

NEWS ITEMS ON CAG/ AUDIT REPORTS (28.05.2022 to 30.05.2022)

1. Ministry withdraws advisory that said don't share copy of Aadhaar ([indianexpress.com](https://www.indianexpress.com)) 30 May 2022

The Ministry of Electronics and Information Technology Sunday withdrew an advisory issued by the Aadhaar agency which cautioned people to not share a photocopy of the document with entities such as hotels and cinema halls owing to the possibility of “misuse”. A ministry statement Sunday said the advisory was withdrawn because it could be “misinterpreted”.

The advisory was issued Friday by the regional office of the Unique Identification Authority of India (UIDAI) in Bengaluru.

It said citizens should share their Aadhaar details only with entities that have a “user licence” from UIDAI. It did not specify how to verify this user licence.

On Sunday, while withdrawing the advisory, the ministry said Aadhaar holders are “advised to exercise normal prudence in using and sharing” their Aadhaar details, without elaborating on what “normal prudence” constitutes.

“Aadhaar identity authentication ecosystem has provided adequate features for protecting and safeguarding the identity and privacy of the Aadhaar holder,” the statement said.

It added that the advisory had cautioned against sharing Aadhaar details following an “attempt to misuse a photoshopped Aadhaar card”.

Friday’s advisory appeared to be in stark contrast with a contention made by UIDAI’s former chief and then TRAI chairman RS Sharma, who in 2018 had shared his Aadhaar number on Twitter, challenging a user to show a “concrete example” of how the number could be used to “harm” him.

The advisory read: “Do not share photocopy of your Aadhaar with any organizations because it can be misused. Alternatively, please use a masked Aadhaar which displays only the last 4 digits of your Aadhaar number.”

CAG flagged privacy risk

The Comptroller and Auditor General of India had noted in April that UIDAI had not ensured that the applications or devices used by agencies or private firms for Aadhaar authentication were “capable of storing personal information... which put the privacy of residents at risk”.

“Only those organizations that have obtained a User Licence from the UIDAI can use Aadhaar for establishing the identity of a person. Unlicensed private entities like hotels or film halls are not permitted to collect or keep copies of Aadhaar card. It is an offence under Aadhaar Act 2016. If a private entity demands to see your Aadhaar card, or seeks a photocopy of your Aadhaar card, please verify that they have valid User Licence from the UIDAI,” it said.

In 2018, the Supreme Court had struck down Section 57 of the Aadhaar Act which essentially allowed private entities to collect citizens’ Aadhaar details.

While reading down the provision, the top court had called it “unconstitutional”.

Soon after the judgement, however, the UIDAI had clarified to banks that Aadhaar know-your-customer (eKYC) can be used to authenticate beneficiaries of government subsidies and welfare schemes, paving the way for private banks to use the document to identify beneficiaries of government welfare schemes.

A few months later, the Centre issued the Aadhaar and Other Laws (Amendment) Ordinance, 2019, which allowed banks and telecom operators to collect Aadhaar details as a proof of identity.

After the Centre launched the Covid-19 vaccination programme, a plea was filed in the Supreme Court in 2021 claiming that the Aadhaar card was being mandatorily insisted upon for administering vaccines. The government then informed the top court that Aadhaar was not mandatory for registration on the vaccination portal CoWin. <https://indianexpress.com/article/india/electronics-it-ministry-clarifies-on-aadhaar-sharing-advisory-uidai-7942361/>

2. As bidders exit, govt scraps BPCL disinvestment for now ([hindustantimes.com](https://www.hindustantimes.com)) 27 May 2022

The government has decided to cancel the current disinvestment process of state-run Bharat Petroleum Corporation Ltd (BPCL) because of a single bidder situation and the Union finance ministry will reinstate the bidding process again at a later date, a top functionary said.

The department of investment and public asset management (Dipam) confirmed the decision, citing the decision by several of companies that had expressed to pull out due to the economic uncertainty created by successive Covid-19 waves and geopolitical tensions.

“In view of this... Government of India has decided to call off the present EoI (expression of interest) process for strategic disinvestment of BPCL and the EoIs received from QIPs (qualified interested parties) shall stand cancelled,” the statement said.

The decision appears linked to the fact that only one company remained in the fray. A top official further explained the decision. “We do not want a situation like Vizhinjam port project that was awarded to a single bidder during the Congress regime [in Kerala],” the person said asking not to be named. The person was referring to a report by the Comptroller and Auditor General of India (CAG), which pointed out that the project was awarded to the “lone” bidder” in 2015.

The person referred to Union finance minister Nirmala Sitharaman’s statement in Tamil in the Lok Sabha on this matter on December 13, 2021: “You can issue a global tender, but if there is only a single bidder, the bid is cancelled. You don’t call them (the single bidder) and give it to them,” the FM’s office tweeted the same that day.

Speaking on this matter in the house that day, Sitharaman said that even in a case where global tender was issued, but only single bid was received, then the bid is cancelled. She was replying a debate on the NDPS (Amendment) Bill, 2021 in the Lok Sabha.

A finance ministry official on condition of anonymity said what FM had explained the correct procedure for global tendering process and award of projects in the Parliament that day and the same is true even now. “Hence, retendering is the only correct way for disinvestment of BPCL. Yes, the government may consider new market situations and other sector-related factors before inviting bids again in an appropriate time,” the official added.

The government in March 2020 invited Expressions of Interest (EoIs) through global tender from bidders to sell its entire 52.98% equity stake in BPCL. While initially three private firms participated in the bidding process, but two of them eventually backed out on various grounds.

According to the Dipam statement, “the majority of QIPs have expressed their inability to continue in the current process of disinvestment of BPCL”.

On the government’s disinvestment plan of state-run banks, the top functionary mentioned above said: the ministry “will do it” but did not elaborate details such as which bank and when. The Union Budget for 2021-22 had envisaged privatisation of two public sector banks (PSBs) along with a detailed policy of strategic disinvestment of public sector enterprises. <https://www.hindustantimes.com/india-news/as-bidders-exit-govt-scrap-bpcl-disinvestment-for-now-101653675821040.html>

3. CAG has become quiet in the last decade. Who is responsible, asks Sachidananda Murthy (theweek.in) Updated: May 29, 2022

If things go as per the plans of Lok Sabha Speaker Om Birla, the coming monsoon session of the two houses could be the last to be held in the old circular building. Construction teams and interior decorators are working hard to ready the new Parliament House in the adjoining plot in time for the winter session in November. Yet, there are no indications so far of any explosive report from the comptroller and auditor general (CAG) which would rock the old building, which has reverberated with tension over CAG reports on Bofors, 2G telecom spectrum allocation and other smoky deals of the then governments. Even the number of reports submitted to Parliament is less compared with a decade ago, because of a new cluster system adopted by the financial supervisory body with autonomous powers under the Constitution.

The CAG, either by accident or design, has stopped creating any sensation since the days of Vinod Rai (who was in office from 2008 to 2013). His reports on the anticipated loss of 01.76 lakh crore had rocked the Manmohan Singh government, leading to an uproar in Parliament. There were corruption cases against communications minister A. Raja, senior officials and middlemen, but the cases were unproven and Raja was acquitted. There were other reports of the CAG in the first decade of the 21st century which had made the governments at the centre and states tremble.

But all has been quiet in the past decade on the CAG front. If Rai’s reports were sizzlers, the reports from his low-profile successors—Shashi Kant Sharma, Rajiv Mehrishi and now G.C. Murmu—have not created much enthusiasm. Even the report on the twists and turns in the negotiation for the purchase of Rafale aircraft from France was a flat one, though the copies of the files received from the defence and finance ministries occupy a big room at the CAG headquarters.

While Rai headed the department of financial services before becoming CAG, Sharma was defence secretary during the UPA era and Mehrishi was finance secretary and later home

secretary under the Narendra Modi government. Murmu had worked with Modi in Gujarat and later in the Union finance ministry, apart from being the first lieutenant governor of Jammu and Kashmir. Both the Congress and BJP governments have preferred to appoint IAS officers as CAGs, instead of professionals from the Indian Audit and Accounts Service.

The public accounts committee (PAC) of Parliament, which had followed up on controversial audit reports earlier, has also now become subdued. By convention, the all-party committee is headed by a frontbencher of the main opposition party. But the dominant numbers of the BJP in Lok Sabha have meant that the BJP committee members can veto the chairman, unlike in the coalition era. The first Congress nominee since 2014 was former Union food minister K.V. Thomas, who was recently expelled from the Congress. Thomas had an uneasy relationship with the high command, especially over his passive role as PAC chairman.

Though the more combative Congress leaders Mallikarjun Kharge and Adhir Ranjan Chowdhury later became PAC heads, they, too, have not been able to deliver any hot reports for two reasons—they are not getting controversial stuff from CAG and even when they have some material, the aggressive BJP members have their say.

But the Modi government insists that there is no masala in audit reports because the government follows procedures and eschews corruption. The opposition, however, says it is because the government has aggressively interfered with high constitutional offices and prevented X-raying of bad deals. Either way, there seems to be less excitement at the desk of the government's top auditors. <https://www.theweek.in/columns/Sachidananda-Murthy/2022/05/27/cag-has-become-quiet-in-the-last-decade-who-is-responsible-asks-sachidananda-murthy.html>

4. CAG initiates Performance Audit on working of JU for last 5 years ([dailyexcelsior.com](https://www.dailyexcelsior.com)) 30 May 2022

JAMMU, May 29: In a major development, the Comptroller and Audit General of India is learnt to have initiated special Audit on performance and working of the Jammu University for the last five years.

Besides Financial management, the Audit team will assess the performance of the university in Academics, Research, Human resource management, infrastructure development, asset management and other areas ancillary to its working. Performance of JU affiliated colleges and offsite campus of the university is also being assessed by the Audit team.

This is apparently for the first time in last more than three decades that such a special audit is being conducted on performance and working of the Jammu University.

Official sources told the Excelsior that the Audit team has reached Jammu University and started seeking relevant records from different departments to check.

Audit will cover the period from 2017-18 to 2021-22 and will also be guided by the developments prior to the period by a test check of records of Registrar officer, Dean Academic Affairs, Dean Planning, Dean Research Studies, Director Colleges Development Council etc, sources added.

