

NEWS ITEMS ON CAG/ AUDIT REPORTS (21.05.2022 to 23.5.2022)

1. भारत के नियंत्रक एवं महालेखा परीक्षक ने किया बरेका का भ्रमण, कहा - 'कीर्तिमान पर मैं गौरवान्वित हूँ' (jagran.com) 21 May 2022

वाराणसी: भारत के नियंत्रक एवं महालेखा परीक्षक गिरीश चन्द्र मुर्मू ने बनारस रेल इंजन कारखाना का दौरा किया। इस अवसर पर बरेका रेलवे सुरक्षा बलों द्वारा गार्ड ऑफ ऑनर दिया गया। वहीं बरेका महाप्रबंधक, अंजली गोयल ने उन्हें पुष्प गुच्छ भेंट कर स्वागत किया।

बरेका प्रशासन भवन के कीर्ति कक्ष में महाप्रबंधक बरेका ने पावर प्वाइंट प्रेजेंटेशन के माध्यम से बरेका एवं उससे जुड़े उत्पादन गतिविधियों के विषय में विस्तारपूर्वक प्रस्तुति दी। भारत के नियंत्रक एवं महालेखा परीक्षक गिरीश चन्द्र मुर्मू व उनके टीम ने बरेका की महाप्रबंधक एवं प्रमुख मुख्य विभागाध्यक्षों के साथ उत्पादन गतिविधियों, बरेका के अन्य कार्यकलापों, चल रही परियोजनाओं एवं भविष्य की योजनाओं पर विस्तृत रूप से चर्चा की। भारत के नियंत्रक एवं महालेखा परीक्षक ने बरेका अधिकारियों को संबोधित करते हुए कहा कि महाप्रबंधक द्वारा बेहतरीन ढंग से दी गयी प्रस्तुति देखकर प्रसन्नता हो रही है और बरेका द्वारा विभिन्न क्षेत्रों में हासिल किए गए कीर्तिमान पर मैं गौरवान्वित हूँ।

बरेका ने कोविड महामारी के बावजूद रिकॉर्ड संख्या में इंजनों का निर्माण किया, जो सराहनीय है। बरेका द्वारा कई अफ्रीकी देशों को लोको निर्यात भी किया गया है। जो भारत की आत्मनिर्भरता को दर्शाता है। यहां के सक्षम इंजीनियर और कर्मचारी लोको की मात्रा और गुणवत्ता में वृद्धि करेंगे। साथ ही उन्होंने जिईएम के माध्यम से सामग्री क्रय करने के दो तरह के लाभ के विषय में बताया - पहला प्रतिस्पर्धी मूल्य और दूसरा स्थानीय रोजगार पैदा करने वाले एमएसएमई को प्रोत्साहित करना।

नियंत्रक एवं महालेखा परीक्षक ने भविष्य की तकनीकी चुनौतियों पर ध्यान देने, आने वाले दिनों में हाइड्रोजन जैसे ऊर्जा के अन्य स्रोत पर विचार करने, माननीय प्रधानमंत्री जी के जीरो एमिशन, भारतीय रेलवे ट्रेनों की औसत गति बढ़ाने, ग्राहकों की शिकायतों को कम करने के लिए प्रौद्योगिकी में बहुत अधिक सटीकता पर ध्यान देने, भविष्य में प्लेटफार्म प्रौद्योगिकी के साथ रोबोटिक्स का उपयोग करने की सलाह दी। भारत सरकार की नीति के अनुसार इलेक्ट्रिक वाहनों के निर्माण को प्रोत्साहित करने, उत्पाद की गुणवत्ता में और सुधार करने, जिससे राष्ट्र निर्माण में मदद मिल सके, पर जोर दिया। आगे उन्होंने कहा कि बरेका प्रमुख औद्योगिक इकाईयों में से एक है। कोविड के दौरान ऑक्सीजन के परिवहन, सूखे क्षेत्रों में पानी की उपलब्धता जैसी आपात स्थितियों में दौरान रेलवे की भूमिका सराहनीय रही है। उन्होंने लोको एसी केबिन को बिजली की आपूर्ति के लिए इंजनों में सौर पैनल फिट करने का सुझाव दिया।

बैठक के उपरांत भारत के नियंत्रक एवं महालेखा परीक्षक महोदय द्वारा बरेका प्रशासन भवन के हर्बल गार्डन में औषधी पौधा रूद्राक्ष का पौधारोपण किया गया। तत्पश्चात् उन्होंने बरेका में चल रहे उत्पादन गतिविधियों की जानकारी हेतु बरेका कर्मशाला का भ्रमण किया। इस दौरान उन्होंने न्यू ब्लॉक शॉप, लोको फ्रेम शॉप, लोको असेम्बली शॉप, स्टोर डिपो में लगे ऑटोमेटिक स्टोरेज रिट्रिवल सिस्टम का गहन निरीक्षण किया।

इस अवसर पर बरेका के प्रमुख विभागाध्यक्ष, वरिष्ठ अधिकारियों के साथ ही महानिदेशक लेखा परीक्षक उत्तर रेलवे आर.के.पाण्डेय, महानिदेशक व सचिव नियंत्रक एवं महालेखा परीक्षक आशुतोष शर्मा, निदेशक(का

मिर्क) विशाल बापुसाहेब देसाई, निदेशक लेखा परीक्षा बरेका राजेन्द्र प्रसाद, उप महालेखाकार इलाहाबाद शाहिल सांगवान, उप महालेखाकार इलाहाबाद अविन्द्र कुमार राय उपस्थित रहे। <https://www.jagran.com/uttar-pradesh/varanasi-city-comptroller-and-auditor-general-of-india-visited-blw-said-i-am-proud-of-the-record-22732064.html>

2. वाराणसी पहुंचे सीएजी: बरेका में किया वर्कशॉप का निरीक्षण, बोले- रेलवे के विकास में अपनाएं आधुनिक तकनीक (amarujala.com) 22 May 2022

भारत के नियंत्रक एवं महालेखा परीक्षक गिरीश चंद्र मुर्मू ने शनिवार को बरेका (बनारस रेल इंजन कारखाना) का दौरा किया। मुर्मू ने बरेका के अधिकारियों को रेल यात्रियों की शिकायतों दूर करने और आधुनिक तकनीक ज्यादा से ज्यादा अपनाने की दी सलाह दी।

बरेका प्रशासन भवन के कीर्ति कक्ष में बरेका की महाप्रबंधक अंजली गोयल ने पावर प्वाइंट प्रेजेंटेशन के माध्यम से बरेका एवं उससे जुड़े उत्पादन गतिविधियों के विषय में विस्तार से प्रस्तुति दी। मुर्मू व उनकी टीम ने बरेका की महाप्रबंधक, विभागाध्यक्षों के साथ उत्पादन गतिविधियों, बरेका की अन्य परियोजनाओं और भविष्य की योजनाओं पर चर्चा की।

अधिकारियों को संबोधित करते हुए मुर्मू ने कहा कि बरेका के अलग अलग क्षेत्रों में हासिल किए गए कीर्तिमान पर मैं गौरवान्वित हूं। उन्होंने कहा, बरेका ने कोरोना महामारी के बावजूद रिकॉर्ड संख्या में इंजनों का निर्माण किया, जो सराहनीय है। कई अफ्रीकी देशों को लोको निर्यात भी किया गया है।

बैठक के बाद मुर्मू ने बरेका प्रशासन भवन के हर्बल गार्डन में रुद्राक्ष का पौधा लगाकर न्यू ब्लॉक शॉप, लोको फ्रेम शॉप, लोको असेंबली शॉप, स्टोर डिपो में लगे ऑटोमेटिक स्टोरेज रिट्रिवल सिस्टम का निरीक्षण किया। इस मौके पर उत्तर रेलवे के महानिदेशक लेखा परीक्षक आरके पांडेय, आशुतोष शर्मा, विशाल बापुसाहेब देसाई, राजेंद्र प्रसाद, शाहिल सांगवान आदि मौजूद रहे।

जेम पोर्टल से खरीद की दी सलाह

बरेका में स्टेशनरी, फर्नीचर और इलेक्ट्रॉनिक उपकरणों की खरीद के लिए जेम पोर्टल के इस्तेमाल की सलाह दी। जहां कम से कम कीमत के उत्पाद के साथ स्थानीय स्तर पर रोजगार पैदा करने वाले लघु एवं सूक्ष्म को उद्योगों को प्रोत्साहन मिलेगा।

प्रौद्योगिकी के साथ रोबोटिक्स का उपयोग करने की जरूरत

नियंत्रक एवं महालेखा परीक्षक ने रेल कर्मियों को भविष्य की तकनीकी चुनौतियों पर ध्यान देने, आने वाले दिनों में हाइड्रोजन जैसे ऊर्जा के अन्य स्रोत पर विचार करने, ट्रेनों की औसत गति बढ़ाने, ग्राहकों की शिकायतों को कम करने के लिए प्रौद्योगिकी में ध्यान देने, भविष्य में प्लेटफार्म प्रौद्योगिकी के साथ रोबोटिक्स का उपयोग करने की सलाह दी। इसके अलावा इलेक्ट्रिक वाहनों के निर्माण को प्रोत्साहित करने, उत्पाद की गुणवत्ता में और सुधार करने पर जोर दिया। <https://www.amarujala.com/uttar-pradesh/varanasi/cag-gc-murmu-varanasi-visit-inspected-workshop-in-bareka-said-adopt-modern-technology-in-development-of-railways?pagelid=1>

3. Crisis in command: Indian military's stocks are running low (deccanherald.com) 22 May 2022

In 1971, India defeated Pakistan to liberate Bangladesh in 13 days. Today, Russia's war on Ukraine is already in its 13th week now. It has upended what had become accepted military wisdom in India about "short and swift wars" being the only future. That belief was ingrained after the 2001 terror attack on Parliament and the 2008 Mumbai terror strikes, leading to what was popularly known as the 'Cold Start' strategy. But that is in the past now.

Air Chief Marshal V R Chaudhuri recently highlighted the "need for us to prepare for short swift wars as well as be ready for a long-drawn standoff akin to what we are seeing in eastern Ladakh." That raises obvious questions. How many days does India expect its military to be prepared to fight a war for? What, for planning purposes, are the government's orders to the military?

India doesn't have a 'National Security Strategy' or a formal 'White Paper' on the subject. The only political direction to the military in existence is the Raksha Mantri's Operational Directive (OD) of 2009. In the eight years that it has been in power, the Modi government has failed to issue a new OD. Senior military officers and bureaucrats say the matter has been hanging fire despite many discussions between the government and the military because any major change in OD could invoke political accountability.

As per former Army Chief Gen. N C Vij, the 2009 directive says, "We should be prepared to fight on both fronts simultaneously a war at 30 days (intense) and 60 days (normal) rates". The intense and normal rates refer to the rate of expenditure of ammunition during war (based on estimates, historical data and technical specs), with intense rates consuming three times the quantity of normal rates. This means, the Indian military needs to be stocked for 40 days of intense warfighting.

