy framework: This step examines policies, plans, and programmes to determine if they address the needs of groups identified in the first step.

Gender analysis of the budget: It involves the analysis of the required revenue and expenditures, in line with the policy objectives and priority needs of target groups.
Monitoring budget implementation: It involves taking measures that spending is done as per the planned budget.

Assessing the gender impact of policy and associated budget: This is the evaluation stage where the impact is examined and is mandatory to understand if the objectives are meeting the needs of the targeted groups.

Measures can be taken by the MWCD to devise a framework that ensures planning, coordinating, monitoring and evaluating the progress of initiatives and assessing whether the objectives are being met or not.

As per NDP (National Development Plan) 5, 2017–2022 the government plans to incorporate GRB guidelines in all O/M/As. The coordination mechanism for implementation of NGP has become functional, MGECW plans to reduce GBV (Gender-Based Violence) from 33 percent in 2015 to 20 percent. Furthermore, 10 of Namibia's O/M/As have analysed their budgets through a gender lens, which comprises about 70 percent of the total budget allocation. This analysis revealed that nine out of 10 O/M/As are implementing GRB.

Gender inequality continues to be a major roadblock to India's development. It needs to follow a nuanced approach that addresses the needs and challenges of vulnerable groups at present and in future by mainstreaming GRB and drawing lessons from Namibia's policy initiatives. Measures can be taken by the MWCD to devise a framework that ensures planning, coordinating, monitoring and evaluating the progress of initiatives and assessing whether the objectives are being met or not. Administrations across the country must train personnel on gender sensitivity, resources that facilitate income generation, and allocation of funds. Participation and coordination amongst ministries at all levels must be initiated to attain inclusive and sustainable development. https://www.orfonline.org/expert-speak/lessons-from-namibia/

18. Several MPLAD funds disbursed after disaster events have been misappropriated: Bengal MP *(downtoearth.org.in)* 13 June 2022

Complete utilisation certificates of funds provided 18 years back after tsunami not submitted yet

The number of extreme weather events are on the rise in India due to surging climate change; and so are allegations about misappropriation of funds allotted from Member of Parliament Local Area Development (MPLAD) to combat those disasters.

Several irregularities in the utilisation of funds disbursed under the MPLAD programme were highlighted by an MPLAD committee member during a recent meeting held in Delhi according to information available with this reporter; with a few others supporting the allegation.

The committee, made for fund monitoring of Rajya Sabha members, has 10 members, with representatives from most major political parties.

According to sources, Trinamool Congress Rajya Sabha MP and committee member Santanu Sen pointed out a number of anomalies with MPLAD fund utilisation during the meeting.

He presented documentary evidence stating that the complete utilisation certificates of funds disbursed to combat natural disasters which had happened several years back, have still not been submitted.

Sen complained that even the complete utilisation certificate of about Rs 31.36 crore sent to Kerala, Tamil Nādu, Andhra Pradesh, Puducherry and Andaman and Nicobar after the Indian Ocean tsunami in 2004, 18 years back, had not been submitted.

Similarly, the certificate of about Rs 10.72 crore given to Bihar after the Kosi flood of 2008 has not been given.

He added that there was no certificate yet for Rs 16 crore of Rs 58.69 crore allotted to Uttarakhand after the mega disaster in 2013 that killed thousands.

"I cannot say anything in public. I have told what was needed to be told in the committee meeting," Sen said, when asked about his complaints.

Committee Chairman and Deputy Chairman of Rajya Sabha, Harivansh Narayan Singh has asked the officials of the Union Ministry of Statistics and Plan Implementation to respond to the raised anomalies and sort out the issues.

"I am not supposed to discuss the proceedings of the meeting in the open," Singh told this reporter.

SR Balasubramoniyan, an AIADMK Rajya Sabha MP from Tamil Nadu and member of the committee, also did not want to divulge anything on the issue. "Please ask the other members," Akhilesh Prasad Singh, a Congress MP from Bihar, said.

Most of the members contacted — this reporter could connect with five out of 10 — did not want to be quoted. But the majority, in private, accepted that the issue was discussed at length.

Anomalies seem to have become a rule in MPLAD as similar mismatches are evident in one extreme weather event after another, be it Phailin in Odisha during 2013, Hudhud in 2014 or the Kerala floods in 2018.

“This is not a major issue. There may be some procedural lapses; I hope the officials will sort out the issue soon,” a senior committee member said on the condition of anonymity.

“I can clearly remember that we, Rajya Sabha MPs, were officially asked by the government to provide money from our MPLAD fund during disasters in Tamil Nadu, Andhra Pradesh and Puducherry. But we never received any utilisation certificate against the fund provided,” Pradip Bhattacharya, Congress MP from Rajya Sabha told this reporter; claiming that “the practice is a signal of corrupt practices”. https://www.downtoearth.org.in/news/natural-disasters/several-mplad-funds-disbursed-after-disaster-events-have-been-misappropriated-bengal-mp-83262

19. Mumbai: PIL in HC as BMC’s Borivli flyover cost spikes 50% *(timesofindia.indiatimes.com)* June 14, 2022

MUMBAI: Borivli’s proposed flyover in Kora Kendra is in the eye of the storm yet again as project cost has now escalated by 50%, and the stretch has been extended without inviting fresh tenders. The BMC, which awarded the contract for the flyover to the family members of a blacklisted contractor, has been dragged to court by a social worker.