Pertinent to mention that Prof Manoj Kumar Dhar was the Vice-Chancellor of Jammu University from July 2018 till the appointment of Prof Umesh Rai as the new VC in March

2022 even as he had completed his tenure of three years since July 24, 2021. Before the taking over by Prof Manoj Dhar, Prof R D Sharma was the Vice-Chancellor of Jammu University. Hence the audit will cover the entire tenure of Prof Manoj Dhar and more than a year of Prof R D Sharma as the Vice-Chancellor.

According to the sources, this special audit to assess the performance and working of Jammu University covering the period from 2017-18 to 2021-22 has been ordered in wake of a number of complaints regarding financial mismanagement, alleged misuse of funds, inadequate transparency in appointments, alleged irregularities in infrastructure development, etc.

Following a formal intimation from the Office of the Principal Accountant General (Audit), Jammu and Kashmir and Ladakh, Srinagar to JU Vice-Chancellor Prof Umesh Rai, about conducting Performance Audit on working of the university, all the departments in Jammu University have been directed to keep relevant records updated and provide the same to Audit party for check, sources informed.

In the official communication in this regard, Deputy Accountant General (Audit), Inabat Khalik has sought necessary direction to all the concerned departments, affiliated colleges and offsite campuses to assist in joint inspection of selected works besides providing record to Audit parties, sources added.

This communiqué was received by JU Registrar on May 23 and on the same day, the University Chief Accounts Officer issued direction to all the departments for extending full cooperation to the Audit party, sources further said.

On the condition of anonymity, a senior Professor of JU told the Excelsior that a similar special audit was conducted when Old Campus of the university was flooded with water following flash flood in Tawi river in 1988 and alleged misuse of fund by the University Works Department had surfaced.

This Special Audit is different from routine Audits which are conducted every year in association with the Internal Audit team of the university. The Special Audit is likely to take more than six months to get completed, sources said. <https://www.dailyexcelsior.com/cag-initiates-performance-audit-on-working-of-ju-for-last-5-years/>

5. WB: RTI Activist Unearths Serious Lapses in Auditing of Govt. Schemes ([newsclick.in](https://www.newsclick.in)) 27 May 2022

As per the RTI activist, In the last 10 years, over Rs 1,00,000 crore have been shown as expenses for flagship government schemes. However, all expenses have been made without any audit.

Office of the Comptroller and Auditor General (CAG) of India has not audited the state government's flagship projects, such as Kanyashree and Yuvashree. The government records show more than Rs 1,000 crores budgeted for these projects each year. Still, the government has declined to share information regarding these schemes, citing information secrecy.

The information was revealed in multiplied RTIs, filed by Biswanath Goswami, a socio-legal researcher and an RTI activist, who said that no CAG audit has taken place in 70 flagship

projects of the state government, including the schemes mentioned above- a never-heard-of thing in exchequer management.

"In September 2018, CAG officially informed me under the RTI Act that the state government has repeatedly refused to provide crucial information on various social security schemes and projects and law and order issues of the state for statutory audit and inspection," Goswami told NewsClick.

"When I filed another RTI application, seeking detailed information on such refusals with copies of every memo issued by both sides, CAG provided completely false and misleading information, claiming that no such incident of information refusal by the state government ever occurred," he further said.

In the last 10 years, over Rs 1,00,000 crore have been shown as expenses for such schemes. However, all expenses have been made without any audit. As many of these schemes include direct cash payouts to the beneficiaries, there is a scope of irregularities.

As CAG is a statutory organisation and not directly linked with the Central government, citing information secrecy as a reason to withhold information from the audit agency is absurd.

Despite Prime Minister Narendra Modi's claims in his election speeches during the last Assembly elections in West Bengal, central grants have been provided to the state government. As per the rule book, these grants should be privy to CAG audits- as is the requirement to get the grants.

"On one specific query on the audit of social security schemes and projects since 2011-to date, CAG informed that only 2-3 Central projects got audited in West Bengal in the last few years. These were the projects where the audit was a must or no funds would have been released further. The audits were limited to such schemes," Goswami told NewsClick.

Goswami further said that CAG isn't conducting audits and inspections periodically, especially at the local-body and DM-office levels, as per its mandate.

"Officers are purposefully avoiding crucial issues and findings during the audit and inspections related to fiscal irregularities and misappropriations. They are not recording inappropriate manners by using the right words but diluting the audit findings, either under fear or against favour," he said.

In that context, the appointments to CAG public accounts committee (PAC) can be seen as an attempt to make the body non-functional, especially the appointment of Mukul Roy as the PAC chairperson in 2021. The PAC oversees the auditing of the revenue and expenditure of the state government.

At the time, Bharatiya Janata Party (BJP) had opposed Roy's appointment to the post of the PAC chairperson conventionally goes to the principal opposition party. The appointment of Manas Bhunia as PAC chairperson in 2016 had seen similar reactions, who was appointed despite opposition from his party Congress. Congress, at the time, wanted Sujan Chakrabarty as the PAC chairperson.

During his tenure, Bhunia oversaw auditing of the government files and was known to give the go-ahead without checking audit aspects.

Sukhbilas Barma, a former IAS and PAC chairperson, said that during his tenure from 2018-2021, the government withheld expense files for auditing purposes despite repeated inquiries.

"The details of various e-procurement projects were not made available by the government departments. In the Kanyashree project, Rs 1,24,000 crore has been shown as expenses- despite there being no audit," Barma said.

Barma told NewsClick that his team had to work on old audit reports as new files were not provided by the government.

"We couldn't find irregularities on expenses or extra expenditures as we didn't have any reports to look at. Even the old reports that the government provided were given after a long wait. Even for schemes such as Swasthya Sathi, there was no PAC clearance. For Central government schemes, no wage reports were made available. For instance, in MGNREGA, no audit reports were placed, and as a result, labour wages are pending. The government has claimed that many houses have been constructed under the Aamar Bari scheme, but the claim lacks a basis. The surprising thing is that the CAG or Central government agencies are not applying any pressure to carry out these audits. There seems to be a back-door understanding," Barma alleged.

Goswami said that since PAC has been captured by the state government, no PAC chairperson has shown interest in public finance for transparency and accountability.

"Incidentally, a former PAC chairperson and another PAC member used to seek information on public accounts and audit reports of the government from me for their knowledge and official purposes. Still, they did not discharge their constitutional duties and exercise their rights for the issue. They alleged that CAG and government didn't supply any such information as they sought. When I asked CAG, they didn't validate the claim. I find that PAC chairpersons and members are not well aware/acquainted about the public accounts and audit, and they are not even interested," Goswami said.

After his RTI applications, Goswami also wrote to Governor Jagdeep Dhankhar, seeking his intervention on the matter. <https://www.newsclick.in/WB-RTI-activist-unearts-serious-lapses-auditing-govt-schemes>

6. Centre scans TS fund utilisation (thehansindia.com) 28 May 2022

Hyderabad: With the differences between the State Government and the Centre becoming intense, the Union Government is said to be looking into the central grants given to the state under various centrally-sponsored programmes and their utilisation. It wants to see if there was any diversion of funds, according to sources.

The ministries of Urban Development, Panchayat Raj and Rural Development, Health, Education are examining the grants and how the state government had spent them. They are verifying the utilisation certificates submitted by the state government during the last financial year.

It may be mentioned here that the Centre releases funds directly to the gram panchayats. There are allegations that the state had reportedly utilised the money for other purposes.

"The Panchayat Raj Ministry, it is said, had asked the local panchayats to present a report on the fund utilisation," officials said. The Centre feels that implementation of Ayushman Bharat national health scheme in Telangana was also not effectively implemented. The Union ministry is finding reasons why the government is not promoting the scheme and how it had utilised the other central grants given for health programmes.

The utilization of funds for the improvement of infrastructure in the urban local bodies and strengthening of the school education system were also under the scrutiny, sources said.

The release of funds to the state in 2022-2023 will be done based on the reports on the effective implementation of the centrally-sponsored schemes last year. The Central authorities said that the CAG reports on Telangana State finance managements were also under scrutiny. <https://www.thehansindia.com/news/cities/hyderabad/centre-scans-ts-fund-utilisation-745349>

7. HC serves notice (thesangaiexpress.com) 30 May 2022

The All Manipur Excise Employees Welfare Association (AMEEWA) has claimed that the High Court of Manipur has issued a notice for criminal contempt to the Principal Accountant General (A&E) in connection with the case pertaining to fixation of pay scale/protected pay scale of the employees /retired employees of the Excise Department on May 25.

As per the paper enclosed by the AMEEWA while submitting its statement, the learned senior counsel appearing for the petitioners has also issued notice to the respondent returnable on July 6, 2022 and the same has been accepted by the counsel of the respondent.