This figure sounds excessive, and the stocking of ammo and supplies has never reached that level. Following the 1999 Kargil War, the Army introduced the concept of Minimum Acceptable Risk Level (MARL), a bottom-line requirement of ammo for 20 days of intense warfighting. This is the minimum inescapable ammo requirement to be held for operational preparedness. A stocking level lower than for 10 days is 'critical'. Critical shortages in ammunition were publicly highlighted by CAG reports regularly – until Rajiv Mehrishi as CAG in 2017 decided not to upload such reports.

During the 1965 India-Pakistan war, when the UNSC was pressing for a ceasefire, Lal Bahadur Shastri asked Army Chief Gen. J N Chaudhuri if India could press home its advantage if he delayed accepting the ceasefire. Chaudhuri told the PM that the ammo stocks were too low to sustain conflict, which forced Shastri's hand. It was a miscalculation. It was later ascertained that India had fired only 14% of its ammo stocks while the Pakistani Army had used up close to 80% of its ammo.

Following the 2016 Uri terror strike, which led to the trans-LoC surgical strike, the Modi government woke up to the shortages in ammunition and greater financial powers were delegated to the Army Vice Chief to bring the stocks to above critical level. This was specifically meant for the Pakistan border. "We had an internal discussion and decided to focus on 10 (I) (10 days of intense war) along the western border," the late Gen. Bipin Rawat argued in September 2019, "If we can't win a war with Pakistan in 10 days, there is no point of a war."

But even Gen. Rawat believed that a war with China will be long-drawn, "and hence it is felt that we should prepare for 30 (I)" against China. That is easier said than done. Building up

stocks to that level needs money – to buy ammo, store it, keep it safe and secure, and to replenish stocks as their shelf life expires. Most of the ‘critical’ ammo comes from foreign manufacturers, which means it is expensive, and requires the exchequer’s support.

The exchequer has been stingy when it comes to the defence budget, with a marked decline in defence spending as a percentage of GDP in recent years. A big share of the budget goes towards salaries and pensions of a manpower-intensive force, leaving little for modernisation. The IAF is already down to 30 fighter squadrons against the 42 it needs; the Navy has 130 vessels against the original goal of 200 (later revised down to 170). This is all a direct consequence of the poor state of the Indian economy which has not recovered from the dual shocks of demonetisation and GST. The pandemic and the current geopolitical scenario have only made things worse, further widening the power gap with China.

‘Atmanirbharta’ and ‘Make in India’ chants notwithstanding, it is unlikely that the military will be able to build up stocks for 30-40 days of warfighting anytime soon. Many argue that it would not matter as India has nuclear weapons. “Our nuclear weapons are not for Diwali”, Modi himself had said at an election rally in Pokhara in April 2019, in the wake of the Balakot strike. This is the biggest risk caused by India’s economic decline and poor state of defence preparedness – a lowering of the threshold for thinking of nuclear weapons.

A new USIP report warns that “It is the unpredictable evolution of these dangerous dynamics in combination — India-Pakistan crises, China-India border violence, and resurgent terrorist threats — that should raise concern that inevitable flare-ups could spiral.” Building up the strength of the military, including its stocks, is the way to deter the worst possibilities. During the 1999 Kargil War, then Army Chief Gen. V P Malik was compelled to state, “We will fight with what we have”. That spirit of defiance alone may not be enough to see India through in future wars. <https://www.deccanherald.com/opinion/crisis-in-command-indian-military-s-stocks-are-running-low-1111371.html>

4. No more fare concession for senior citizens on trains (onmanorama.com) 21 May 2022

Chennai: Union Railways Minister Ashwani Vaishnav has stated that the fare concession that was allowed for senior citizens for travelling by train will not be restored. The fare cut was in force for years till the suspension of nationwide train services for two years owing to the COVID-19 pandemic.

Explaining the rationale behind the significant move, the minister said the normal ticket fare itself has a subsidy.

Of every Rs 100 spent on the running cost, only Rs 45 is charged from the passengers, Vaishnav said.

The Railways had given 40 per cent concession in ticket fares for men above 60 years of age and 50 per cent for women above the age of 58 years.

The Railways ran special trains with a fare structure different from the regular one when it resumed passenger services in a phased manner when the COVID-19 cases started to decline. No concessions of any type were allowed. Now, with the resumption of all regular services the conventional fares are in force again.

Meanwhile, the Southern Railway has announced that it would grant more concessions for study tour of students. Schools were not able to hold study tours for the past two years in light of the pandemic.

Railways earns additional Rs 1500 crore from senior citizens Onmanorama

The Railways has generated an additional revenue of over Rs 1,500 crore from senior citizen travellers in two years since March 2020 when the assistance was suspended after the onset of the coronavirus pandemic, an RTI response has found.

In its reply to a Right to Information query filed by Madhya Pradeshbased Chandra Shekhar Gaur, the Railways said that between March 20, 2020 and March 31, 2022, the Railways did not offer concessions to 7.31 crore senior citizen travellers. These included 4.46 crore males over the age of 60, 2.84 crore females over 58 and 8,310 transgender people.

The total revenue from senior citizen travellers during the period is Rs 3,464 crore, which includes an additional Rs 1,500 crore earned due to the suspension of the concession, according to the RTI response.

As for the gender-wise break-up for the overall revenue from senior citizens, the RTI reply said, it was Rs 2,082 crore from male passengers, Rs 1,381 crore from female travellers, and Rs 45.58 lakh from transgenders.

Female senior citizen travellers are eligible for a 50 per cent concession, while male and transgenders can avail 40 per cent in all classes. The minimum age limit for a woman to avail the concession is 58, while it is 60 for a man.

The Railways incurs a huge burden of around Rs 2,000 crore every year due to around 53 types of concessions it offers to various kinds of passengers. The senior citizen concession amounts to around 80 per cent of the total discounts given by the national transporter.

Earlier, the Railway had tried to encourage people to give up their senior citizen concessions, but it was not a success. In fact, according to a Comptroller and Auditor General report in 2019, the response to the 'give it up' scheme from the senior citizen passengers was not very encouraging.

The report said that out of total 4.41 crore senior citizen passengers, 7.53 lakh (1.7 per cent) opted to give up 50 per cent concession and 10.9 lakh (2.47 per cent) gave up 100 per cent concession.

Underpass to save elephants

In order to save elephants from getting hit and killed by trains, the Railways will construct an underpass along Palakkad-Coimbatore section where such incidents are occurring frequently, the Union Railways Minister announced. More than one survey was being held for extending the railway line to Sabarimala from Tamil Nadu, he added. <https://www.onmanorama.com/travel/travel-news/2022/05/21/no-more-fare-concession-for-senior-citizens-on-trains.html>

5. Timelines over, LAHDC Leh yet to ensure full compliance of directives issued by MHA (dailyexcelsior.com) 23 May 2022

Ladakh Autonomous Hill Development Council (LAHDC) Leh has failed to meet the timelines fixed by the Union Ministry of Home Affairs for submission of all pending accounts for audit. However, the Hill Council of Kargil has completed the task and clear picture about the utilization of funds and adherence to financial rules by both the Councils will emerge after the detailed analysis by the Accountant General Jammu and Kashmir.

The LAHDC Leh came into existence in the year 1995-96 while as the Hill Council of Kargil was constituted in the year 2003-04. Both the autonomous councils were supposed to submit accounts to the Accountant General, J&K for audit on the closure of every financial year. However, there was no compliance although Comptroller and Auditor General (CAG) of India reprimanded the Hill Councils in its numerous reports.

“There was non-compliance despite the fact that substantial sums are being released to the Councils and unspent balances at the end of the year remain credited in a Non-lapsable Fund in the Public Account”, official sources told EXCELSIOR, adding “the accounts of both the Councils remained in arrears since inception despite the fact that non-submission/delay in submission of accounts by these bodies receiving substantial funding from the budget is a serious financial irregularity persisting for years”.

Keeping in view the constant reluctance of both the Hill Councils in submission of accounts for audit, Additional Secretary/Finance Advisor, Union Ministry of Home Affairs (MHA) in the month of November last year convened a meeting to review the preparation of the accounts of the Ladakh Autonomous Hill Development Councils (LAHDCs) of both Leh and Kargil pending for the last 25 years in the presence of Advisor Ladakh, Umang Narula at the Union Territory Secretariat.

In the meeting, the Additional Secretary observed, “delay/arrears in finalization of accounts carries the risk of financial irregularities going undetected and entails possibility of fraud and mis-appropriation, along with absence of a feedback on their activities and financial performance”.

As the Chief Controllers of Finance (CCF) of LAHDCs of Leh and Kargil presented a detailed report on the progress of their work in preparing the pending accounts and even informed about the various shortcomings and issues faced in this process, the Union Additional Secretary directed that accounts should be sent to the office of the Jammu and Kashmir Accountant General on the concurred deadlines starting from November 2021.

However, only the LAHDC Kargil has met the deadlines and submitted all the pending accounts to the Accountant General J&K for audit. “We have ensured compliance of the directives of the Ministry of Home Affairs. Moreover, a mechanism has been evolved for weekly monitoring of the preparation of accounts”, said Santosh Sukhadeve, Deputy Commissioner Kargil and Chief Executive Officer (CEO) of LAHDC Kargil when contacted.

On the other side, the LAHDC Leh has yet not ensured full compliance of the directives of the Ministry of Home Affairs and this can be gauged from the fact that accounts of only six financial years have been submitted till now.

“We are in the process of preparing the accounts of remaining financial years and hopefully the same will be submitted to the Accountant General J&K shortly”, said Shrikant Balasaheb Suse, Deputy Commissioner Leh and Chief Executive Officer of LAHDC Leh when contacted.

It is pertinent to mention here that the Deputy Commissioners/Chief Executive Officers of the Hill Councils are supposed to monitor the booking of expenditure under different works on a regular basis to ensure that allotted budgets are timely expended.

“Now, exact picture about utilization of funds and compliance to the Financial Rules by both the Hill Councils ever since their inception will come to the fore only after the detailed audit of the accounts by the Accountant General”, sources said, adding “the successive Chief Executive Councilors (CECs) of the Hill Councils were responsible for accounts remaining in arrears as they never showed any interest in getting the same audited”.

“Moreover, it is only after the grant of Union Territory status to Ladakh that compliance of the General Financial Rules (GFR) is being ensured in the Hill Councils by the administration”, sources further said. <https://www.dailyexcelsior.com/timelines-over-lahdc-leh-yet-to-ensure-full-compliance-of-directives-issued-by-mha/>

6. Fund embezzlement in Social Welfare Department: Gauhati HC asks Dispur to place matter before PAC ([sentinelassam.com](https://www.sentinelassam.com)) 22 May 2022

GUWAHATI: A Division Bench of the Gauhati High Court, comprising Chief Justice (acting) N Kotiswar Singh and Justice Soumitra Saikia, has directed the State Government to forward to the Public Accounts Committee (PAC) of the Assam Legislative Assembly certain reports of the Comptroller & Auditor General (CAG, which reportedly disclose embezzlement of a large amount of funds meant under the Social Welfare Department. The court has given the State Government eight weeks' time to forward the relevant reports to the PAC.

While disposing of a PIL (68/2021) seeking appropriate action against the alleged embezzlement of funds, the court accepted the contention of the counsel representing the Social Welfare Department that the matter was a fit one for referral to the PAC.