In his public interest litigation, Vicky Waghmare has asked the court that a competent authority verify the process followed in awarding the tender, or an SIT be roped in to scrutinize the documents and submit a report.

It was in 2018 that the civic body had proposed the flyover measuring around 930 metres in the Kora Kendra area of Borivli connecting the Link Road to SV road. The firm that was awarded the contract for the Rs 121 crore project has familial ties with the blacklisted M/s RPS Infra Project Pvt Ltd. The two, according to the PIL, even run out of the same office address.

The petitioner alleged that as per the BMC’s original etender, the estimated cost of the project was Rs 129 crore for 24 months, “but in 2021, the BMC passed the proposal for the extension of flyover without any e-tender or bid invitation”. “Later, approval was given for the extension of the bridge work, and the cost was revised, enhanced from original tender amount plus an additional cost of Rs 63.2 crore.”

“The original bridge was from Kora Kendra to General Kariappa marg. Then a new bridge was proposed from General Kariappa marg to the Western Express Highway (WEH). But instead of calling for a fresh tender, the BMC approved it as an extension,” alleged the petitioner. Hemant Ghadigainkar and Nikhil Kamble who represent petitioner Waghmare argued the matter before Chief Justice and Justice M S Karnik. The Bombay high court has now asked for an affidavit to be filed by July 12.

BMC officials said that the original Kora Kendra flyover is almost complete and will soon be open for motorists. The flyover connects Link Road to SV Road and is around 937 metres in length and 15 metres in width. The bridge flies over two congested junctions – Kalpana Chawla Chowk and Shyamaprasad Mukherjee Chowk.

BMC officials said the project will enable motorists coming from the Link Road to skip Kora Kendra Junction on SV Road and directly get on the WEH using the two flyovers. The BMC's standing committee had approved the cost escalation for the extended flyover in September 2021. While all political parties had initially opposed cost escalation, the proposal was cleared unopposed when it was placed before the standing committee.

BMC officials said due process was followed. "We will consult the legal department and then respond," said an official, adding that the company which bagged the contract was not blacklisted as per BMC rules. "If an activist has moved court, the BMC must respond. The demand for an SIT is not out of place," said BJP leader Vinod Mishra. https://timesofindia.indiatimes.com/city/mumbai/pil-in-hc-as-bmcs-borivli-flyover-cost-spikes-50/articleshow/92190855.cms

20. Punjab: Rs 2,366 crore power bills pending against govt departments, on top electricity bill defaulter list *(indianexpress.com)* June 14, 2022

The government departments are the major defaulters of electricity bills with Rs 2,366 crore power bills pending against them as of April 2022, according to Punjab State Electricity Board Engineers' Association.

This was apprised to Punjab Finance Minister Harpal Singh Cheema at a meeting on Monday by the association while expressing concern over the poor financial health of the Punjab State Power Corporation Limited (PSPCL).

Subsidy bills of Rs 9,000 crore are also pending against the Punjab government as of date, the association said.

Sharing the details, the association said Rs 1,095 crore power bill is pending against the department of water supply and sanitation, Rs 718 crore against the department of local government, Rs 264 crore and Rs 100 crore are pending against rural development and panchayats, and health and family welfare departments, respectively.

Also, Rs 73 crore, Rs 34 crore and Rs 19 crore have been pending against sewerage board, irrigation department, and home affairs and jails department.

The association said the government should release sufficient amount to the departments for clearing their outstanding electricity bills and the secretary in-charge of the department concerned should ensure that the bills are cleared in a timely manner.

The association suggested to the minister that instruction must be issued to all the government departments to pay their electricity dues, and one-time settlement scheme can be launched for the defaulting departments by PSPCL, said association general secretary Ajay Pal Singh Atwal.

He said the state departments must be encouraged to opt for prepaid metering and to further reduce the electricity bills, all the common departments must opt for solar net metering.

He said that the association, which has qualified engineers, is ready to help the government to streamline things. All these departments come under essential services, so their electricity connections cannot be disconnected, he added.

To provide reliable quality and cheap power to the people of the state, the association suggested to avail of the central scheme under which the Union Power Ministry has launched a revamped distribution sector scheme (RDSS) with the objective of improving the quality and reliability of power supply to consumers through a financially sustainable system. The scheme aims to reduce the Aggregate Technical and Commercial (AT&C) losses like theft and default in payment, among others, significantly.

For Punjab the action plan amounting to Rs 25,237 crore is pending with the state finance department since December 2021 which should be expedited on an urgent basis, otherwise Punjab will lose investment (GOI grant) in power sector, the association informed Cheema. https://indianexpress.com/article/cities/jalandhar/punjab-news-govt-power-bills-electricity-pending-departments-defaulters-list-7968368/lite/