The next hearing has been fixed on July 6, 2022. <https://www.thesangaiexpress.com/Encyc/2022/5/30/IMPHAL-May-29-The-All-Manipur-Excise-Employees-Welfare-Association-AMEEWA-has-claimed-that-the.html>

8. कार्बेट प्रकरण का विशेष आडिट: टाइगर सफारी, अवैध कटान व निर्माण प्रकरण में कैग ने मांगी जानकारी (jagran.com) 29 May 2022

देहरादून: कार्बेट टाइगर रिजर्व (सीटीआर) के अंतर्गत कालागढ़ टाइगर रिजर्व प्रभाग में पाखरो ब्लाक में टाइगर सफारी, अवैध कटान व निर्माण के बहुचर्चित प्रकरण में शासन के अनुरोध पर नियंत्रक एवं महालेखा कार (कैग) ने विशेष आडिट शुरू कर दिया है।

कैग ने इस संबंध में सीटीआर के निदेशक से कार्बेट टाइगर कंजर्वेशन फाउंडेशन द्वारा अनुमोदित कार्य, व्यय समेत कई बिंदुओं पर जानकारी मांगी है। यही नहीं, कालागढ़ टाइगर रिजर्व प्रभाग और लैंसडौन वन प्रभाग में कैपा के अंतर्गत हुए कार्यों का भी कैग जल्द विशेष आडिट शुरू कर सकता है।

कालागढ़ टाइगर रिजर्व वन प्रभाग में पिछले वर्ष अवैध निर्माण कार्यों के साथ ही अवैध कटान का मामला चर्चा में रहा था। ये बात सामने आई कि इस प्रभाग में वर्ष 2020-21 से 2021-22 तक प्रतिकरात्मक वन रोपण निधि प्रबंधन एवं योजना प्राधिकरण (कैंपा) व कार्बेट टाइगर कंजर्वेशन फाउंडेशन से उपलब्ध लगभग पांच करोड़ की धनराशि से विभिन्न कार्य कराए गए।

इनमें पाखरो में टाइगर सफारी के लिए दो बाड़ों का निर्माण, सर्विस मार्ग के अलावा कंडी मार्ग पर 1.2 किमी में कल्वर्ट व पुलिया निर्माण, मोरघट्टी, पाखरो व कुगड्डा में भवनों का निर्माण जैसे कार्य शामिल हैं। इनके लिए कोई प्रशासनिक व वित्तीय स्वीकृति नहीं ली गई। इनमें कई कार्य ऐसे हैं, जो कैंपा मद से नहीं हो सकते। यही नहीं, लैंसडौन वन प्रभाग में वर्ष 2020-21 एवं 2021-22 में कैंपा से मिली 30.88 लाख की राशि स्वीकृति गतिविधि से इतर खर्च की गई।

इसे देखते हुए वन विभाग के मुखिया प्रमुख मुख्य वन संरक्षक विनोद कुमार सिंघल ने दोनों प्रभागों में हुए कार्यों का कैग से विशेष आडिट कराने के संबंध में शासन को प्रस्ताव भेजा। शासन ने इस पर मुहर लगाते हुए कैग से अनुरोध किया था, जिसे स्वीकार कर लिया गया। अब कैग ने विशेष आडिट प्रारंभ कर दिया है।

इस कड़ी में कैग ने कार्बेट टाइगर कंजर्वेशन फाउंडेशन की बैठकों में लिए गए निर्णय, शासकीय बैठकों का कार्यवृत्त, फाउंडेशन के फंड से अनुमोदित कार्य व इनके सापेक्ष व्यय, फंड संबंधी वार्षिक प्रगति प्रतिवेदन व उपयोगिता प्रमाणपत्र, निदेशक कार्बेट द्वारा कराए गए कार्यों का विवरण, तीन वर्षों का सीए से अनुमोदित तुलनापत्र के संबंध में ब्योरा मांगा है। <https://www.jagran.com/uttarakhand/dehradun-city-corbett-special-audit-case-cag-sought-information-in-tiger-safari-illegal-felling-and-construction-case-22754277.html>

9. एनसीएलटी से अलग भूखंड को आवंटन निरस्त करने की तैयारी शुरू (jagran.com) 28 May 2022

बिल्डरों से बकाया वसूल करने के लिए नोएडा प्राधिकरण ऐसी परियोजनाओं को देख रहा है, जिसमें नेशनल कंपनी ला ट्रिब्यूनल (एनसीएलटी) में थर्ड पार्टी इनवाल्व न हो। इन भूखंडों का आवंटन निरस्त किया जा सकता है। इसकी तैयारी शुरू की जा चुकी है। बता दें कि नोएडा प्राधिकरण में ऐसी करीब 65 ग्रुप हाउसिंग परियोजनाएं हैं, जिन्हें आज तक बिल्डरों की ओर से शुरू ही नहीं किया जा सका है। कैग ने अपनी रिपोर्ट में बताया है कि बिल्डर परियोजनाओं में नोएडा में 1,30,005 प्लैट बनने थे, लेकिन सिर्फ 72,697 को ओसी (आक्यूपेंसी सर्टिफिकेट) जारी की गई। इनमें से करीब 35 हजार की रजिस्ट्री अभी तक नहीं हुई है। 57 हजार से ज्यादा प्लैट अब भी अधूरे हैं। 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 विभाजित कर दिया। 31 मार्च 2020 तक 42 परियोजनाएं पूर्ण हुईं, 36 अपूर्ण और 35 आंशिक रूप से पूर्ण हो सकीं। इन परियोजनाओं का प्रीमियम करीब 14 हजार करोड़ रुपये से अधिक का था। इनमें से कुछ पैसा जमा हुआ। मार्च 2020 तक का आंकड़ा देखें तो बिल्डरों की देयता करीब 20 करोड़ रुपये से ज्यादा है।

नोएडा प्राधिकरण मुख्य कार्यपालक अधिकारी रितु माहेश्वरी ने बताया कि जमीन 99 साल की लीज पर दी जाती है। यहां त्री-

पक्षीय रजिस्ट्री होती है। सीधे समझे तो बिल्डर बायर्स और प्राधिकरण। बायर्स पैसा जमा नहीं कर रहा इस लिए प्राधिकरण रजिस्ट्री नहीं खोल रहा। उन्होंने बताया कि एक साल में करीब 550 रजिस्ट्री हुई है। कई स्थानों पर कैंप लगाए गए हैं। अदालत का जो फैसला आएगा उस पर अमल किया जाएगा। बकाये पर ब्याज को लेकर बिल्डरों व नोएडा प्राधिकरण के बीच सुप्रीम कोर्ट में मामला विचाराधीन है। एमसीएलआर (मार्जिनल कास्ट आफ फंड्स बेस्ड लेंडिंग रेट्स) के हिसाब से ब्याज लिया जाए। 13 नवंबर 2021 से फैसला सुरक्षित है। फैसला आने के बाद ही प्राधिकरण बिल्डरों के बकाये को रि-शिड्यूल करेगा। <https://www.jagran.com/uttar-pradesh/noida-preparations-started-for-cancellation-of-allotment-of-plot-apart-from-nclt-22753174.html>

10. JHARKHAND: महालेखाकार के आय-

व्यय का सत्यापन का काम अब तक नहीं पूरा, एजी ने असंतोष जताया ([newswing.com](https://www.newswing.com)) 30 May 2022

Ranchi: महालेखाकार झारखंड कार्यालय ने राज्य सरकार के वित्तीय वर्ष 2021-22 के ऑनलाइन लेखा कार्य सत्यापन को संतोषजनक नहीं बताया है। अपर सचिव चंद्र मौली सिंह ने 16 जून 2022 तक हर हाल में सत्यापन के सारे कार्य पूर्ण करने का आग्रह वित्त सचिव अजय कुमार सिंह से किया है। यह स्पष्ट किया है कि अगर इस अवधि तक शत-प्रतिशत ऑनलाइन सत्यापन कार्य नहीं किया गया तो यह मान लिया जायेगा कि महालेखाकार ने सत्यापन अपने स्तर से किया है व पूर्णता सही है, और इसके बाद विभागों का कोई दाव मान्य नहीं होगा।

दरअसल, हर वित्तीय वर्ष के अंत में राज्य सरकार के आय-

व्यय का वास्तविक सत्यापन कराया जाता है, वर्तमान स्थिति का भी पूरा आकलन किया जाता है। फरवरी 22 तक झारखंड सरकार का लेखा एजी ऑफिस से बंद किया जा चुका है। इसके सत्यापन के लिए आंकड़े ऑनलाइन उपलब्ध कराये गये हैं, किन्तु राज्य सरकार के 180 में से 64 नियंत्री पदाधिकारियों व्यय के द्वारा आंशिक रूप से इसका पुर्नमिलान किया गया है। अधिकांश निकासी एवं व्ययन पदाधिकारी ने इस कार्य में रूची नहीं ली। इसी प्रकार 100 में 27 नियंत्री पदाधिकारी आय द्वारा ही आय संबंधित सत्यापन किया गया है। ऐसे में आय-

व्यय के वास्तविक सत्यापन नहीं होने से परेशानी हो रही है। महालेखाकार कार्यालय ने 30 जून तक सारी प्रक्रिया पूर्ण करने के लिए तिथि रखा है, ऐसे में सभी विभागों को इस कार्य के लिए 16 जून तक ही समय दिया है। <https://newswing.com/jharkhand-the-work-of-verification-of-income-and-expenditure-of-the-accountant-general-is-not-yet-completed-the-ag-expressed-dissatisfaction/386439/>

11. मूलभूत सुविधा भी नहीं है गांव के स्कूलों में ([doonhorizon.in](https://www.doonhorizon.in)) 28 May 2022

आज़ादी के बाद से ही देश में शिक्षा का स्तर बढ़ाने के लिए कई योजनाएं चलाई गई हैं। मुफ्त और अनिवार्य शिक्षा अधिनियम लागू किया गया, समग्र शिक्षा अभियान चलाया गया, स्कूलों में मध्याह्न भोजन की व्यवस्था की गई, बच्चों के लिए मुफ्त ड्रेस और किताबों की व्यवस्था की गई, स्कूल चले हम और बेटी बचाओ बेटी पढ़ाओ जैसे नारे लगाए गए।

लेकिन हर बार कैग की रिपोर्ट में कहीं न कहीं सरकारी स्कूलों में शिक्षा का गिरता स्तर और बच्चों का स्कूल से दूर होना ही आता रहा है. यह कमियां दक्षिण की तुलना में उत्तर भारत और खासकर हिंदी भाषी प्रदेशों में अधिक देखने को मिलती है. ऐसे में सवाल उठता है कि सारी योजनाओं की सफलता का दावा करने के बावजूद धरातल पर बदलाव नज़र क्यों नहीं आता है?

देश के अन्य हिंदी भाषी राज्यों की तरह पहाड़ी राज्य उत्तराखंड भी शामिल है, जहां के सरकारी स्कूलों की स्थितियों और उनमें कमियों की ओर कैग की रिपोर्ट में खुलासा किया गया है. अक्टूबर 2021 में जारी कैग की रिपोर्ट के अनुसार उत्तराखंड में दूर दराज़ के कई सरकारी स्कूलों में न तो पीने का साफ़ पानी उपलब्ध है और न ही शौचालय की व्यवस्था है. इसका सीधा प्रभाव बालिकाओं की शिक्षा पर पड़ रहा है, जो धीरे धीरे स्कूल से दूर होती जा रही हैं.