The High Court observed, "Since the allegations of embezzlement are based primarily on the CAG report, the competent forum i.e. the Public Accounts Committee may have a look at the same so that in case any illegality is found, necessary remedial actions can be taken by the competent authority."

The petitioner, an NGO named the Amguri Naba Nirman Samity, had moved the court on the ground that certain reports of the CAG revealed embezzlement of crores of rupees in the Social Welfare Department during the period between 2009-2010 and 2017-2018. Mentioning that the embezzled funds were meant for the welfare of children, the PIL submitted that "because of such embezzlement of huge public amounts, the matter requires to be investigated by an independent agency."

The Government advocate, however, submitted that first of all "any PIL is not maintainable based purely on the CAG report. Further, if any anomaly is alleged, the competent authority to look into it is the Public Accounts Committee, which is to examine any reports submitted by the CAG and which may take necessary remedial steps if discrepancies are found." Therefore, he submitted that it would be most appropriate if the matter, which is based on CAG reports, were to be referred to the PAC for consideration.

The Division Bench concurred with this argument and directed that the matter should be placed before the PAC for consideration. <https://www.sentinelassam.com/topheadlines/fund-embezzlement-in-social-welfare-department-gauhati-hc-asks-dispur-to-place-matter-before-pac-593106>

7. Will Centre's financial curbs leave Kerala high and dry? (onmanorama.com) 21 May 2022

Thiruvananthapuram: Several Indian States have raised their voice against the Centre's move to impose severe restrictions on loans they could avail. The Government of Telangana even considered convening a session of the State Assembly to pass a resolution against the central move.

Kerala's Finance Minister, too, made the State's displeasure known at a news conference. Considering the precarious financial condition of the State, the Centre, however, has now allowed Kerala to borrow Rs 5,000 crore.

New Delhi's approval for borrowing Rs 5,000 crore will help the State to tide over the crisis temporarily. But it has to be noted that the Centre has not gone back on its decision to put curbs on borrowings. Once the Centre makes a final decision, and goes ahead with its plan, Kerala would be pushed into a deep financial crisis.

The crisis could affect the disbursement of employees salaries, besides adversely impacting the distribution of service and welfare pensions. Additionally, the State would be forced to cut short several projects announced in its Budget.

Treasuries would further tighten the purse strings, and most departments would put pressure on the finance department for funds. This might eventually lead to an administrative crisis.

Money trail

A fiscal deficit is a shortfall in a government's revenues compared with its spendings as announced in the Budget. The government will be compelled to borrow when the spendings overshoot its income.

The central government informs each State the amount they could borrow during each financial year. This is informed at the beginning of the fiscal itself.

Based on the Centre's intimation, each State is mandated to inform the Reserve Bank of India every quarter the amount they plan to raise through loans every week. The central bank prepares an indicative borrowing calendar.

The Reserve Bank notifies the amount each State wants to borrow and the repayment tenure every Friday, based on the borrowing calendar. Loans, issued as bonds, are granted through an auction conducted on the RBI's core banking solution, E-Kuber, every Tuesday.

Banks, and large institutions participate in the auction. Private individuals are also allowed. States are mostly granted loans at an interest rate of six to nine per cent.

Kerala model

Kerala can borrow up to 3.5 per cent of its Gross State Domestic Product (GSDP) during the current financial year. The GSDP has been pegged at about Rs 10 lakh crore, which allows it to borrow Rs 32,435 crore. The loan, granted by the Centre, is known as State Development Loan (SDL), meant to carry out development activities.

The State, however, spends about 75 per cent of the loan to disburse the salaries of government employees and to distribute service pension, and social welfare pensions to about 50 lakh people. The remaining amount will be required to meet the government's daily expenditure. In short, the SDL is not spent on development works.

The current crisis

Kerala had decided to borrow Rs 1,000 crore in April and Rs 5,000 crore in May, and the RBI prepared its calendar based on this plan. But the plan went for a toss after the Central Finance Secretary T V Somanathan wrote to the States, including Kerala, seeking the details of loans they had raised through public sector undertakings and other agencies.

Somanathan also warned of initiating disciplinary action against civil service officials if the States furnished wrong information. The warning has been seen as a deterrent to States from borrowing more by submitting wrong information.

The government stands guarantee to loans availed by most public sector undertakings, including Kerala Infrastructure Investment Fund Board (KIIFB). If the institutions default in repayment, the government (guarantor) will be responsible for repaying the loan. Hence, the Centre is considering loans availed by KIIFB, public sector undertakings, other semi-public sector institutions as those raised by the government.

The investment of individuals in treasuries and Kerala State Financial Enterprises (KSFE), too, are considered as loans availed by the government. The Centre has adopted a stand that such off-budget borrowings through institutions and agencies should be included in the States' annual borrowing limit. Central finance secretary Somanathan's demand for details was in this backdrop.

Kerala, meanwhile, has demanded the Centre not to include off-budget borrowings in the annual borrowing limit. The centre is yet to make a decision on the demand.

Central hurdle

Even the central government borrows to implement its development projects, and the Centre is not averse to States availing loans. However, borrowing beyond the repayment capabilities will push the States into debt traps.

The Fiscal Responsibility Budget and Management Act (FRBM Act) has been passed by the Centre and State to avoid such a debt trap. The Act ensures that the revenue and fiscal deficits, tax-GDP rates, and total debt are within the prescribed limits.

The FRBM Act, passed in 2003, was amended in 2017 and 2018 due to global recession. The Act also allows domestic borrowing through the Reserve Bank.

Impact on Kerala

According to the March 31 report by the Comptroller and Auditor General (CAG), the government of Kerala is the guarantor for loans availed by 36 public sector institutions, including KIIFB. The total liabilities of these institutions are Rs 31,800 crore.

The Centre may not include the entire liability in the State's annual borrowing limit. Kerala, however, will be in financial dire straits if even half of the liability is included in its limit of Rs 32,435 crore. The crisis will become more severe if the GST compensation, too, dries up next month.

Though the State Finance Minister has assured that the salaries of government employees will not be hit, the State might hold back part of the monthly pay and pensions, like it had done during the peak COVID19 period.

Meanwhile, rumours from the Secretariat have it that the Finance Department officials had already recommended to hold back 30 per cent of salaries, and the government has been mulling over to slash it to 10 per cent. Sources close to the finance minister, however, dispelled the rumours saying it as mere political ploy ahead of the Thrikkakara byelection.

Who is right?

Several experts are of the opinion that the Centre should have considered the impact of the implementation of a sudden reform, which would derail the States' budgets, and create a period of financial insecurity. It is widely anticipated that the Centre will take into account the States' apprehensions before making a final decision.

The first Pinarayi Vijayan government, however, preferred to discard the CAG's criticism of the State's off-budget borrowings. Instead, the government politicised the criticism. The CAG had taken a stand that the borrowings by public sector institutions like KIIFB, too, should be included in the government's account. The Centre is now towing the CAG line.

It is certain that there will be strict restrictions on borrowings by other institutions even if the Centre now adopts a lenient stand. KIIFB has been carrying out about 75 per cent of the State's development works. Once all the borrowings are brought under one account, loans could be availed either by KIIFB or the government. It could also be the end of KIIFB, a special purpose vehicle floated to overcome the annual borrowing limit envisaged in the Budget.

Loans availed by other institutions on government's guarantee (Amount in Rs crore)

KSFE: 12,974

Co-operative Agriculture and Rural Development Bank: 5,830

KSRTC: 3,178

Kerala Urban and Rural Development Finance Corporation: 3,054

Social security Pension Ltd: 1,773

Kochi Metro: 1,110

Backward Classes Development Corporation: 1,078

KTDFC: 832

KIIFB: 550

Women's Development Corporation: 394

Travancore Rayons: 345

Matsyafed: 168

Kerala Financial Corporation: 117

Handicapped Persons' Welfare Corporation: 62

Scheduled Castes and Scheduled Tribes Development Corporation: 47
Traco Cables: 47
Minorities Corporation: 40
Water Authority: 34
Coir Corporation: 28
Kollam Spinning Mills: 26
Kerala Electricals: 18
University of Advanced Legal Studies: 18
Khadi Village Industries Board: 15
Priyadarshini Spinning Mills: 10
Co-operative Consumer's Federation: 8
KSFC Staff Co-operative Society: 7
Kerala Automobiles: 5
Handicrafts Corporation: 5
Artisans' Corporation: 4
Rehabilitation Plantation Ltd: 4
Malappuram Spinning Mills: 2

Ninth in debt (Amount in Rs lakh crore)

Uttar Pradesh: 6.29
Tamil Nadu: 5.88
Maharashtra: 5.26
West Bengal: 5.01
Rajasthan: 4.33
Karnataka: 3.96
Gujarat: 3.56
Andhra Pradesh: 3.36
Kerala: 3.29
Madhya Pradesh: 2.84 <https://www.onmanorama.com/news/kerala/2022/05/20/will-financial-curbs-by-centre-impact-kerala-analysis.html>

8. Tamil Nadu posts lower than expected revenue deficit in FY22 ([thehindu.com](https://www.thehindu.com)) 22 May 2022

It is ₹41,685.94 crore as against ₹55,272.79 crore projected in the revised estimates for 2021-22

Tamil Nadu's revenue deficit (which implies that revenue expenditure is higher than revenue receipts) stood at ₹41,685.94 crore in the fiscal 2022, according to unaudited provisional figures from the Comptroller and Auditor-General India. It is lower than the ₹55,272.79 crore projected in the revised estimates for 2021-22.

Better expenditure management and a higher share of the Central taxes have helped the State. According to the provisional figures, Tamil Nadu's total revenue receipts were ₹2,05,894.051 crore in the fiscal 2022. The revised budget estimates expected them to be ₹2,03,878.17 crore for 2021-22.

The State's Own Tax Revenue (SOTR), which accounts for over 70% of the revenue, came in at ₹1,16,717.23 crore. This is lower than the ₹1,21,857.55 crore projected in the revised estimates.

In his 2022-23 budget speech, Finance Minister Palanivel Thiaga Rajan pointed out that the pandemic and the unprecedented floods had severely affected the SOTR in FY2022 and therefore he revised the estimates down from ₹1,26,644.15 crore in the earlier estimates.

Revenue from stamps and registration fees, value added tax on petrol and diesel, excise duty on liquor, the Motor Vehicle Tax, the State Goods and Services Tax and land revenue are the components of SOTR.

The State earned ₹14,330.97 crore from stamps and registration fees, ₹45,276.36 crore from the State GST, ₹48,668.35 crore from taxes on sale and trade etc., (which also reflect sales tax on liquor) and ₹8,236.62 crore from the State excise duty in FY22, according to the provisional figures. Land revenue was at ₹204.93 crore.

Last fiscal, Tamil Nadu increased excise duty on liquor to boost revenue. In FY22, the State's share of the Union Taxes was at ₹37,458.62 crore, compared to the revised budget estimate of ₹33,580.22 crore.

Mr. Rajan had pointed out in his budget speech that there was an increase in the share in the Central taxes component due to the increased tax collection realised by the Union government and the release of arrears to the State; as a result, the estimate was revised upwards from the earlier expectation of ₹27,148.31 crore for FY 2022.