राज्य के बागेश्वर जिला स्थित कपकोट ब्लॉक का उत्तरौड़ा गांव इसका एक प्रमुख उदाहरण है. पहाड़ की चोटी पर बसे इस छोटे से गांव में संचालित रा.उ.मा. विद्यालय मूलभूत सुविधाओं से भी वंचित है. वर्ष 2011-12 से संचालित इस स्कूल में कुल 67 विद्यार्थी हैं, जिनमें 25 छात्र और 42 छात्राएं हैं.

छात्र की तुलना में छात्राओं की संख्या का अधिक होना शिक्षा के प्रति बालिकाओं के बढ़ते रुझान को दर्शाता है. इसके बावजूद इस स्कूल में छात्राओं के लिए पीने का साफ़ पानी और शौचालय जैसी बुनियादी आवश्यकताओं का अभाव है. जिससे न केवल उनकी कठिनाई बढ़ जाती है बल्कि आगे की शिक्षा में भी रुकावट आती है.

विशेषकर माहवारी के दिनों में शौचालय नहीं होने से छात्राओं को काफी परेशानी होती है. अक्सर इस दौरान छात्राएं स्कूल नहीं आती हैं, जो आगे चलकर ड्रॉपआउट का कारण बनती है. इस संबंध में बबीता, शिवानी और हेमा जैसी कई छात्राओं का कहना है कि शौचालय नहीं होने की वजह से उन्हें बहुत परेशानियों का सामना करना पड़ता है. अक्सर उन्हें खुले में शौच जाना पड़ता है, कई लड़कियां लज्जा के कारण खुले में नहीं जाती हैं, जिससे उनके बीमार होने का खतरा बना रहता है.

उन्होंने बताया कि स्कूल में जो शौचालय बना है उसमें न तो पानी की उचित व्यवस्था है और न ही वह साफ़ है. यह शौचालय इतने गंदे हैं कि कोई भी उसका प्रयोग करे तो वह गंभीर रूप से बीमार हो जाये. इन छात्राओं का कहना है कि शौचालय न होने की वजह से हम स्कूल नहीं जा पाते हैं, सबसे अधिक कठिनाई माहवारी के दिनों में होती है जब जल्दी जल्दी पैड बदलने की ज़रूरत होती है, ऐसे में गंदे शौचालय में पैड बदलने का अर्थ है स्वयं बीमारी को आमंत्रण देना. यही कारण है कि इस दौरान छात्राएं स्कूल छोड़ देती हैं, जिससे उनकी शिक्षा प्रभावित होती है.

कुछ छात्राएं तो ऐसी हैं जो माहवारी के दर्द की वजह से हफ्तों तक स्कूल नहीं जा पाती हैं जिससे उनका नाम काट दिया जाता है. यह छात्राएं सवाल करती हैं कि आखिर उनके स्कूल नहीं आने का कारण कोई क्यों जानना नहीं चाहता है? क्यों स्कूल प्रशासन और शिक्षा विभाग उनकी समस्या को हल करने के प्रति गंभीर नहीं है? यदि स्कूल में शौचालय की उचित व्यवस्था होगी तो कोई भी लड़की अपनी पढ़ाई छोड़ना नहीं चाहेगी. गांव की अधिकतर लड़कियों को खूब पढ़ने और आगे बढ़ने का शौक है, लेकिन उनकी शिक्षा जिन कारणों से प्रभावित हो रही है, उस समस्या के निवारण के प्रति कोई भी गंभीर नज़र नहीं आता है.

जो न केवल लड़कियों के लिए चिंता का विषय है बल्कि बेटी बचाओ, बेटी पढ़ाओ के नारे को भी अर्थहीन बनाते हैं। जब स्कूल में बालिकाओं के लिए स्वच्छ शौचालय, पानी की पूर्ण व्यवस्था होगी, तभी तो छात्राएं माहवारी के दिनों में भी स्कूल आ पाएंगी? इससे न केवल उनका स्वास्थ्य ठीक रहेगा बल्कि स्कूल छोड़ने के कारणों पर भी लगाम लगेगी। जिससे पढ़ने लिखने में उनकी रुचि भी बढ़ेगी।

स्कूल में शौचालय समस्या को दूर करने के लिए 'स्वच्छ विद्यालय, स्वच्छ भारत मिशन' लागू किया गया। इसका उद्देश्य है कि विद्यालय स्वच्छ रहे तथा शौचालय की पूर्ण व्यवस्था हो। मासिक धर्म के समय लड़कियों को होने वाली परेशानियों से अभिभावक भी चिंतित हैं। उनका मानना है कि इससे उनकी बेटियों की शिक्षा प्रभावित हो रही है। इस संबंध में एक अभिभावक शोभा जोशी का कहना है कि उन्होंने स्कूल में शौचालय की समस्या पर स्कूल की प्रिंसिपल से बात की थी।

प्रिंसिपल का कहना था कि जब सरकार पैसे देगी तभी शौचालय बनवाया जा सकता है। वहीं स्कूल की प्रिंसिपल डॉ. ममता पंत भी इस समस्या को स्वीकार करते हुए कहती हैं कि जब स्कूल में शौचालय नहीं होगा तो छात्र छात्राओं की संख्या घटेगी, जिसकी वजह से स्कूल का विकास नहीं हो पाएगा। वहीं इस संबंध में ब्लॉक शिक्षा अधिकारी रमेश चंद्र मौर्य का कहना है कि शौचालय जल्दी बनवाया जाएगा। जैसे ही विभाग में पैसा आएगा स्कूल को अलॉट कर दिया जाएगा ताकि शौचालय बनाने का कार्य शुरू कर दिया जाए।

कैग की रिपोर्ट के अनुसार 2020-

21 में उत्तराखंड में सरकार द्वारा संचालित 761 प्राथमिक विद्यालयों में गर्ल्स टॉयलेट की सुविधा नहीं है जब कि इसी अवधि में 148 माध्यमिक स्कूलों में छात्राओं के लिए शौचालय की सुविधा नहीं है। यही कारण है कि शहरों की तरह इस पहाड़ी राज्य में भी धीरे धीरे निजी विद्यालय अपना पांव पसार रहे हैं और अभिभावक अपने बच्चों का सरकारी स्कूलों से नाम कटवा कर निजी स्कूलों में दाखिला करवा रहे हैं।

लेकिन प्रश्न यह उठता है कि आर्थिक रूप से कमजोर माता-पिता के बच्चों का भविष्य क्या होगा? क्या केवल शौचालय की सुविधा नहीं होने के कारण उन्हें स्कूल छोड़ना पड़ेगा? यह केवल बच्चों के भविष्य के साथ ही नहीं, बल्कि अनिवार्य शिक्षा अधिनियम के साथ भी एक भद्दा मज़ाक है। <https://doonhorizon.in/Articles/There-is-no-basic-facility-in-village-schools/cid7691784.htm>

SELECTED NEWS ITEMS/ARTICLES FOR READING

12. Railways, DoT go slow on monetising assets ([financialexpress.com](https://www.financialexpress.com)) May 30, 2022

The government may miss the ambitious Rs 1.62-trillion asset monetisation target for the current financial year by a wide margin, owing to likely slippages in two key sectors — railways and telecom.

According to sources, the ministries of railways and the department of communications (DoT) have scaled down their ambition to raise resources through asset recycling and decided to rely more on self-funding, budget support and debt for their capital expenditure.

The national transporter is also looking at relying less on the private partnership mode for redevelopment of stations and find resources through its own means, including debt, for developing stations in key cities like Delhi and Mumbai.

Also, instead of offering the broadband network to a private player to manage, the DoT may favour BBNL-BSNL to run the network. Monetisation will be limited to leasing out of telecom towers. State-run oil and gas companies have also developed cold feet on monetisation of pipelines. Sources said these firms have also been asked by the parent ministry to look for alternate sources for funds.

Railways (Rs 57,222 crore) and DoT (Rs 20,180 crore) accounted for nearly half of the asset monetisation target for the current financial year.

Last year, a sum of about Rs 1 trillion was raised through the monetisation route. Railways collected just Rs 800 crore via monetisation through redevelopment of Habibganj railway station and some railway colonies in the last fiscal year as against the target of Rs 17,810 crore. The target for railways was to monetise 40 stations in FY22 and permit private trains under PPP model.

According to the National Monetisation Pipeline (NMP), railways need to monetise 120 stations, 30 trains and 1,400 km track, among others in FY23. Both the proposed private trains and station redevelopment schemes did not elicit investors' interest last year as the terms were not commercially viable. "Preparatory work by railways is slow in this regard to attract private investors. Now, it wants to develop key stations such as Delhi and Mumbai, which have huge monetisation potential, from own budget," an official aware of the matter told FE.

Similarly, the original plan was to invite private investors to bid for Bharat Broadband Network's 300,000 km of optical fibre networks to upgrade, operate and maintain across the country, including states such as Haryana and Punjab where the premium could be higher. Now, there is rethinking on this by the DoT.

Sources said the DoT is now favouring a hybrid annuity model (HAM) for BharatNet, reducing the scope for monetisation. Of the telecom target, Rs 15,780 crore was estimated to come from BharatNet fibre monetisation. Another Rs 4,400 crore was estimated from BSNL/MTNL tower monetisation through rent-operate-transfer (ROT) concession model, which could materialise if processes are fast-tracked.

Issues affecting monetisation pipelines are likely to be discussed when the finance ministry reviews the progress soon. "With some of the existing components showing not much progress, the government has to initiate steps to list additional assets at the earliest to bridge the likely shortfall in monetisation target," another official said.

Monetisation of natural gas and petroleum product pipelines were projected to fetch `9,176 crore in FY23. However, oil and gas companies are not keen on monetising their pipelines. These companies have been asked to identify alternate assets such as storage infrastructure and joint venture businesses for monetisation.

On the upside, at least Rs 30,000 crore is expected in premiums to state governments from mining as well as in investments in mineral and coal blocks in FY23 as against a target of about Rs 6,060 crore set for the year.

Around Rs 30,000-38,000 crore is expected from the securitisation of toll receivables from expressways such as Delhi-Amritsar-Katra, Infrastructure Investment Trusts (InvITs) and Transfer-Operate-Transfer (ToT) models as against a target of Rs 32,855 crore for the next financial year.

Even though not factored in the NMP estimate, the Ashoka Hotel lease and development of vacant plots could generate Rs 7,000-8,000 crore monetisation value in terms of upfront accruals and investment. However, the transaction may not be completed within the current financial year.