The State's revenue expenditure was at ₹2,47,579.99 crore in FY 2022, lower than the revised estimate of ₹2,59,150.97 crore. The fiscal deficit for FY2022 was at ₹76,293.44 crore. As per the revised estimate, the fiscal deficit was expected at ₹82,732 crore for 2021-22, excluding the ₹8,095 crore back-to-back loan in lieu of the GST compensation. The fiscal deficit is the difference between total revenue and expenditure.

Mr. Rajan had told reporters recently that the State was confident of achieving the objectives of progressive fiscal consolidation and debt sustainability, as stated in its medium-term fiscal plan presented during the 2022-23 budget.

Under the medium-term fiscal plan, a fiscal path is being laid to reduce the revenue deficit in phases, thereby enhancing the allocation for creation of productive assets. <https://www.thehindu.com/news/national/tamil-nadu/tamil-nadu-posts-lower-than-expected-revenue-deficit-in-fy22/article65447279.ece>

9. Three Elephants Killed on Railway Track by Speeding Train in Odisha's Keonjhar ([indiatimes.com](https://www.indiatimes.com)) 21 May 2022

In a tragic incident at least three elephants, including two calves, were killed after being hit by a goods train in Odisha's Keonjhar district.

The accident took place near Bansapani under the Joda forest section of Champua range when a herd of around 20 jumbos were crossing railway tracks at around 7.30 pm on Thursday.

One elephant calf died on the spot, while a female pachyderm and another calf succumbed to their injuries on Friday morning.

Following the accident, the elephant herd prevented forest officials from carrying out rescue operation

Railways was informed about elephant movement

"The forest department personnel were monitoring the elephant herd movement throughout the day. The railway authorities were also informed about presence of the elephants there and speed of the train was contained at 25kmph. The accident took place due to darkness," a senior forest official told PTI.

Activists expressed concern over the frequent elephant deaths due to train accidents in the mineral-rich Keonjhar district.

As many as 11 elephants were killed due to train accidents and four others due to road mishaps, while 13 jumbos died of electrocution in the last eight years, they said.

36 elephants have died in Odisha in the last 10 years in accidents involving collisions with trains.

Elephants continue to die on tracks

This is not a problem that is limited to Odisha.

Railway collisions were the second-largest reason for the unnatural deaths of elephants.

A total of 186 elephants were killed after being hit by trains across India between 2009-10 and 2020-21, according to the Ministry of Environment, Forest and Climate Change (MoEFCC), Government of India.

BCCL Assam accounted for the highest number of elephant casualties on railway tracks (62), followed by West Bengal (57), and Odisha (27).

27 elephants were killed in 10 states after being hit by trains in 2012-13, the highest ever recorded.

In December 2021, the Comptroller and Auditor General of India (CAG) had said that elephants continue to die on railway tracks across India due to the forest department as well as the Railways not following norms set up to prevent such deaths.

According to the CAG, most of the elephants were killed in locations that were identified as 'elephant passages'.

Railway's plan bee, that did not work

In 2017, the Railways had come up with an innovative solution to keep the elephants away from the railway tracks by using bees.

However, data showed that this has not helped much in preventing elephant deaths on tracks as 48 pachyderms and 188 other animals killed by running trains since 2019.

The Northeast Frontier Railway (NFR) registered the highest number of elephant deaths — four in 2019, six in 2020, five in 2021 and two so far in 2022, taking the toll to 17 in the said

period. <https://www.indiatimes.com/news/india/three-elephants-killed-on-railway-track-by-speeding-train-in-odishas-keonjhar-570138.html>

10. No action against ‘erring’ labour officer in Sangrur (tribuneindia.com) 23 May 2022

Patiala: The state government’s zero-tolerance policy against corruption notwithstanding, the Labour Department is going soft on its erring Assistant Labour Commissioner (ALC), Sangrur.

The ALC had allegedly committed irregularities while disbursing financial assistance under various schemes to construction workers.

The inquiry against the ALC was ordered in 2018. However, no action has been taken so far. Last month, then Principal Secretary, Labour Department, had directed officers to take action and recover the loss from the ALC.

Notably, the ALC had allegedly disbursed financial assistance to dead construction workers. The commissioner’s “irregularities” have also been highlighted in the audit report by the Comptroller and Auditor General (CAG) of India.

The ALC was the adviser to former Labour Minister Balbir Singh Sidhu in the Congress rule. Even after the change of guard, he continues to occupy the post. Ironically, CM Bhagwant Mann is holding the portfolio of the Labour Department.

Meanwhile, Sumer Singh Gurjar, Principal Secretary, Labour, said, “I will look into the complaint and take appropriate action.”

The Assistant Labour Commissioner could not be contacted in spite of repeated attempts.

An RTI query has brought out that the Assistant Labour Commissioner had released illegally Rs 1.63 crore in 64 cases under the ex-gratia scheme between January 1, 2015, and August 31, 2017. The complainant in the case, Vijay Walia, has already sought a vigilance probe into the matter.

Rs 1.63 cr ‘fraud’

A query under the RTI Act has revealed that the Assistant Labour Commissioner had illegally released Rs 1.63 crore in 64 cases under the ex-gratia scheme between January 1, 2015, and August 31, 2017. <https://www.tribuneindia.com/news/punjab/no-action-against-erring-labour-officer-in-sangrur-397145>

11. Noida Authority to tweak land policy for group housing (timesofindia.indiatimes.com) 22 May 2022

Noida Authority CEO Ritu Maheshwari NOIDA: The Noida Authority is planning to change its land allocation policy for group housing societies, making it mandatory for developers to pay the entire lease amount upfront to it. Until now, developers were making payments in instalments.

Developers in the city that has seen a ballooning trend of unfinished projects and mounting dues owed by builders will not be allotted the land until they pay 100% of the amount to the authority, officials said on Sunday.

The proposal is likely to be presented at the next board meeting of the authority. The date is yet to be finalised.

Under the existing policy, developers had to pay just a 40% amount for the land leased initially and the rest in instalments over the years.

Once the resolution is approved by the board and implemented, builders will not be able to leave the projects incomplete midway or divert funds since they would have already invested a sizeable amount as part of the authority's dues, officials of the planning department told TOI.

The decision will help homebuyers get possession of their flats in time. "They don't need to struggle to get the registry done," an official said on the condition of anonymity. For the city, the move will reduce the burden of cases arising out of projects mired in insolvency proceedings, the official added.

"The authority has already made changes in the land allotment policy for industrial and residential plots. It is now thinking of modifying its policy for group housing category also and a proposal will be discussed in the next board meeting to allot land after taking the total amount rather than in instalments," said Noida Authority CEO Ritu Maheshwari. The CEO was referring to the changes made by the authority this year. Builders who have been allocated industrial plots will also have to make the complete payment at the time of allotment. They had to pay the amount in instalments earlier. For residential plots, builders now have a year to deposit the complete payment instead of the three years before.

TOI had reported on May 19 that the authority was considering passing a resolution to take the full amount for land lease from developers. The shift in stand was prompted after the Supreme Court ruled last week that the Authority will be given an operational creditor status, instead of the financial creditor, taking away some of its powers in the resolution process after insolvency. At present, developers of housing societies owe Rs 20,000 crore in dues to the authority. More than 50,000 homebuyers are yet to get their flats registered.

A report by the Comptroller and Auditor General of India (CAG) last year had highlighted lacuna in the city's policy, pointing out how builders had taken advantage of the relaxed conditions for acquiring land. From 2005 to 2018, Noida allotted 24 schemes for land spanning across 71.03 lakh sqm to developers for group housing projects. Dues for these schemes amount to Rs 20,000 crore now.

During the same period, 1.3 lakh flats were sanctioned but only 72,697 units were completed till March 2020. A majority of allotments were also given till 2010-11. Despite a decade having gone by, 57,308 flats are yet to be completed.

Until 2006, the authority used to demand an initial payment of 40% for the land leased. This was reduced to 20% from 2008 and further up to 10% from 2009. In 2017, Noida again went back to the 40% payment but most of the land for housing projects had been allotted earlier, the CAG said.

Legal experts believe that the decision, if cleared, is a significant step. "Noida is one of the few authorities that allot land on an instalment basis. This is also the city where homebuyers run from pillar to post in getting possession of flats. This is a much-needed step to put the onus on builders to complete the project," said Supreme Court lawyer Prashant Kanha. <https://timesofindia.indiatimes.com/city/noida/noida-to-tweak-land-policy-for-group-housing/articleshow/91731687.cms>

12. ग्रेटर नोएडा : सीएजी ने यमुना प्राधिकरण की 26 फाइलों पर लगाई आपत्तियां, सीईओ ने 24 का दिया जवाब (tricitytoday.com) 22 May 2022

यमुना प्राधिकरण की जांच में सीएजी ने 26 आपत्तियां (पैरा) लगाई थीं। इसमें से यमुना प्राधिकरण ने 24 आपत्तियों का जवाब दे दिया है। शेष 2 मामलों का भी जल्द जवाब दिया जाएगा। अब हर वर्ष सीएजी ऑडिट होता है, ताकि पारदर्शी तरीके से कामकाज हो सके।

24 आपत्तियों का जवाब दिया

प्रधानमंत्री नरेंद्र मोदी ने चुनाव के दौरान प्राधिकरणों का सीएजी ऑडिट कराने की घोषणा की थी। उसके बाद से प्राधिकरणों का सीएजी ऑडिट शुरू हो गया है। यमुना प्राधिकरण का सीएजी ऑडिट किया गया। इसके लिए टीमें कई-कई दिन तक डेरा डाले रहती हैं। वह एक-एक फाइल को खंगालती हैं। नियमों के अनुसार ऑडिट किया जाता है। पिछले ऑडिट में यमुना प्राधिकरण की फाइलों में 26 आपत्तियां लगाई गई थीं। यमुना प्राधिकरण ने 24 आपत्तियों का जवाब दाखिल कर दिया। बचे हुए दो मामलों में भी जल्द जवाब दाखिल किया जाएगा। ताकि मामले का निपटारा हो सके।

जल्द 2 मामलों का जवाब मिलेगा

बताया जाता है कि सीएजी ने बिल्डरों, आवासीय परियोजनाओं और वित्त विभाग की फाइलों में आपत्तियां लगाई थीं। इन सभी का जवाब प्राधिकरण ने दिया है। यमुना प्राधिकरण के सीईओ डॉ. अरुणवीर सिंह ने बताया कि सीएजी ने जो आपत्तियां लगाई थीं, उनका जवाब दिया गया है। दो मामले अभी बचे हैं। उन पर भी जल्द ही जवाब दाखिल कर दिया जाएगा। <https://tricitytoday.com/yamuna-city/cag-objected-to-26-files-of-yamuna-authority-ceo-replied-to-24-29335.html>

13. ग्रुप हाउसिंग के लिए जमीन देने की नीति में बदलाव: बिल्डरों ने 20 हजार करोड़ ठगे, 50 हजार बायर्स को अब तक नहीं मिली रजिस्ट्री (bhaskar.com) 22 May 2022

नोएडा प्राधिकरण को कंगाल बनाने के लिए जमीन देने की नीति जिम्मेदार है। बिल्डरों की देनदारी करीब 20 हजार करोड़ रुपए से ज्यादा है। इन बिल्डरों ने प्राधिकरण के जमीन देने की नीति के लूप होल का फायदा उठाया। जिसमें लागत की महज 10 प्रतिशत राशि देकर जमीन का आवंटन कर दिया जाता था।

इसके बाद किस्तें बनती थीं। ये किस्त बिल्डरों ने जमा नहीं की। कैग ने भी अपनी रिपोर्ट में इसका जिक्र किया है। प्राधिकरण की CEO रितु माहेश्वरी ने बताया, प्राधिकरण 'ग्रुप हाउसिंग भूखंड आवंटन नीति' में बड़ा बदलाव करने जा रहा है। इसके तहत अब 100 प्रतिशत भुगतान के बाद ही जमीनों का आवंटन किया

जाएगा। इस प्रस्ताव को बोर्ड के समक्ष रखा जाएगा। प्राधिकरण औद्योगिक और आवासीय जमीनों को देने की नीति में ये बदलाव कर चुका है।

बिल्डरों को कैसे दिया गया लाभ?