After the government unveiled the NMP in August 2021, this ambitious project to boost non-debt capital in the government sector got off to a quick start. Despite railways achieving very little, revenues/investments mobilised via this route was about Rs 1 trillion compared with the target of Rs 88,200 crore for FY22, the first year of the NMP. Coal and mineral mines (i.e., iron ore, bauxite and copper) auction contributed about Rs 58,000 crore, as against an annual sectoral target of just Rs 3,394 crore, helping the Centre achieve the FY22 target.

The NMP seeks to generate upfront revenues/investments of Rs 6 trillion in four years starting FY22, out of operational infrastructure projects, under various innovative long-term lease plans that don't require the government to cede ownership of the assets much. <https://www.financialexpress.com/infrastructure/railways-dot-go-slow-on-monetising-assets/2541732/>

13. Public sector sell-offs flounder on scams, lack of will ([newindianexpress.com](https://www.newindianexpress.com)) May 29, 2022

The Union government has called off its privatisation process for high-profile Bharat Petroleum Corporation (BPCL) following 2 of the 3 bidders backing out. The remaining bid stands cancelled and the disinvestment process will have to be restarted. Earlier, the privatisation of two other government-owned companies – Pawan Hans and Central Electronics (CEL) – had to be shelved because of a plethora of allegations of undervaluation and other bidding violations.

Privatisation, or the more politically-neutral 'disinvestment', of state-run units has been long seen as a tool to rid the government of unretrievable, loss-making companies. It is also a way to sell government equity to lower sarkari debt. However, the hattrick of missed disinvestment targets over the last 3 years is a telling commentary on a floundering programme.

Missed targets

Finance Minister Nirmala Sitharaman's budget for FY 2022-23 avoided discussion on privatisation, and scaled back the disinvestment target to a modest Rs 65,000 crore from a high of Rs 1.75 lakh crore in the previous year's budget.

This year, LIC's IPO has raised for the government Rs 20,560 crore, or nearly one-third of the disinvestment target for FY2023. The total raised so far is Rs 23,575 crore, according to the government's Department of Investment and Public Asset Management (DIPAM). The line-up this year is: BPCL, Central Electronics, Pawan Hans, Shipping Corporation of India (SCI), Bharat Earth Movers (BEML), Container Corporation of India (CONCOR), IDBI and a couple of banks. Of these, BPCL, CEL and Pawan Hans are stalled.

CONCOR, Shipping Corporation and BEML meanwhile are caught up in circles on how to spin off their property assets before privatisation. In this context, the modest Rs 65,000 crore disinvestment target for the current financial year looks difficult. The previous year's disinvestment target was missed by a huge margin. Total receipts stood at just Rs 13,561 crore on March 31, 2022, against the original budgeted target of Rs 1.75 lakh crore. The disinvestment target for 2020-21, a whopping Rs 2.1 lakh crore announced by the finance minister, went the same way with just Rs 17,900 crore raised – or just 8.5% of target. The common villain – the Coronavirus pandemic – expectedly must have slowed up the sale process, but if one examines the disinvestment process since 2001, the trend of underperformance is clearly discernible.

Charges of undervaluation

The slow disinvestment process has also been dogged by charges of undervaluation and favouritism. In recent days, Pawan Hans' transfer of assets had to be shelved after the National Company Law Tribunal (NCLT) passed strictures against the largest of shareholder of the winning consortium, Almas Global, for not honouring its funding commitment to refloat another company under the Bankruptcy Code. The consortium that 'won' Pawan Hans – the Star9Mobility Pvt Ltd – also did not meet the minimum net worth criteria of `300 crore.

In another case, the government put on hold this January the letter of intent in favour of Nadal Finance & Leasing Company for the 100% sale of Central Electronics Ltd (CEL) for `210 crore. This was to allow a relook at the valuation after the CEL employees union raised charges of financial impropriety.

Spin-off benefits for bureaucrats and politicians are part of the unwritten code, as a deeper examination of these cases will show. However, privatisation means systemic undervaluation, and that is perhaps the price the nation has to pay for years of malfeasance by some PSUs. In the recent case of Air India's sell-off, it was only after 5-6 failed attempts and a persistent lack of interest that the Tata Group picked up the airline for `18,000 crore.

It was an undervalued price by a long shot going by the Union government having to settle `61,000 crore of Air India's piled-up debt before the handover. But that is perhaps why the government managed to shed the loss-making airline. Finally, if we thought that the changeover from a centrist Congress-led government to a more right-wing Narendra Modi regime would see a more determined disinvestment policy, we have been proved wrong. Margaret Thatcher's clarion call that government had no business to be in business was implemented brutally by the Iron Lady in the 1980s with 670 British state-run enterprises transferred to private ownership. In India, Prime Minister Modi did repeat the 'clarion call' but it has remained largely on paper.

On the ground, the public sector is a huge power base of influence and economic control and the present regime is not in a hurry to give it up. 'Disinvestment' of dribbles of equity, which allows the government to raise much-needed funds without losing control of the unit, is the preferred route typified by the recent LIC IPO. Complete sell-off or 'privatisation' is on the agenda too, but only for those companies, which have sunk beyond hope for a turnaround. Looking at the last two decades, the disinvestment path has been so layered with lack of will and questionable practices, that there is little chance of success. <https://www.newindianexpress.com/opinions/2022/may/29/public-sector-sell-offsflounder-on-scams-lackof-will-2459160.html>

14. There's a strong case to levy windfall taxes ([livemint.com](https://www.livemint.com)) Updated: 29 May 2022

India is considering a windfall tax on oil and gas producers (state-owned as well as private) to offset ballooning public expenditure on fuel, food and fertilizer subsidies amid skyrocketing inflation, The Hindustan Times reported on Friday.

India is considering a windfall tax on oil and gas producers (state-owned as well as private) to offset ballooning public expenditure on fuel, food and fertilizer subsidies amid skyrocketing inflation, The Hindustan Times reported on Friday.

Earlier this week, Britain announced a windfall tax on oil and gas producers that would last two years and is expected to net £5 billion. The idea is to generate financing for the £15 billion worth of relief the government proposes for citizens struck by extra-high energy prices, thanks to a shortage of gas and the war in Ukraine. India should also skim off some of the unearned income generated by hydrocarbon companies — the tax should be levied on revenue, rather than on profits, and pegged at something like 20%.

Conceptually, a windfall is easy to understand, but empirically, it is not easy to identify. British oil major BP is a major beneficiary of the surge in oil and gas prices in the wake of the war in Ukraine, but has reported losses in its latest quarterly numbers, because of divestment of its Russian operations at non-commercial prices, in order to be on the right side of western sanctions.

A windfall is a profit gain that accrues to a company for reasons unrelated to any effort by the company. Take a company like Saudi Aramco, which has some of the lowest cost of extracting oil in the world. Assume it is \$15 a barrel — it might actually be lower, or higher, it does not matter — and the company makes a particular level of profits from its operations when oil prices move within a range. When war results in a spike in the price to well over \$100 a barrel, its revenue shoots up. There is little reason for its costs to go up in tandem, and so its profits also shoot up. Why should the company have exclusive entitlement to the superlative profits generated essentially by the Russian occupation of Ukraine, forcing consumers around the world to pay a higher price for the oil they buy? So, the case is fairly strong for levying a tax on windfall profits.

However, identifying windfall profits could be a challenge, and for reasons unrelated to the ability of high-grossing accountants to dress up a company's profits in size-zero attire. It is important to distinguish windfalls from cyclical upturns. Take a refining business. When petroleum product prices are rising steadily, a refinery would sell its refined products at a price significantly higher than the prices associated with the price of the crude when it acquired that inventory. What goes up, later goes down, too. As the cycle turns, the company would be forced to sell refined products at prices lower than the ones associated with the price of crude at the time of acquiring that inventory. Gains on the upswing would be offset by losses on the downswing. It would not be fair to count the profits on the upswing as a legitimate target of a windfall tax, without allowing for the losses on the downswing.

Ukraine has exposed globalization's inherent fallacies

Therefore, care must be taken to identify what is taxed. Statistical evidence must be used to identify the upper bound of a cyclical upswing in prices. Only the price above that should be deemed to generate windfall profits.

Then again, profits are a matter of opinion. If the company chooses to book higher depreciation in a year of potentially high profits, it can make those surplus profits disappear. The company might pre-pay a loan, purely to reduce reported profits. It is safer to target revenues, rather than profits, in order to tax windfall gains.

Upstream hydrocarbon companies and refineries are legitimate targets of windfall profits. So are coal miners. It would make more sense for the government to let steel be exported without curbs, instead of levying a tax on steel exports, let steelmakers take the benefit of elevated international prices and gain from the resultant increase in taxable profits, even if these are not windfall profits.

In India, refiners are likely to come up with under-recoveries in their retail sales, thanks to state-owned oil marketing companies holding prices down, in the face of proximate assembly elections, even as crude prices climbed steadily, as an argument against windfall taxes. If the companies are taking a hit on retail sales, why penalize them further with a windfall tax?

Refiners do not sell their entire produce in the domestic market at a loss. Some of them are major exporters of petroleum products. These fetch global prices that are unnaturally elevated, thanks to the Ukraine war.

The government needs revenues – not just for the normal business of governance but to meet the additional expenditure forced on the country by a global rise in defence spending. As countries like Germany begin to spend 2% on defence and Nato becomes more powerful than before, countries such as Russia and China would feel compelled to increase their defence expenditure as well, to maintain the status-quo on offensive and defensive capability. As China spends more on defence, it would make sense for India, too, to spend more on defence. Windfall taxes would come in handy. <https://www.livemint.com/opinion/online-views/theres-a-strong-case-to-levy-windfall-taxes-11653810086031.html>

15. RBI says economy losing steam; high frequency indicators showing loss of momentum ([financialexpress.com](https://www.financialexpress.com)) May 28, 2022

The Reserve Bank of India (RBI) on Friday expressed concerns that the economy might be losing steam, pointing out that high frequency indicators are beginning to reflect some loss of momentum. Moreover, high global prices of crude oil, metals and fertilisers had already impacted the terms of trade, resulting in wider trade and current account deficits, the central bank observed.

In its annual report for 2021-22, released on Friday, the RBI also drew attention to the subdued outlook for the global economy as projected by the IMF.

The global recovery is expected to suffer a significant loss of momentum in 2022. In particular, the RBI highlighted that the growth in global trade volumes was expected to halve from 10.1% in 2021, primarily due to the moderation in merchandise trade even as services are expected to remain subdued and slow even further in 2023. “Policy trade-offs are becoming increasingly complex going forward and tail risks, including stagflation, loom large in several countries,” the report said.

The central bank also dwelt on upside risks to inflation in India, should crude oil prices remain over \$100 per barrel, as second-round effects across manufacturing and services prices reignite.

The persisting high inflation, the RBI noted, was compelling central banks to resort to countervailing monetary policy action, when priority should have been accorded to supporting the economic recovery. While the economy was poised to grow at 8.9% in 2021-22, as projected by the NSO, the central bank noted that private final consumption expenditure (PFCE) and gross fixed capital formation (GFCF) remain work in progress, having barely exceeded their pre-pandemic levels.

The risks to the global economy in 2022 are high and there is potential for downside, the central bank observed. The IMF, in its April 2022 WEO, has sharply lowered global growth for the year to 3.6% from 6.1% in 2021. The growth in advanced economies could decelerate to 3.3% from 5.2% a year back, while EMDEs (emerging markets and developing economies) could slow to 3.8% from 6.8%.

Both groups of countries are expected to experience inflation that is higher by 2.6 and 2.8 percentage points, respectively, the RBI observed. So far during 2022 (up to May 24), more than 40 central banks across AEs and emerging market economies have raised policy interest rates and/or scaled back liquidity.

The report noted that acknowledging the knock-on effects from geopolitical spillovers, the monetary policy committee had lowered its projection for real GDP growth for 2022-23 to 7.2% in April, a decline of 60 basis points from its pre-war projection, mainly due to higher oil prices weighing on private consumption and higher imports reducing net exports. Inflation was projected higher by 120 basis points at 5.7%. <https://www.financialexpress.com/economy/rbi-says-economy-losing-steam-high-frequency-indicators-showing-loss-of-momentum/2540412/>

16. States used Rs 1,460 crore from district mineral foundation fund to combat Covid-19 ([financialexpress.com](https://www.financialexpress.com)) May 27, 2022

State governments have spent a total of Rs 1,459.93 crore from District Mineral Foundation funds on various activities to curb COVID-19 during the past more than two years, according to the ministry of mines.

The ministry also said that several states, including Odisha, Telangana and Karnataka, are still using District Mineral Foundation (DMF) funds to battle coronavirus.

District Mineral Foundation (DMF) is a non-profit statutory trust, which has been set up for the welfare of the districts affected by mining-related activities. It is an initiative of the government to ensure that funds collected under DMF are utilised for the welfare of those affected by mining-related operations.

The total funds available under DMF as on March 28, 2020 was to the tune of Rs 14,694.47 crore, the ministry said.

“State governments are continuing to use District Mineral Foundation funds to combat COVID-19, wherein Rs 1,459.93 crore has been spent till April 28, 2022,” the ministry said, adding that the amount was spent between March 28, 2020 and April 28, 2022.

Of the total amount utilised during the pandemic, Odisha spent the maximum Rs 445.54 crore, followed by Telangana at Rs 334.08 crore. Karnataka spent Rs 199.58 crore, while Rs 139.79 crore has been utilised by Andhra Pradesh and Rs 91 crore by Chhattisgarh.

Other states which spent DMF funds to combat COVID-19 are Assam, Goa, Gujarat, Himachal Pradesh, Jharkhand, Madhya Pradesh, Maharashtra, Punjab, Rajasthan, Tamil Nadu, Uttar Pradesh, Uttarakhand and West Bengal.

However, Bihar, Haryana and Kerala did not spend funds for activities related to COVID-19 since March 28, 2020 till last month.

As on March 28, 2020, Bihar had DMF fund of Rs 84.50 crore, followed by Haryana Rs 20.24 crore and Kerala Rs 2 crore.

DMF has been created in each district under the provisions of Mines and Minerals (Development and Regulation) Amendment Act, 2015. <https://www.financialexpress.com/economy/states-used-rs-1460-crore-from-district-mineral-foundation-fund-to-combat-covid-19/2540169/>

17. State finances improve, gross fiscal deficit declines 31.5%: RBI report ([business-standard.com](https://www.business-standard.com)) May 28, 2022

State finances showed improvement in 2021-22 as the consolidated gross fiscal deficit (GFD) of 26 states was lower by 31.5 per cent than a year ago.

The GFD declined mainly due to higher growth in revenue receipts (30.5 per cent in FY22) as against a contraction of 8.6 per cent in 2020-21, according to the Reserve Bank of India's Annual Report for FY22. This is based on the information available for these states for April-February 2021-22

State government finances were budgeted to improve in 2021-22 with the GFD-GDP ratio narrowing to 3.5 per cent from 4.7 per cent in the Revised Estimates for 20-21.

Following the Centre's move to reduce excise duty on petrol and diesel on November 3, 2021, a majority of the states cut their value-added tax (VAT) in the range Rs 1.8-10 per litre for petrol and Rs 2-to 7 per litre of diesel.

The revenue loss was more than offset by central transfers on account of goods and services tax (GST) compensation.

The Centre released Rs 1.59 trillion in 2021-22 to states as back-to-back loans. Apart from these loans, the Centre has released GST compensation of Rs 60,000 crore.

In addition to the regular instalment of tax devolution, the Centre released two advance instalments of in November 2021 and January 2022.

Despite the second wave of the pandemic and corresponding state-specific restrictions, the capital outlay remained robust. Higher revenue expenditure helped in strengthening economic recovery.

Thirteen states received permission to borrow an additional Rs 32,412 crore (till Q2, 2021-22) as an incentive for achieving the target set by the Ministry of Finance for capital expenditure.

The outlay under the “Scheme for Financial Assistance to States for Capital Investment” has been enhanced by the Centre from Rs 10,000 crore in the Budgeted Estimates to Rs 15,000 crore in the Revised Estimates for 2021-22, the Annual Report said.

The RBI report said based on the information available for 20 state governments, their combined GFD had been budgeted at 3.2 per cent in 2022-23 against 3.7 per cent in 2021-22 (Revised Estimates). There are significant variations among states.

Consolidation in the states’ fiscal position can be attributed to the revenue account as growth in revenue receipts is budgeted at a significantly higher level than revenue expenditure. This has resulted in a 55 per cent compression of the revenue deficit.

Following the recommendations of the Finance Commission, the Centre has allowed the states a fiscal deficit of up to 4 per cent of gross state domestic product (GSDP) in 2022-23. Of that 0.5 per cent will be tied to power sector reforms. https://www.business-standard.com/article/finance/state-finances-improve-gross-fiscal-deficit-declines-31-5-rbi-report-122052800004_1.html

18. RBI spending more on printing currency even as use of paper notes continues unabated ([thehindubusinessline.com](https://www.thehindubusinessline.com)) May 30, 2022

RBI spent nearly Rs 5,000 crore on printing currency in 2021-22, the second highest after Rs 8,000 crore was spent during demonetisation

The common man is using more rupees to pay for goods and services, and the Reserve Bank of India is spending more to get paper rupees printed. Data compiled from RBI’s annual reports shows the cost of printing currency notes in 2021-22 at Rs 4,984.8 crore was almost 1.5 times the Rs 2,063.16 crore spent in 2008-09.

In fiscal year 2021-22, RBI spent 24 per cent more on printing notes than it did in 2020-21 (Rs 4,012.09 crore), and that too for fewer notes supplied from its printing presses. The overall cost of printing currency in FY22 was the second highest, after an all-time high of around Rs 8,000 crore was incurred in the year of demonetisation (2016-17).

While the volume of notes printed in FY22 was 41 per cent more than that in FY 09, the cost of printing in this period surged 141 per cent.

According to the data compiled, printing of currency notes touched a high of over 29,043 million pieces in the year of demonetisation (FY 2017), when printing costs also hit an all-time high. This has been attributed to printing of two sets of currency notes of Rs 500, besides one set each of Rs 1,000 and Rs 2,000. Old notes of Rs 500 and Rs 1,000 were demonetised at this time.

The annual reports state that in FY 17, apart from the higher number of note pieces printed, the withdrawal of SBNs (Specified Bank Notes in the denomination of Rs 500 and Rs 1000) led to an increase in the number of remittances, resulting in higher freight and forwarding expenses. For urgent supply across the country, notes were even remitted by air, resulting in increased expense on freight charges.

The annual reports show that till 2013-14, the cost of printing notes came under the head 'security printing charges' (primarily for printing of currency notes). In the following year, it was renamed as 'Printing of Notes'.

The annual report for FY14 highlights that Colour Shift Intaglio Ink (CSII), a security feature used in banknotes, is not imported any more. It is now indigenously manufactured at Varnika, the ink manufacturing unit at BRBNMPL, Mysuru, which meets the requirement of both BRBNMPL and SPMCIL. This has reduced import dependency in banknote production and has resulted in foreign exchange savings. The RBI aims to frame a strategy for complete indigenisation of raw materials for banknote production.

RBI gets currency notes from four printing presses -- two presses, at Nasik (Western India) and Dewas (Central India), are owned by the Centre, while the other two at Mysore (Southern India) and Salboni (Eastern India). are owned by the central bank through its wholly-owned subsidiary, Bharatiya Reserve Bank Note Mudran Ltd. (BRBNML). Coins are minted in four Government mints at Mumbai, Hyderabad, Calcutta and NOIDA. <https://www.thehindubusinessline.com/economy/rbi-spending-more-on-printing-currency-as-paper-notes-are-increasingly-used-in-transactions/article65472985.ece>

19. Those whopping 40,000 crore: Relevance of S-400 missile defence system ([financialexpress.com](https://www.financialexpress.com)) By Maj Gen Ashok Kumar, VSM (Retd) | 29 May 2022

Given the active challenges on its long borders with China and Pakistan, India is not spending commensurately adequate funds on modernisation of its armed forces especially given the size of its Armed Forces.