2006-

07 में भूखंड की कीमत का 40 प्रतिशत भुगतान कर ग्रुप हाउसिंग भूखंड का आवंटन करा लिया जाता था। बाकी राशि 8 सालों की किस्तों में चुकाने की सुविधा थी। 2008 से 2015 तक आवंटन नीति में बदलाव कर 10 प्रतिशत राशि का भुगतान कर जमीन का आवंटन बिल्डरों को कर दिया गया। जिसमें 40-50 हजार रुपए वर्ग मीटर बिकने वाली जमीन को 24000 रुपए प्रति वर्ग मीटर की दर से आवंटित किया गया। इस दौरान बैंक गारंटी तक का नियम हटा लिया गया था। इस कारण 20 हजार करोड़ रुपए की राशि बिल्डरों पर बकाया है।

देनदारी के लिए प्राधिकरण जिम्मेदार

बिल्डरों की देनदारी के लिए सिर्फ प्राधिकरण जिम्मेदार है। ये बात कैग ने अपनी रिपोर्ट में भी कही है। 2005 से 2018 में 24 योजनाओं के लिए 67 भूखंड यानी (71.03) लाख वर्गमीटर जमीन आवंटित की गई। बिल्डरों ने इन 67 भूखंडों को 113 उप भूखंडों में बांट दिया। 31 मार्च 2020 तक 42 परियोजनाएं पूरी हुईं, 36 अधूरी रहीं जबकि 35 आंशिक रूप से पूरी हो सकीं। इन परियोजनाओं का प्रीमियम करीब 14 हजार करोड़ रुपए से अधिक का था। इनमें से कुछ पैसा जमा हुआ।

मार्च 2020 तक का आंकड़ा देखें तो बिल्डरों की देयता करीब 18 हजार करोड़ रुपए से ज्यादा थी, जो अब करीब 20 हजार करोड़ की हो गई है। इन परियोजनाओं में कुल एक लाख 30 हजार 5 प्लैट थे। जिन में से 72 हजार 697 को OC जारी की गई। 43 हजार 438 की रजिस्ट्री के लिए पैसा जमा किए गए। इन में से 42 हजार 221 की रजिस्ट्री हुई।

औद्योगिक और आवासीय में कर दिया गया बदलाव

प्राधिकरण ने औद्योगिक और आवासीय आवंटन में बदलाव कर दिया है। इसके तहत औद्योगिक भूखंड का आवंटन के समय ही आवंटी को 100 प्रतिशत भुगतान करना होगा। इसी तरह आवासीय में 3 साल की किस्त की बजाए एक साल की किस्तें कर दी गई हैं।

नई नीति से ये होगा फायदा

बायर्स को रजिस्ट्री के लिए भटकना नहीं होगा।

बिल्डर भूखंड का पैसा किसी और प्रोजेक्ट में डायवर्ट नहीं कर सकेगा।

बिल्डर को प्रोजेक्ट कंप्लीट करना होगा, क्योंकि वे भुगतान कर चुका होगा।

प्राधिकरण को बकाया लेने के लिए बार-बार बिल्डर को नोटिस जारी नहीं करना होगा।

अदालतों के चक्कर से निजात मिल सकेगी।

वर्तमान में क्या है समस्या

नोएडा में 50 हजार से ज्यादा बायर्स ऐसे, जिनकी रजिस्ट्री नहीं हुई।

बिल्डर की देनदारी करीब 20 हजार करोड़।

बिल्डर पैसा जमा करे तो रजिस्ट्री होगी।

बिल्डरों ने भूखंड आवंटन के बाद पैसा डायवर्ट कर दिया।

बिल्डरों ने प्रोजेक्ट कंपलीट नहीं किए और अब कोर्ट के आदेश पर प्रोजेक्ट पूरे किए जा रहे हैं।

बायर्स, प्राधिकरण दोनों ही कोर्ट के चक्कर काट रहे हैं।

<https://www.bhaskar.com/local/uttar-pradesh/gautambudh-nagar/news/builders-cheated-20-thousand-crores-due-to-old-policies-50-thousand-buyers-have-not-got-registry-yet-129836651.html>

14. Muzaffarpur

News: बिना कोविड सर्टिफिकेट दर्जनभर आश्रितों को किया 27 लाख का भुगतान, ऑडिट रिपोर्ट से खुलासा (livehindustan.com) 22 May 2022

मुजफ्फरपुर जिले में कोविड मृतकों के आश्रितों को अनुदान देने में बड़ी गड़बड़ी पकड़ी गई है। इसे महालेखाकार की ऑडिट टीम ने उजागर किया है। इस पर आपदा प्रबंधन विभाग को जवाब देते नहीं बन रहा है। दरअसल, जैसे मृतकों के आश्रितों को भी अनुदान का भुगतान कर दिया गया, जिनका कोविड सर्टिफिकेट भी नहीं था। इस तरह के करीब दर्जनभर मामले पकड़ में आने के बाद महालेखाकार ने जांच के निर्देश दिए हैं।

विभाग से विस्तृत रिपोर्ट देने के लिए कहा है। कुल 27 लाख का भुगतान बिना कोविड सर्टिफिकेट कर दिया गया। महालेखाकार ने कहा है कि ऑडिट टीम ने कोविड अनुदान भुगतान पर जो आपत्ति दर्ज की है, वह बेहद गंभीर है। ऑडिट के दौरान पाया गया कि दर्जनभर मृतकों के जमा किए गए दस्तावेज में कोविड पॉजिटिव रिपोर्ट ही नहीं थी।

जांच के क्रम में जिन मृतकों के दस्तावेज में गड़बड़ी पकड़ी गई है, उनमें मो. मुख्तार आलम का पुत्र मरहूम मो. ऐनुल हक, अमृता देवी का पति स्व. कामेश्वर सिंह, राजू प्रसाद पासवान की पत्नी स्व. अनीता देवी, नूतन कुमारी व प्रणिता कुमारी की मां स्व. प्रभा श्रीवास्तव, भगवान लाल सहनी का पुत्र स्व. रवि रंजन कुमार और रामचंद्र भक्त की पत्नी स्व. रूपकली देवी के नाम शामिल हैं।

इन मृतकों के आश्रितों को कुल 27 लाख का भुगतान बिना कोविड सर्टिफिकेट कर दिया गया। आश्रितों को चार-चार लाख रुपये राज्य मद व 50-

50 हजार रुपये केंद्र सरकार के मद से भुगतान किया गया। महालेखाकार ने आपत्ति जताई है कि इस तरह के दर्जनों मामले हो सकते हैं जिनकी जांच आवश्यक है। महालेखाकार ने इस मामले में जिला प्रशासन से रिकार्ड की मांग की है। कहा है कि मामले की विस्तृत जांच कराई जाए।

कोविड मृतक अनुदान में इस अनियमितता के उजागर होने के बाद आपदा प्रबंधन कार्यालय से लेकर सदर अस्पताल तक हड़कंप है। ऑडिट रिपोर्ट आने के बाद अबतक हुए भुगतान की सारी फाइल खंगाली जा रही है। आशंका है कि आश्रितों को जल्द भुगतान के चक्कर में कर्मचारियों ने विभागीय जल्दबाजी का फायदा उठाया होगा। फिलहाल, जिले में भुगतान किए गए सारे मामलों की जांच शुरू हो गई है।

698 परिवारों को कोविड अनुदान का इंतजार

मुजफ्फरपुर। जिले में कोविड अनुदान के मामले बड़ी संख्या में लंबित हैं। करीब 698 मृतकों के परिजन मुआवजे के लिए भटक रहे हैं जबकि आवेदन अब भी जमा हो रहे हैं। जिला प्रशासन की रिपोर्ट के अनुसार

, मुजफ्फरपुर के कुल 1288 कोविड मरीजों की मौत हुई। इनमें राज्य के बाहर व दूसरे जिलों में भी मरे मुजफ्फरपुर के मरीजों की संख्या शामिल है। 1288 में से 631 कोविड मृतकों का ब्योरा ही कोविन पोर्टल पर अपलोड किया गया था। इनमें से 590 मृतकों के आश्रितों को अनुदान का भुगतान हुआ है। रिपोर्ट के मुताबिक,

1288 में से जिले के भीतर 1063 कोविड मरीजों की मौत हुई। इनमें से 432 मृतकों का ब्योरा कोविड पोर्टल पर अपलोड नहीं हो पाया है। 73 मरीज वैसे थे, जो मूल रूप से मुजफ्फरपुर के थे, लेकिन इनकी मौत दूसरे राज्यों में हुई है।

आपदा प्रबंधन के अपर समाहर्ता डॉ. अजय कुमार ने कहा, 'जहां तक मेरी जानकारी है, बिना कोविड पॉजिटिव सर्टिफिकेट के किसी का भुगतान नहीं किया गया है। ऑडिट रिपोर्ट मेरी जानकारी में नहीं है। दी गई जानकारी के आधार पर सोमवार को इसकी पड़ताल की जाएगी।' <https://www.livehindustan.com/bihar/story-muzaffarpur-news-27-lakhs-paid-to-dozen-dependents-without-covid-certificate-audit-report-reveal-accountant-general-order-inquiry-6526032.html>

SELECTED NEWS ITEMS/ARTICLES FOR READING

15. GST: A simple, reliable tax still a distant dream? ([moneycontrol.com](https://www.moneycontrol.com)) MAY 20, 2022

The Panorama newsletter is sent to Moneycontrol Pro subscribers on market days. It offers easy access to stories published on Moneycontrol Pro and gives a little extra by setting out a context or an event or trend that investors should keep track of.

The Goods and Services Tax is widely acknowledged as one of the most important reforms implemented in India in the past decade. However, almost five years since it was first introduced, the dream of a simple and reliable tax structure still seems far away.

What's added to the muddle now is the Supreme Court ruling on a case which among other things made the point that the recommendations of the GST Council are not binding on the states and the central government.

Now, that might seem to be just a reiteration of what's already there in the law. Revenue Secretary Tarun Bajaj said as much after the apex court judgment.

On the other hand, critics of the tax (or the way the tax has been implemented) say the order restores the power of the states. Finance ministers of states ruled by non-BJP parties have also welcomed the judgment and said it will boost cooperative federalism.

Where the Supreme Court judgment acquires significance is in the way the recommendations of the GST Council are implemented. So far, even if the states have had differences, they have stuck to the recommendations of the Council.

Now, some states may well be emboldened to step out of line since the recommendations are not binding. This threatens the concept of 'one nation, one tax', the most attractive selling point of GST that replaced a complicated indirect tax structure with multiple levies.

The ruling also comes at a particularly delicate time. The compensation cess arrangement — wherein states are compensated by the Centre for revenue shortfall — is coming to an end this year. This increases the scope for further friction between the Centre and states.

To be sure, in a huge federal democracy like India, there will always be teething troubles for complex laws, especially those involving revenue sharing.

But the apex court ruling should act as a trigger for the Centre and states to come together and work as one, not only to increase revenues, but also stop a potential flood of litigation that can act as a drag on the nascent economic recovery. A recovery in GST revenues in recent months is a welcome trend and the two can work together to build it up further. <https://www.moneycontrol.com/news/opinion/moneycontrol-pro-panorama-gst-a-simple-reliable-tax-still-a-distant-dream-8546181.html>

16. Fertiliser subsidy doubled to Rs 2.15 trillion ([financialexpress.com](https://www.financialexpress.com)) May 22, 2022

To insulate farmers from the sharp increases in the prices, the Centre announced a doubling of fertiliser subsidy to Rs 2.15 trillion from the budgeted level for FY23. The move was necessitated by a sharp spike in global prices of urea, DAP and MoP in the last one year. “Despite rising fertiliser prices globally, we have protected our farmers from such price hikes. In addition to the fertiliser subsidy of Rs 1.05 trillion in the Budget, an additional amount of Rs 1.10 trillion is being provided to further cushion our farmers,” the FM tweeted.

On April 27, 2022, the Centre said the nutrient-based subsidy (NBS) rates for phosphatic and potassic (P&K) fertilisers for the kharif season (April-September, 2022) will be Rs 60,939 crore, as against Rs 57,150 crore for the whole of last year.

These soil nutrients are largely imported.

The budget outgo on fertiliser subsidy was at Rs 1.6 trillion in FY22. Retail prices of phosphatic and potassic (P&K) fertilisers, including DAP were ‘decontrolled’ in 2010 with the introduction of a ‘fixed-subsidy’ regime as part of NBS mechanism.

However, the subsidy on DAP saw an increase to 60% of cost in FY22, from a little over 30% previously.

According to fertiliser ministry data, imported urea prices have risen by more than 145% to \$930 a tonne in April 2022 from \$380 a tonne a year ago.

Similarly, prices of DAP and MoP have risen by 66% and 116% to \$924 a tonne and \$590 a tonne in April 2022, respectively, compared to the year-ago period. <https://www.financialexpress.com/economy/fertiliser-subsidy-doubled-to-rs-2-15-trillion/2533372/>

17. Badly needing a targeted subsidy ([financialexpress.com](https://www.financialexpress.com)) May 21, 2022

With the GST compensation cess set to cease soon, the Centre should think of repurposing it to reinstate financial support for LPG consumption by the poorest

With the latest hike this week, LPG prices in the national capital breached the four-digit mark of Rs 1,000, an important psychological barrier for customers. These successive hikes come at a time when LPG cylinders are already at historically high price-points. The growth in LPG consumption in the household segment, which averaged ~7.5% in the previous five years, dropped to a low of 1.5% in the last financial year. LPG remains the main source of clean cooking in India, given the low penetration of natural gas and electricity-based cooking, barring a few urban centres.

LPG making inroads into the Indian kitchen since its introduction in the 1960s has been slow, on account of its high price and the tight control on its availability and marketing. In 2011, less than a third of Indian households were using LPG as their primary cooking fuel. The India Residential Energy Consumption Survey (IRES) from 2020, conducted by the Council on Energy, Environment and Water (CEEW), suggests that in 2020, that figure has climbed up to nearly 71%, after decades of sustained support to help improve adoption. LPG had a healthy universal subsidy provision up until April 2020. The subsequent withdrawal of the subsidy and the pandemic-induced economic slowdown that hit household incomes have now made LPG unaffordable for a large section of our population. It has certainly lost its sheen, especially for new consumers added under the Pradhan Mantri Ujjwala Yojana (PMUY), who were yet to experience the health benefits that accrue from the sustained use of LPG.

Reinstating the subsidy, especially as a universal one is inefficient, and is certainly beyond the means of the current government's finances. One often hears that market prices for petroleum products in India are high on account of high levels of taxation, and that subsidies merely offset the taxes levied on crude. However, LPG is unique in that we import nearly 60% of our consumption directly in the product form, at international prices. It is worth mentioning that for over two-thirds of the last seven-year period, subsidised LPG price was at a discount as compared to international prices. Tragically, it is during the Covid-19 pandemic period that retail prices have been at a premium to international LPG prices. Given that there is no clear alternative to LPG in the short-medium term, every effort must be made to incentivise lower-income households to shift to its use by increasing awareness of the economic and health burden of using solid fuels. Increasing the distributor base in the rural areas to make LPG more accessible and CSR programmes to give a first-hand experience to new adopters are very important steps needed to woo the hesitant consumer. However, at the core of the efforts, a targeted subsidy to enable consumption, is a must.

The country must not blink at this prospect of supporting its poor and vulnerable sections. Bringing down LPG costs to affordable levels for the PMUY consumers could come at a cost of ~Rs 33,000 crore a year, if current market prices for LPG persist. With payouts to the states, from the GST compensation cess, well in excess of Rs 1,00,000 crore a year, winding down this June, it is an opportune time for the Centre to repurpose the cess and reinstate financial support that targets the poorest. It is an eye-watering level of support, but it is merely making up for decades of ignoring their needs and subjecting them, and indeed much of the country, to the harmful impacts of solid fuel use. Consider this compelling case for pulling all-stops to finance the consumption of clean fuels by the poor. Between 2002 and 2021, ~Rs 20,000 crore has been spent each year (in constant 2011-12 rupee) in supporting the non-PMUY LPG consumer in India. These are the early adopters, city dwellers and higher-income groups in rural areas. However, only Rs 3,500 crore (in constant 2011-12 rupee) per year has been spent in the last five years, in supporting the poorest consumers (PMUY beneficiaries). Now, there are no signs of a subsidy being reinstated.

The poor, who are disproportionately impacted by prolonged usage of solid fuels must surely be asking, 'apna time kab aayega' (when will our time come)? We must, therefore, ask the question: Is it not time to make up for all these years of inaction, when the needs of the poorest consumers were not prioritised, and the Indian state continued to prop up early adopters who have harvested the health and economic benefits of consuming LPG over decades? Many pundits, in their assessment of the outcome of the 2019 elections, attributed the pace and scale of deployment of the PMUY scheme, as one of the main reasons the rural population gave a vote of confidence to PM Modi's government. Reminders of the scheme dot the urban landscape even to this day. Ujjwala is a powerful brand in itself, and a popular one at that. Letting it die slowly is sending a strong signal and makes a mockery of the administrative efforts that were made in rolling it out in the first place.

Sustained support, in consuming merit goods like LPG, could precipitate behaviour change and wean households away from the reliance on solid fuels. This shift away could play an important role in achieving targets under the National Clean Air Plan as well, and help focus the efforts in reining in the egregious polluters. More importantly, the pursuit of clean cooking will have significant effects on health outcomes, especially that of women and children. To that end, the expenditure on clean cooking must be seen as supplementing and complementing the expenditure on core health programmes that focus on women and children's health, and on health and family welfare more broadly (a total budget in excess of Rs 1 lakh crore in FY23 is earmarked for these ministries). Thus, it is important to ensure that budgetary allocations targeting health and well-being are reviewed, keeping in mind the interlinkages between indoor and ambient pollution and health outcomes. And, if needed, budgets must be further bolstered to help achieve the desired outcomes of a healthy and productive population that then truly puts us on the path to being 'atmanirbhar'. <https://www.financialexpress.com/opinion/badly-needing-a-targeted-subsidy/2532779/>

18. Cost Overruns Of Over Rs 4.8 Lakh Crore Hit 425 Infra Projects ([swarajyamag.com](http://www.swarajyamag.com)) May 23, 2022

As many as 425 infrastructure projects, each entailing an investment of Rs 150 crore or more, have been hit by cost overruns of more than Rs 4.83 lakh crore, according to a report. According to the Ministry of Statistics and Programme Implementation, which monitors infrastructure projects of Rs 150 crore and above, out of 1,579 projects, 425 projects reported cost overruns and as many as 664 projects were delayed.

"Total original cost of implementation of the 1,579 projects was Rs 21,95,196.72 crore and their anticipated completion cost is likely to be Rs 26,78,365.62 crore, which reflects overall cost overruns of Rs 4,83,168.90 crore (22.01 per cent of the original cost)," the ministry's latest report for March 2022 said.

According to the report, the expenditure incurred on these projects till March 2022 stood at Rs 13,88,760.73 crore, which is 51.85 per cent of the anticipated cost of the projects.

However, the number of delayed projects decreased to 561, if delay is calculated on the basis of the latest schedule of completion.

Further, for 606 projects neither the year of commissioning nor the tentative gestation period has been reported.

Out of the 664 delayed projects, 94 have overall delays in the range of 1-12 months, 124 have been delayed for 13-24 months, 331 projects for 25-60 months and 115 projects have been delayed for 61 months and above.

The average time overrun in these 664 delayed projects was 42.41 months.

Reasons for time overruns as reported by various project implementing agencies include delay in land acquisition, delay in obtaining forest and environment clearances, and lack of infrastructure support and linkages.

Delay in tie-up for project financing, delay in finalisation of detailed engineering, change in scope, delay in tendering, ordering and equipment supply, and law and order problems are among the other reasons.

The report also cited state-wise lockdowns due to COVID-19 as a reason for the delay in implementation of these projects.

It has also been observed that project agencies are not reporting revised cost estimates and commissioning schedules for many projects, which suggests that time/cost overrun figures are under-reported, it stated. <https://swarajyamag.com/infrastructure/cost-overruns-of-over-48-lakh-crore-hit-425-infra-projects>

19. Power games: Private sector struggles for defence orders ([newindianexpress.com](https://www.newindianexpress.com)) May 23, 2022

The Ministry of Defence has budgeted Rs 75,000 crore for Make in India for the financial year 2022-23. Out of this, Rs 22,000 crore has been earmarked for production by the Indian private sector. This is an ambitious target as orders issued by the government last year were nowhere near this figure. In the previous year, the MoD had awarded contracts worth Rs 6,000 crore to the private sector. Sources in MoD said no big-ticket programmes are in the offing in the current financial year and hence, contracts to the private sector may not even cross the last year's figures. The unspent budget of the private sector may be given to DPSUs. The private players in the defence sector are understandably miffed with the slow movement on the much-hyped indigenisation plan. There appears to be a lack of clarity on what items should be given to private players and which ones should be produced exclusively by the public sector defence companies. Sources said that private defence companies of India have given a wish list of items that it would like to produce. The ministry has yet to take a decision on this request. According to private players, the indigenisation process would not gather momentum unless the MoD makes two clear categories of items to be produced in public and private sectors. They say the lack of clarity on this ends up in endless discussions over awarding production contracts to private sector. Finance Minister Nirmala Sitharaman had announced in the Budget 2022 that 68% of capital expenditure in defence would be reserved for domestic procurement. This has given a big boost to the public sector companies, but the private sector is still struggling to get orders. <https://www.newindianexpress.com/nation/2022/may/23/power-games-2456849.html>

20. How Can India Fulfil its Defence Requirements in a Post-Ukraine War Arms Bazaar? (thewire.in) May 21, 2022

As summer sets in Leh and Kargil, the two areas have yet again risen to prominence. The work on Zojila tunnel in the west is in focus with concerted efforts being made to make it operational this season. On the eastern front, the Rohtang tunnel is likely to be made available on priority for army movements. This is because the higher passes of Baralacha and Taglang La on the Rohtang axis are being frantically cleared to allow passage of desperately needed convoys to Ladakh which at this point is on the last reserves of winter stocking.