No cost analysis is apparently relevant when it comes to national defence. Most of the advanced countries are spending a substantial amount on their defence forces with the USA spending the maximum, an estimate puts it close to 800 billion dollars. Given the active challenges on its long borders with China and Pakistan, India is not spending commensurately adequate funds on modernisation of its armed forces especially given the size of its Armed Forces. Reduction of size of armed forces beyond a point may not be practical given the type of borders we have, even if the armed forces are modernised. Ongoing Russia-Ukraine conflict has adequately demonstrated that the battles cannot be won alone by superior armed forces and there are multiple other factors which contribute to the outcome of the war and therefore a nation with 'winner' mindset has to factor in all such aspects in the right sizing of its armed forces including modernisation. It was aptly highlighted by the previous COAS during his speech at Rashtriya Raksha University (RRU) that a peaceful and stable environment is needed for a country to prosper and therefore expenditure made on armed forces should not be viewed as a burden on the country's economy.

If the analogy of previous COAS is carried forward, it should emerge that adequate budgetary support should be provided for defence forces including non lapsable funds for the capital

procurement. Not only this, since man behind the machine matters, adequate compensation and quality living should be also ensured for all the members of the Armed forces including veterans and probably, multiple current drives to cut costs on account of pensionary benefits and related expenditure should be looked at differently and there are multiple better options.

While need of budgetary support for the defence forces may be absolute but amidst the various other national challenges which the Government of the Day has to face, it is important to analyse as to whether our big ticket expenditure on equipment procurement is in tune with our current and future threat profile and towards this, procurement of S-400 missile defence system from Russia needs to be examined.

It is assumed that the S-400 missile defence system being procured from Russia will make the Indian airspace impregnable and its forces invulnerable. Whether this assertion/aim is doable or not, is a matter of detail which will hopefully emerge by the end of this article.

The S-400 missile defence system of Russia is an improved version of its own S-300 missile defence system. While it was developed in 1990 as an upgrade to the S-300 missile defence system (more than three decades earlier), it was introduced into the service only in Apr 2007, a whopping gap of 17 years since its upgrade was attempted. What are the real changes, why did it take such a long time to introduce (disintegration of USSR being one of the reasons) are matters of details but what is an absolute truth is that it has been in service for last 15 years (one and a half decade) with probably three decade old technology and capability. It is probably one of the reasons that Russia has already come up with the S-500 missile defence system, a further upgraded version of S-400. It is also believed that the S-500 missile defence system has been introduced in Russian armed forces from Sep21 though further details are not available in the open source domain.

Procurement of the S-400 missile defence system has happened due to a decision at the apex leadership level wherein India has planned to purchase five such regiments at approximate cost of Rupees 40,000 crores. India has opted for this weapon system despite the USA offering a similar system. It is reasonable to assume that due to deliberation about the procurement of the S-400 missile defence system would have been done over the USA options by the experts and an appropriate decision probably has been taken as even USA alternate options would not have been cheaper. Before coming to suggest better options for its alternate use, it is important to analyse some of the aspects related to this missile defence system:

Russia had deployed this weapon system in Syria despite which Israeli AF bombarding the areas protected by it and being under its advertised range. It is believed that Russia did not target Israeli AF deliberately due to their probable mutual understanding of not destroying each other's resources. The issue, however, still remains whether its layered coverage from 40km to 400km is really achievable.

During the current conflict of Russia and Ukraine, detailed deployment of this missile defence system is assumed. However, it has been able to destroy only one SU-27 ac and one MI-17 helicopter. One reason could be the absence of air strikes by Ukraine.

There are reports that besides itself and India, No of other countries have got/purchased this missile defence system or its earlier version. China has brought S-400 from Russia and is able to cover Taiwan from its Fujian and Diavoyu islands. USA has invoked CAATSA on China (countering America's Adversaries through sanctions Act). Turkey has also purchased this

system and has also been subjected to CAATSA. Turkey has highlighted that this missile defence system is not very accurate against low and slow flying aerial objects which will pose a huge challenge on the Indian borders especially in view of emerging threats. Pakistan has a derivative of S-300 developed by China as HQ-9 which has probably been deployed on Indian Western borders. Though an accidental launch of BRAHMOS missile by India showed that the Pakistani air defence could neither detect it in a timely manner nor could it neutralise it. It therefore demonstrates not only the efficacy of Pakistan's air defence capability but also pits to question the effectiveness of the Russian missile defence system, though indirectly.

When this contract of the S-400 missile defence system was negotiated in 2019, it is obvious that the S-500 version would have been in an advanced stage of development as otherwise it would not have been operationalised in 2021. The S-500 missile defence system has multiple advantages over the Indian procured S-400 missile defence system. Range of S-500 missile defence is close to 600km even for ballistic missiles which are a more potent threat as compared to fighters. It is believed that S-500 can also target B-2, F-22 and F-35 stealth categories of aerial effort effectively. It is not known if balance missile regiments for India will be from S-500 category or one has to manage S-400 whatever worth they are.

It therefore clearly emerges that the S-400 missile defence system is quite old technologically, its upgraded version S-500 already in operational service and it doesn't have a very high degree of reliability against the aerial threat which we have to handle in future battlefields.

In addition to the above, the mute question is- whether spending close to 40,000 crores on this missile system is worth it given the above analysis. Especially so, when small arms procurement is being prioritised and non-availability of funds is one of the very many considerations. Not only this, the issue of adequate stocks of ammunition, critical infrastructure and many more important aspects are pending to be executed for the defence forces.

New World order and emerging lessons from the Russia-Ukraine war have transformed the battlefield milieu in a big way. While Russia may attempt to supply adequate equipment to facilitate raising of five regiments of S-400 missile defence system; albeit with some delay due to its ongoing conflict with Ukraine, it may be a point worth reconsidering not only to get the upgraded version of S-400 as S-500 but also to reassess the total need as well as prioritise this whopping expenditure of Rs 40,000 crores or so specially even when our infantry soldiers are not fully equipped to fight appropriately. <https://www.financialexpress.com/defence/those-whopping-40000-crore-relevance-of-s-400-missile-defence-system/2541283/>

20. India to Buy 26 Fighters for Indigenous Aircraft Carrier Vikrant through G2G Route: Report ([swarajyamag.com](https://www.swarajyamag.com)) 30 May 2022

India will buy 26 fighter jets for INS Vikrant through a government-to-government deal, a report in the Hindustan Times says.

The Indian Navy has not been satisfied with the performance of the 45 MiG-29K fighters that it procured from Russia to operate from INS Vikramaditya, the only aircraft carrier in service presently.

With the induction of the first indigenous aircraft carrier Vikrant on 15 August this year, the Indian Navy will have two aircraft carriers but not enough fighters to keep both warships operational.

In 2017, the Navy had projected a requirement of 57 new fighters. But it has since downsized the requirement to 36 fighters as an indigenous fighter for aircraft carriers — the Twin-Engine Deck-Based Fighter — is being developed the Aeronautical Development Agency.

Dassault Aviation's Rafale-M and Boeing's F/A-18 Block-III are in the race for the deal. However, both these fighters have only been operated from nuclear-powered aircraft carriers by their users, France and the US. Unlike India's two carriers, which are conventionally powered and use a ski-jump platform to help aircraft take off from their decks, the US and French carriers use catapult-assisted take-off to operate fighter jets.

To qualify for the deal, the two fighter jets will have to demonstrate the ability to take off from a ski-jump platform.

Rafale-M has already undergone testing at the shore-based ski-jump facility at INS Hansa earlier this year. F/A-18s arrived in Goa earlier this month and are currently being tested. F/A-18 had demonstrated its ability to take off from a ski-jump platform during testing at the Patuxent River Naval Air Station of the US Navy in Maryland sometime in 2020.

Dassault's Rafale-M has an edge over Boeing's F/A-18 as the Indian Air Force has already inducted two squadrons of the fighter, has set up maintenance facilities in the country and may contract for more Rafale.

The Navy has aligned its requirements with those of the Indian Air Force, which could see both buying fighters from the same manufacturer to ensure, among other things, economies of scale.

India's rapidly expanding defence partnership with France, which also has a significant presence in the western Indian Ocean, will also be considered when New Delhi decides on the procurement of fighters. <https://swarajyamag.com/news-brief/india-to-buy-26-fighters-for-indigenous-aircraft-carrier-vikrant-through-g2g-route-report>

21. East, west dedicated freight corridors delayed again, 2-yr extension sought ([business-standard.com](https://www.business-standard.com)) 30 May 2022

The Dedicated Freight Corridor Corporation of India has sent its revised completion estimates to the Ministry of Railways, seeking time till 2023 to complete the projects

The eastern and western dedicated freight corridors (DFCs) would be delayed again for the fifth time in this decade. The completion deadline of the projects is now being extended for two years over pandemic-induced challenges and land acquisition delays.

The Dedicated Freight Corridor Corporation of India (DFCC) has sent its revised completion estimates to the Ministry of Railways, seeking time till 2023 to complete Eastern DFC and 2024 for the Western DFC, Business Standard has learnt.

The eastern and western DFCs were earlier slated to be completed by June 2022. The project was initially expected to be completed in 2017. Since then, it has been extended to March 2018, March 2020, December 2021, and June 2022.

Marred by Covid-induced delays in land acquisition, contractual fulfilment, and cash flow concerns, DFCC in its project status report in December had stated, “Progress of works is badly affected in Covid second wave, targets are likely to be delayed.”

The revised timelines, however, have upset the railways ministry, which in its internal communications expressed dissatisfaction, and sought to move towards the targets, knowledgeable officials said.

“There were internal concerns over the revised targets. We thought DFCC could have implemented certain things faster, but after consultations over its issues as the executing agency, there is consensus to go forward with the proposed targets,” said a senior official.

The newest target, although farther than anticipated, is a more realistic one, a railways official said.

There have also been lags in capital expenditure (capex) by DFCC. As of March, the government-owned firm has spent a little more than two-thirds of its Rs 15,000-crore capex target for the financial year 2021-22, the company’s internal reports show.

DFCC has so far commissioned 1,010 kilometres (km) of the proposed 2,843 km pertaining to stretches undertaken by the government for both corridors. A 538-km stretch between Sonnagar in Bihar and Dankuni in West Bengal is being developed in PPP mode.