The Chinese People's Liberation Army (PLA) has almost 50,000 troops in forward deployments and the PLA's summer exercises that took the Indian army by surprise at the Line of Actual Control (LAC) in the summer of 2020 are being watched.

The 3,488 kilometre LAC from Arunachal to the Aksai Chin presents the PLA options of multiple prongs of ingress – not dissimilar to the Russian invasion of Ukraine. It is axiomatic, therefore, for the Indian security establishment to look at the LAC as a single entity albeit with unique sectoral terrain profiles to prepare for such a threat.

The Russian invasion has given an insight of the vast spectrum of conflict ranging from low-end sub-conventional activities to high-end multi-domain attacks involving cyber, space, social media and non-kinetic attacks to supplement kinetic actions by the military.

The Ukraine war has introduced another bias in the debate over the reliance of India on foreign technology with loud voices advocating debilitating effects of western controls as a result of sanctions on Russia and therefore, the reliability of equipment supply. The defence forces are increasingly being faced with a strong push towards 'Atmanirbhar' in the military to reduce dependency on military imports in which India is the leader, as per a recent SIPRI report. In contrast, the Ministry of Defence (MoD) is allowing foreign direct investment in high-end defence technology, which is not available in the country.

The quest for tech self-sufficiency is not only restricted to military hardware but also extends to homemade drones and social media platforms. It is evident that in the pursuit of tech self-sufficiency, there will be dependency on investment and development of foreign technology with leverage in the hands of foreign countries or manufacturers. Cutting-edge tech will always be held by the original equipment manufacturer (OEM), who has a strong research base and a skilled workforce which can produce the equipment or components at a much lower cost and in lesser time. In the interdependent global ecosystem, no country has the capacity to own and run all stages of such tech-superior equipment, and each company has its place in the global supply chain.

As the armed forces strive to gather proficiency in artificial intelligence (AI) and advanced computing, it is bound to be dependent on cross-border exchange of talent and intellectual property. There is a need to facilitate a flow of ideas and talent to foster technology transfer and development. 'Atmanirbhar', therefore, will have to be against the backdrop of dependency on other countries for intermediate and specialised technology and equipment.

Foreign collaboration for arms manufacture in India

While the defence ministry is seeking foreign collaboration in production of defence hardware in India, it must be understood that the foreign OEMs is in the business for profits and will not take responsibility for tardy output of defence public sector undertakings (PSUs) despite collaboration. For instance, the Rafale deal collapsed due to lack of confidence by the OEM (Dassault Aviation) in the DPSU (HAL).

Additionally, foreign OEMs are reluctant to establish joint ventures (JVs) with Indian companies at huge initial costs, without a guarantee of firm orders. The complex Defence Acquisition Procedure (DAP) of the MoD also makes these OEMs cagey on committing capital and research to Indian companies. Moreover, after delivering initial orders, their sustainability in India is also a matter of concern if they do not secure export orders. Also, the glaring defaults on “offset obligation” to the tune of \$2.24 billion (Rs 16,650 crore) since 2017 is yet another indicator of business reality.

The capability of the local industry to absorb the technology being transferred by OEMs is another impediment, which was seen in the case of T-72 and T-90 main battle tank (MBT) despite intergovernmental agreements between Russia and India. As a result, the MBT fleet is faced with a dire shortage of MBT main engines as they are yet to be indigenously available via transfer of technology. With the Russian forces facing an increased demand of tank engines due to the Ukraine war, it is unlikely that Russia will be able to meet India’s urgently required shortfall.

It is imperative to note the observations of the parliamentary standing committee on defence that the armed forces got Rs 63,000 crores less for modernisation than what they had asked for in the 2022-23 budget. The committee took note of the ‘glaring gaps between projections and allocations in capital outlay’ and remarked on the situation as ‘not conducive for the country’s defence preparedness’. The curtailment of funds is likely to compromise operational preparedness.

The MoD has since 2018 gone on an import substitution drive and has continually been placing military equipment and spares on the ‘no-import’ list, and this list keeps burgeoning. The parliamentary standing committee has strongly reiterated a non-lapsable capital budget for the armed forces and reported that ‘although the procurement (number of items) from foreign vendors is far less than their Indian counterparts, the value of imports has been constantly increasing since 2016-17’.

Amid the noise and clamour of various pronouncements in and out of parliament regarding indigenous defence production and the overbearing ‘Atmanirbhar’ push, it is for the leadership and planners of the defence forces to ensure that the equipment procured for the forces is a battle winner rather than a white elephant resulting from indigenous production that the forces will be saddled with. This can only be ensured if the armed forces, who are the final users of the equipment (and not the MoD), are the final authority to accept the equipment into service based solely on its battle winning merits. Any repeat of the Arjun MBT saga will only have debilitating consequences in the frontlines of war in such hostile and testing battlegrounds that the forces are faced with. <https://thewire.in/security/how-can-india-fulfil-its-defence-requirements-in-a-post-ukraine-war-arms-bazaar>

21. Govt considering Rs 1 trn extra borrowing to offset fuel-tax cut: Report ([business-standard.com](https://www.business-standard.com)) May 22, 2022

India will probably borrow the entire 1 trillion rupees (\$12.9 billion) that the government will forgo as revenues due to a cut in gasoline and diesel levies, according to people familiar with the matter.

Higher collections from the goods and services tax as well as personal income taxes will be neutralized by additional spending on food and fertilizer subsidies that the government is giving to the poor and farmers, said the people, who declined to be identified as the discussions are private.

The loss to the exchequer due to the recent excise duty cuts will therefore have to be borne through additional market borrowings, the people said. Calls made to a finance ministry spokesman were unanswered outside of business hours in New Delhi.

The mounting debt load will probably spook India's bond market, where yields on benchmark 10-year notes have surged over the past month. The Reserve Bank of India, which is already managing a record borrowing plan, surprised investors with an off-cycle increase in interest rates this month.

Over the weekend, the federal government cut levies on pump prices of gasoline and diesel, waived import tax on coking coal and increased payouts on fertilizers as well as cooking gas for the poor. It lowered excise duty on diesel by 6 rupees (\$0.077) a liter and gasoline by 8 rupees, according to a tweet from Finance Minister Nirmala Sitharaman.

The revenue loss comes at a time when investors are staring at a record borrowing program from the government, surging price pressures as reflected in the wholesale and consumer price index, and the prospect of sharp interest rate increases by the central bank.

India budgets to raise about 14.3 trillion rupees through debt issuances in this financial year through March 2023. The entire borrowings are in local currency, with banks and insurance companies the biggest buyers of sovereign debt.

Analysts like Barclays Plc's Chief India Economist Rahul Bajoria are raising their budget deficit estimates. Bajoria expects India's budget gap to be at 6.9% for fiscal year 2022-23, up from New Delhi's forecast of 6.4% of gross domestic product. https://www.business-standard.com/article/economy-policy/govt-considering-rs-1-trn-extra-borrowing-to-offset-fuel-tax-cut-report-122052200401_1.html

22. Inequality report brings buzz back to universal basic income scheme ([financialexpress.com](https://www.financialexpress.com)) May 21, 2022

There is again a buzz surrounding the provision of a universal basic income (UBI) recommended by a report on the state of inequality commissioned by the Economic Advisory Council to the Prime Minister (EAC-PM).

Introducing a UBI was one suggestion to reduce the widening income gaps towards a more equal distribution of earnings in India's labour market.

Simply put, a UBI is a sum of money provided by the State to all citizens to take care of the bare necessities of life. This provides a “safety net preventing any citizen from sinking below a basic minimum standard of living” according to Vijay Joshi, Emeritus Professor, Merton College at Oxford, who together with Professor Pranab Bardhan, University of California at Berkeley, were perhaps the earliest economists who recommended such a scheme in India. This idea gained sufficient traction to feature in the Economic Survey for 2016-17 as “conceptually appealing”.

The UBI’s appeal — especially to economic reformers who prefer a minimalist State — is that it represents a possible alternative to various social welfare programmes that are not effective in bringing down poverty. When the national rural employment guarantee scheme was in the offing during the first term of the earlier UPA regime, such reformers trashed the idea as it would entail massive leakages and corruption.

They are fed-up with the vast inefficient subsidy raj ostensibly intended for the poor. It is far better instead to scrap all these dysfunctional subsidies and anti-poverty schemes and provide a direct cash transfer to all instead.

Is UBI affordable? Is it feasible? Joshi had pegged the cost at 3.5% of GDP, while the Economic Survey estimated it at 4-5% of GDP assuming those in the top 25% income bracket do not participate. Joshi’s tab is to be raised by taking out subsidies, reducing tax exemptions, taxing agricultural incomes, among other measures, which frees up resources up to 10% of GDP.

He suggests that 2.5% can go for reducing the fiscal deficit of central and state governments. Another 4% can be used for raising public investment and social expenditures.

The balance is for UBI which is three-times the budgeted subsidy bill for 2022-23. Of course, there will be resistance to subsidy cuts and tax exemptions being removed. “We will be landing in a situation where people will stand up in Parliament and demand continuation of the present subsidies and over and above that (UBI)”, former finance minister Arun Jaitley had said.

However, the affordability question alone cannot derail a UBI in India as there is a critical mass of quasi-rural basic income schemes that have been implemented without fiscal stress and can be scaled up. The PM Kisan Samman Yojana transfers Rs 6,000 each to 120 million small and marginal farmers. This scheme follows the highly successful Rythu Bandu scheme of Telengana that has benefitted 5.8 million farmers with transfers of Rs 5,000 per acre per season. Not to be outdone, Odisha has unveiled its Krushak Assistance for Livelihood and Income Augmentation or KALIA. If Rythu Bandhu benefitted only landowners with clear titles to their land, KALIA is more inclusive in providing financial assistance to all cultivators, including share croppers and tenants who do not have titles to their land and landless agricultural labourers as well. Then there is Andhra’s Rythu Bharosa scheme and Chhattisgarh’s Rajiv Gandhi Kisan Nyaya Yojana, among others.

PM Kisan’s cash transfer constituted 6.43% of the annual income of farmers at an all-India level in 2018-19, which is much higher for poorer states like Bihar, Jharkhand, Uttarakhand, Odisha, MP and Chhattisgarh. The extent of benefit accruing to small and marginal farm size holders is also 20 times higher than to those with medium and large farms.