Since its inception in 2007, the government’s marquee logistics project has undergone several delays due to concerns over land acquisition and contract awarding lags. The agency had cited issues with procurement of imported goods and rising prices of steel as challenges to timely execution.

There have been cost overruns due to repeated delays. The initial cost estimate of Rs 21,040 crore was revised to Rs 81,459 crore in 2015 and is now likely to be revised to over Rs 1.24 trillion. Business Standard had previously reported that the ministry is expected to move the Union Cabinet to sanction the revised cost soon.

Freight corridors are special tracks made for goods trains, aimed at decongesting the rail network and ensuring quicker movement of goods.

With the government’s focus on infrastructure development, the DFC project has been touted as a game-changer in freight movement, with constant monitoring from the uppermost echelons of the government. In 2021, Prime Minister Narendra Modi said that DFCs will lead to rapid development, calling them a boon for the nation.

The eastern DFC (1,875 route kilometre, or rkm) starting from Sahnewal near Ludhiana (Punjab) will pass through Punjab, Haryana, Uttar Pradesh, Bihar, and Jharkhand, terminating in West Bengal.

Western DFC (1,506 rkm), which will connect the significant Jawaharlal Nehru Port (JNPT) to Uttar Pradesh, will pass through Haryana, Rajasthan, Gujarat, and Maharashtra. JNPT accounts for over half of the country's port cargo.

As the existing projects face delays, the Centre is now giving a rethink to the upcoming DFCs. Earlier reported by the Business Standard, the ministry is mulling to scrap the three newly proposed East Coast, East-West, and North-South DFC. It is instead planning to enhance the capacity of the current corridors. https://www.business-standard.com/article/economy-policy/east-west-dedicated-freight-corridors-delayed-again-2-yr-extension-sought-122053000308_1.html

22. Proposed scheme will help discoms clear part of their debt. But stress in power sector calls for structural overhaul ([indianexpress.com](https://www.indianexpress.com)) 30 May 2022

Discom dues are currently estimated to be around Rs 1 lakh crore. Six states — Rajasthan, Uttar Pradesh, Maharashtra, Andhra Pradesh, Telangana and Tamil Nadu — account for a significant share of the dues.

Last week, the Union power ministry proposed a new scheme to help cash strapped power distribution companies (discoms) clear their mounting obligations. In 2020, finance minister Nirmala Sitharaman had announced a Rs 90,000-crore liquidity infusion scheme (this was subsequently raised to Rs 1.2 lakh crore) for discoms to settle their debt. Similar schemes in the past have failed to address the structural issues that plague the power sector, the distribution segment in particular. Rolling out another scheme is unlikely to help.

Discom dues are currently estimated to be around Rs 1 lakh crore. Six states — Rajasthan, Uttar Pradesh, Maharashtra, Andhra Pradesh, Telangana and Tamil Nadu — account for a significant share of the dues. Under the new proposed scheme, discoms will be allowed to pay off their obligations over 48 installments. The proposal also involves freezing the principal and the late payment surcharge on the date of the notification of the scheme. States such as Tamil Nadu and Maharashtra are expected to benefit the most from this restructuring. Considering that discom payments have on average been delayed by 4-6 months across 15 states as per CRISIL, these payments would offer some relief for the generating companies.

The financial position of discoms continues to be dragged down by a combination of inadequate and irregular tariff revisions, delayed subsidy payments by state governments, inadequate reduction in aggregate technical and commercial losses (a combination of technical losses, inefficiency in billing and power theft), and rising power costs. Successive attempts over the years to tackle these issues have failed to bring about a turnaround in the financial and operational position of discoms. With each passing year, the funds required to plug the gaps are only increasing. But, with the pandemic stretching government finances — both the Centre and the states have witnessed a steep rise in their debt levels — continuing financial support to discoms will become fiscally challenging. The reluctance to raise tariffs or bring down AT&C losses signals a lack of resolve at the state level. <https://indianexpress.com/article/opinion/editorials/short-circuit-discoms-nirmala-sitharaman-7943191/>

23. National Waterway-1 to cost Rs 735 cr less (thehansindia.com) 30 May 2022

Infrastructure projects are often characterized with cost and time overruns. In the case of the Jal Marg Vikas Project (JMVP), however, the estimated cost has been revised downwards to Rs 4,633.81 crore from the original cost of Rs 5,369.18 crore, according to official sources.

Which means that the JMVP, also called National Waterway-1, will cost Rs 735.37 crore less.

The JMVP, executed by the Inland Waterways Authority of India (IWAI), is an inland waterway project on the Ganga between Prayagraj and Haldia. It is being implemented with the technical assistance and investment worth Rs387.10 crore from the World Bank. The original cost was cleared by the Cabinet Committee on Economic Affairs (CCEA) on January 3, 2018. A milestone of the project, Multi Modal Terminal Varanasi, was achieved at a cost of Rs 182.33 crore in July 2019. This included a delay of eight months. The entire project, however, is expected to complete on schedule, that is, in March 2023.

The JMVP will provide an alternative, cost-effective, safe, and environment-friendly mode of transport, officials said. Once completed, this would attract industries and logistic players in and around the project corridor, enabling socio-economic growth in the region covering the States of Uttar Pradesh, Bihar, Jharkhand and West Bengal.

The JMVP also got a fillip in March when the National Green Tribunal refused to deliberate on the objections to it. The NGT said that the Allahabad High Court had already given its verdict over the issue.

"We find that as far as the present project is concerned, the Allahabad High Court order dated 28 April, 2016, clinches the matter. In the face of the said order, there is no scope for this tribunal to consider the matter as far as this project is concerned," the NGT bench said.

But the tribunal pointed out that it would look into any alleged violation of environmental norms in the execution of the project. The IWAI signed a project agreement with the World Bank on February 2, 2018.

The development and operations of the National Waterway-1 project will lead to direct employment generation to the tune of 46,000 and indirect employment of 84,000 in Uttar Pradesh, Bihar, Jharkhand, and West Bengal, a government press release on February 2, 2018, said.

"The project includes development of fairway, Multi-Modal Terminals at Varanasi, Haldia and Sahibganj, strengthening the river navigation system, conservancy works, modern River Information System (RIS), Digital Global Positioning System (DGPS), night navigation facilities, modern methods of channel marking, construction of a new state-of-the-art navigational lock at Farakka, etc.," it said. The JMVP will result in an environment-friendly, fuel-efficient and cost-effective alternative mode of transportation, especially for bulk goods, hazardous goods and over-dimensional cargo, it said. <https://www.thehansindia.com/business/national-waterway-1-to-cost-rs-735-cr-less-745698>

24. Scurry to plug loopholes in job scheme process (telegraphindia.com) 28 May 2022

The Bengal government has taken a first-of-its-kind initiative to plug loopholes in the implementation process of projects taken up under the 100-day job scheme and sent a detailed list of dos and don'ts to panchayat functionaries.

The move, sources said, was a fallout of the Centre's decision to hold the release of Rs 6,500 crore — Rs 3,000 crore for wages and Rs 3,500 crore for material costs — under the MGNREGA for Bengal, citing several alleged anomalies identified by national-level monitoring teams that had visited the state last year.

Besides, as the state is yet to send satisfactory replies to the questions raised by the Centre, New Delhi hasn't approved Bengal's labour budget under the MGNREGA for the 2022-23 financial year. So, no work could be started in the current financial year even though two months have passed.

“The district magistrates have been asked to ensure that no questions are raised on the expenditure under the MGNREGA in future. It has to be realised that if funds for the scheme are held back, it leaves a huge impact in the rural areas,” said a senior bureaucrat.

Soon after the instruction was sent from the top brass of the government, the district magistrates have started passing messages to the panchayat functionaries as well as officials looking after the MGNREGA in their districts concerned.

One of the DMs in south Bengal has sent a detailed message to those responsible to carry out the 100-day job scheme pointing out areas that have to be looked after immediately so that no question can be raised over expenditure incurred under the scheme.

The DM has clearly mentioned in his message that no panchayat will be allowed to purchase any sapling for plantation scheme. He also said labour payment for plantation schemes would be cleared only after physical verification of such projects.

The national-level monitoring teams had raised a maximum number of questions over plantation schemes undertaken by the rural bodies in the past few years.

“Several questions were raised about the plantation schemes, starting from false purchase of saplings to engagement of more labourers than required in a scheme. The state is facing trouble to give a proper reply to the questions sent by the Centre. So, keeping all plantation schemes under the scanner from the beginning is a good decision,” said a source.

With regard to the Centre pressing the pause button on the fund release, The Telegraph had reported on Thursday that the root of the problem was the government's decision to create additional 3 crore mandays — without New Delhi's approval — over and above the approved labour budget of 27 crore mandays which had been exhausted in November last year. The state government thought of creating more mandays because of heavy demand for jobs in the backdrop of the Covid-19 pandemic.

“But the problem is critical because the Centre did not approve the additional mandays created without the prior approval and also the labour budget for the 2022-23 financial year was not approved yet.,” said an official.

The DM also pointed out in his message that all papers related to the MGNREGA had to be prepared within seven days.

This instruction is also significant, sources said, as the Centre has raised questions over incomplete paper works while seeking clarifications over expenditure.

The Centre had also pointed out that GI (geographical indication) tagging of projects was not done in many cases, which was the reason why the monitoring teams did not find the existence of many projects even though funds were spent.

The Centre raised questions whether the projects were undertaken at all even though funds were spent.

The DM has also instructed the officials that GI tagging of all pending projects have to be done within seven days.

A senior official has pointed out that what the DM has instructed is the normal procedure of the MGNREGA.

“But as he has to give instructions to complete these within seven days, it is clear that all these rules were flouted in the state so far. Now that the Centre has held back the funds, the administration is desperate to plug the loopholes,” said the senior official.

Trinamul Congress insiders said the government had taken initiatives to send proper replies to the Centre with all relevant papers so that funds for the ongoing financial year were cleared at the earliest.

“We have to face panchayat polls next year. If people don’t get jobs under the MGNREGA, we will face people’s wrath in the forthcoming rural polls,” said a Trinamul MLA. <https://www.telegraphindia.com/west-bengal/scurry-to-plug-loopholes-in-job-scheme-process/cid/1867207>