KALIA's benefits to small and marginal farmers are significant as they are in addition to PM Kisan. Barring Rythu Bandu, where medium and large farmers are more benefitted, the income support in various other state government schemes is also more inclusive and promotes more equity across farm sizes according to "Income support schemes: evaluation of PM Kisan vis-a-vis state government schemes" by HN Kavitha et al in the Economic and Political Weekly, August 21, 2021.

Back to UBI, a basic question, nevertheless, is that if a guaranteed minimum income is provided universally, where would the vast majority of citizens access better nutrition, healthcare and educational facilities for children? Of what use is the basic income when such facilities are not available in the far-flung villages of the country? In developed countries, a UBI was essentially do-able (although none have done so despite discussion and debate) as many were welfare States that provided essential public services, including child protection. In India, a UBI simply cannot be a substitute for the State retreating from provision of essential services. <https://www.financialexpress.com/economy/inequality-report-brings-buzz-back-to-universal-basic-income-scheme/2532829/>

23. Why burning food as fuel is a bad idea for India (thehindubusinessline.com) May 23, 2022

India should look to make protein, not alcohol from sugar and starch

India is making the grave mistake of premature imitation of the West by advancing the mandate for 20 per cent ethanol blending in petrol. Almost all bioethanol in India is derived from sugarcane and food grains. This is culpable insanity in the midst of a looming catastrophic food shock and while our demographic dividend is imperilled by the adverse consequences of intergenerational protein malnutrition. Instead of burning food-as-fuel, we should deploy proven biotechnology to convert starch and sugar to high quality protein at India Scale and India Price.

Is India burning food-as-fuel?

Indeed we are. As Lydia Powell, Akhilesh Sati, and Vinod Kumar Tomar of the Observer Research Foundation pointed out in a January 2022 paper, there are serious concerns about: "The potential food security and water challenges posed by the revised targets for ethanol blending. Sugarcane is a water intensive crop grown on land meant for food production and it is easy to see how the competing demands from the fuel sector could threaten both water and food security. The response that only surplus sugarcane and rice are diverted to fuel production may not hold in the longer term... Increase in domestic production will remain a challenge and may come only at the expense of food security as arable land is scarce for a significant increase in domestic production of biofuels. The gains in tailpipe emissions from ethanol blending are not only too small but also redundant given India's goal for electrifying surface transport. Benefit to farmers and rural economies from biofuel production is the key political driver of biofuel production across the world. For resource challenged India, this may bring only few benefits at very high cost."

Burning of sugar-as-ethanol

Recently the central government approved the amendments to the National Policy on Biofuels for advancing the target of blending 20 per cent ethanol in petrol to 2025-26, from 2030. Ostensibly, "as many more feedstocks are being allowed for the production of biofuels, this will promote the Atmanirbhar Bharat and give an impetus to Prime Minister's vision of

India becoming ‘energy independent’ by 2047”. Premium rates have been announced for ethanol produced from sugar cane juice, syrup, and molasses. Although insignificant in amount compared to sugar-based feedstock, the use of “excess rice or damaged food grains” to produce bioethanol would also benefit from the proposed incentives.

The Green Revolution was successful in making India self-reliant in food grains, but also created a set of perverse incentives to produce evermore surpluses of wheat, rice, and sugarcane. The true cost of the Green Revolution is sadly seen in the chronic shortage of pulses, and in the degradation of soil, air, and water across the country. Massive air pollution occurs all over the country from inappropriate burning of rice straw. Sugarcane and rice fed by ‘fossil water’ should never have been grown in these arid areas at all - rather, pulses should have been.

Climate change effects would only worsen the conditions we have created for ourselves: a monsoon-dependent food system growing water-intensive crops in the wrong places at the wrong time, for the wrong markets, misguided by the wrong price signals distorted by unintended consequences of well-meant ‘pro-poor’ policies.

In India therefore, we face the problem of ‘too much starch and sugar, and not enough protein’. Consequently, every other child born in 21st Century India is stunted both physically and cognitively due to protein deficiency and malnutrition. India has suffered endemic protein malnutrition for at least three generations in the 20th century. And now in the 21st century, there is an epidemic of rural diabetes and obesity.

Indian consumers do not have much choice of proteins that satisfy their preferences in nutrition, taste, price, and convenience. Indian meat availability and consumption at ~6 Kg per person per year is just 10 per cent of the Chinese average (it is over 100kg in the US).

There are too many environmental and public-health risks (pandemics, zoonotic diseases, antibiotic resistance, soil and water degradation) associated with industrial animal killing for food. Globally too, consumers are increasingly concerned about the ethics, sustainability, and provenance of their foods and beverages. Over 5 billion people in the world today have no meat as known in rich countries, and have only limited access to other edible proteins. Industrialised killing of animals for food will neither scale in time, nor sustainably, to feed a world of 10 billion people.

What are the better options for India?

We need food technologies that are resilient in extremes of climate change: in both climate warming as well climate cooling scenarios (supervolcano eruption). Truly sustainable proteins such as mycoprotein would be the best hedge against all risks of climate change impacting conventional agriculture and industrial animal farming as we know it.

There are now a few firms making meat-analogues based on different fungi, including mushroom mycelia, the tempeh fungus, and other traditional and novel organisms that are neither plants nor animals.

An elegant, proven, and profitable solution has been available for over 40 years, to abolish forever, both the protein deficit and the starch surplus.

Around the same time as our Green Revolution, leading industrialists and philanthropists in the UK began to worry about securing enough protein to feed the exploding global population. Initially, this meant using crops and feed supplements to feed animals raised for meat. A class of 'single-cell-proteins', best known in the form of the biomass of brewer's and baker's yeasts, had been industrially produced before WW1, and had also been used as food. WW2 spurred massive increase in cereal grain production, and in the West, threats to food security seemed to diminish. Only recently have rising concerns about Climate Change pushed further massive investments in scaling up sustainable alternatives to meat.

The miracle of mycoprotein

In the late 1960s Britain, however, Lord J. Arthur Rank and others continued to seek ways of not only industrially producing protein, but also utilising the surplus starch being wasted in the flour mills. After a search involving over 3,000 microbial candidates, the edible filamentous fungus *Fusarium venenatum* was found the most suitable. The collaboration between the bakers RHM, and ICI came to be known eventually as Quorn Foods, now part of Monde Nissin of The Philippines. The world's only large scale production facility near Stokesley in the North of England makes around 40 million kg of mycoprotein paste that is formulated into a range of meat-analogues.

Mycoprotein is the name given to the biomass of the filamentous fungus *Fusarium venenatum*, cultured in industrial 150,000 litre continuous air-lift fermenters. This process utilises glucose as feedstock, along with nitrogen in the form of ammonia, and added micronutrients to ensure optimum growth. The mycoprotein biomass is isolated by centrifugation to remove excess water after heat treatment to reduce nucleic residues. This dough-like paste is then bound with egg protein or a vegan protein such as potato protein; flavours are added and the meat-like texture is created by pressure cooking and controlled freezing to bind the filaments together to simulate muscle-bundles found in animal-meat. Further formulation results in a full range of meat-analogue products such as pieces, mince, burgers, sausages, nuggets, and deli-style variants. Presently all these chilled and frozen products require a cold-chain.

Mycoprotein is probably the most scalable, sustainable, versatile, and healthy protein, and is ideal for India. Mycoprotein also has potentially multiple metabolic benefits, especially in the Indian context. It promotes satiety, healthy gut microbiome, liver health, and muscle mass. It also enables better control of diabetes and obesity.

All other meat-alternative products available today compete for the limited supply of plant-based proteins (from wheat, soy, pea, etc.). However, mycoprotein is an established category of nutritionally complete protein not reliant on pulses, but cultivated on glucose feedstock. It offers an additional source of vegan protein suitable for all.

Mycoprotein from glucose feedstock has established price parity with industrially farmed animal meat. However, for long term success in the Indian market, the products need to achieve a price level matching pulses and cereals.

To make mycoprotein even more affordable at 'India Scale, India Price', we at Sustain Ltd., are working on lower-cost feedstock such as sugarcane juice available in excess in India. Agri-residues (rice straw, bagasse etc.) could also be broken down to simpler sugars for use as lowest-cost feedstock in mycoprotein production. This would ensure a limitless abundance of high-quality complete protein to make a variety of meat-free meals, snacks, beverages, and even desserts.

One of the key pillars of the Indian economy is our much vaunted Demographic Dividend, driving internal consumer demand. With the increasing threat of automation and premature deindustrialization, the cognitive capability of our workforce assumes even greater importance in a 21st century knowledge-driven economy. Our demographic dividend is at serious peril of turning into a demographic disaster unless protein malnutrition is abolished with haste. <https://www.thehindubusinessline.com/opinion/why-burning-food-as-fuel-is-a-bad-idea-of-india/article65453081.ece>

24. Inquiry finds more irregularities in land acquired for Delhi Meerut Expressway project ([hindustantimes.com](https://www.hindustantimes.com)) May 20, 2022

In a latest inquiry carried out by the Ghaziabad district administration, names of several persons have emerged who allegedly carried out sale deeds related to land at Rasoolpur Sikrod and Matiyala villages even after the notification of land acquisition was issued for the Delhi Meerut Expressway project.

The officials said that the sale deeds were executed in 2016 in the name of a cooperative society, which already stood cancelled in 1999. The administration officials said that the land was meant for the Delhi Meerut Expressway project and previously a similar case emerged in 2016 when FIRs were lodged upon inquiry initiated by then divisional commissioner Prabhat Kumar.

Earlier this month, the state government had also initiated proceedings for recommending the suspension of 2004 batch IAS officer Nidhi Kesarwani, who had served as Ghaziabad district magistrate.

The present case involves an alleged misappropriation of estimated ₹22 crore, said officials. As per norms, the sale/purchase of land is not allowed after a notification is issued under the National Highways Act, 1956 (Section 3d).

“It has emerged in inquiry that the society in whose name the lease deeds were executed, was cancelled in 1999 and the suspect persons also made fake societies in order to pool more land. This was done after the notification was issued on July 3, 2012, while the sale deeds were executed in 2016. The amount involved (as loss to government exchequer) is estimated to be about ₹22 crore,” said Ritu Suhas, additional district magistrate.

Officials said that the anomaly emerged in several land chunk numbers belonging to the two villages, while an inquiry is also on for other land numbers of the said villages. They added that the pooling of the land by the cancelled society also allegedly violated the provisions of the UP Imposition of Ceiling on Land Holdings Act, 1960. They also suspect that some of the cases may have been put into arbitration with the district administration in order to get more land compensation for the amassed land.

In connection with the findings of the inquiry, the Ghaziabad district administration has forwarded a complaint to the police for lodging of an FIR against the office-bearers of the cooperative society in question.

“We are in process of receiving the complaint and an FIR will be lodged at the earliest. Police will start with immediate investigation and if need be, a larger team may also be roped in,” said Nipun Agarwal, superintendent of police (city 1).

In connection with the previous inquiry which unearthed the alleged scam, the then divisional commissioner Prabhat Kumar in 2017, had set up a detailed probe after complaints that certain officials allegedly connived with private persons and purchased land after notification was issued for the expressway. Later, the suspects allegedly got the land purchased in the names of their relatives. <https://www.hindustantimes.com/cities/noida-news/inquiry-finds-more-irregularities-in-land-acquired-for-delhi-meerut-expressway-project-101653070802366.html>