<u>NEWS ITEMS ON CAG/ AUDIT REPORTS (30.06.2022)</u>

1. CAG report picks holes in DBT performance audit *(indianexpress.com)* June 30, 2022

The audit observed that after conducting review of the beneficiaries in accordance with Punjab government's instructions (June 2017), the DSSWCD (Department of Social Security and Women and Child Development) found 70,137 beneficiaries ineligible under four social security schemes pointing out recovery of Rs 162.35 crore.

Chandigarh: "Excess financial assistance amounting to Rs 26.87 crore (out of Rs 27.20 crore) was recoverable (as of July 2021) in respect of 10,327 duplicate/ineligible beneficiaries weeded out by DSSWCD during the verification process conducted between May 2017 and November 2017 under three selected schemes in six test-checked districts," the CAG report on the performance audit of Direct Benefit Transfer (DBT) has noted.

The report was tabled in Punjab Assembly during the ongoing budget session.

The audit observed that after conducting review of the beneficiaries in accordance with Punjab government's instructions (June 2017), the DSSWCD (Department of Social Security and Women and Child Development) found 70,137 beneficiaries ineligible under four social security schemes pointing out recovery of Rs 162.35 crore.

"Of these, 68,307 ineligible beneficiaries with recoverable amount of Rs 157.17 crore pertained to three selected schemes. As of July 2021, out of the inadmissible amount of financial assistance of Rs 157.17 crore recoverable from 68,307 ineligible beneficiaries, only 0.52 per cent (i.e. Rs 0.81 crore) had been recovered, leaving Rs 156.36 crore still to be recovered. However, action taken, if any, against the officers/officials concerned and ineligible beneficiaries, as per notification (June 2017), was not intimated by the department till July 2021," the CAG report noted.

"In six test-checked districts, as of July 2021, out of the inadmissible amount of financial assistance of Rs 27.20 crore recoverable from 10,327 ineligible beneficiaries, only 1.21 per cent of the amount (i.e. Rs 0.33 crore) had been recovered, leaving Rs 26.87 crore still to be recovered under three selected social security schemes," it added.

The report also observed, "No mechanism existed in DSSWCD for identification of deceased beneficiaries through the Registrar General of India to ensure discontinuance of financial assistance to the deceased. Requisite committees as initiated by the department for periodical review/identification of eligible/ineligible beneficiaries had not been formed at block levels, in spite of detecting substantial number of ineligible beneficiaries during a review conducted by the state government in June 2017."

It noted, "In six test-checked districts, active beneficiaries were denied financial assistance of Rs 277.96 crore in three selected schemes during the period from April 2017 to July 2020. Besides, in 8,371 cases, the financial assistance was sanctioned with a delay up to 1,432 days beyond the prescribed time period of 30 days in four test-checked districts. Whereas, the delay in sending payment files to banks ranged up to 245 days from the sixth day of the succeeding month in which the financial assistance was due in six test-checked districts."

The report said, "Robust governance framework was lacking at state level to continuously monitor the readiness of schemes and programmes. No workshop, seminar, etc. to operationalise DBT was conducted either by the state DBT cell or DSSWCD. Besides, the departmental DBT cell/committee to ensure adoption of DBT framework in implementation of schemes, as per protocol on DBT in states, was not constituted in DSSWCD."

DBT is a reform initiative launched by Centre on January 1, 2013, to "re-engineer the existing cumbersome delivery processes using modern information and communication technology (ICT) applications. The scope of DBT has expanded since inception to now include benefits under cash transfers; in-kind transfers; and other transfers".

"There was a variation ranging between Rs 34 crore and Rs 4,555.58 crore in respect of the amount of cash transferred to the beneficiaries in three selected schemes viz Old Age Pension (OAP), Financial Assistance to Widows and Destitute Women (FAWDW) and Financial Assistance to Dependent Children (FADC) under the Direct Benefit Transfer (DBT) during the period 2017-2021 (up to July 2020), uploaded on the DBT portal and supplied by DSSWCD of Punjab government," the report said, adding that due to lack of monitoring at Punjab Department of Governance Reforms and Public Grievances (DGRPG) level and coordination between state DBT cell and DSSWCD, the data in respect of amount of cash transferred to the beneficiaries under the selected social security schemes uploaded on the public domain could not be considered as authentic."

DBT aims to transform the manner in which social welfare schemes and programmes are implemented across the nation by using Aadhaar as a unique identifier as well as an individual beneficiary's financial address. This marks a paradigm shift in the process of delivering benefits like wage payments, fuel subsidies, foodgrain subsidies, etc. directly into the bank accounts of the beneficiaries, removing leakages and enhancing financial inclusion.

After DBT implementation in Punjab in March 2017, coverage in number of schemes (cash transfer) under DBT increased from 51 schemes in 2017-18 to 94 up to July 2020. https://indianexpress.com/article/cities/chandigarh/cag-report-picks-holes-in-dbt-performance-audit-7999759/

2. CAG report picks holes in Punjab's DBT for social security schemes *(timesofindia.indiatimes.com)* June 30, 2022

Chandigarh: The Comptroller and Auditor General of India's report on the direct benefit transfer (cash transfer) for social security schemes has observed that the procedure implemented was "not in consonance with the spirit of the DBT framework".

The report for April 2017 to July 2020 period tabled in the legislative assembly on Wednesday stated: "The procedure can be termed as benefit transfer, but not as 'direct' benefit transfer."

It added: "Despite lapse of more than three years from the decision (March 2017) of the state government to bring all the social security schemes under DBT, the department concerned could reduce only one intermediary level (payment through gram panchayat's bank account) in disbursing the financial assistance under the social security schemes."

The CAG report also pointed out that even though Aadhaar numbers of 92% of the digitised beneficiaries had been captured in six test-checked districts, system of transfer of financial assistance directly to the Aadhaar linked bank accounts of the beneficiaries by generation of payment files instructions in Public Financial Management System (PFMS) or through state treasury account was not ensured.

The DBT scheme is being implemented by the department of social security and women and child development (DSSWCD), in coordination with the state direct benefit transfer cell under the control of the department of governance reforms and public grievances, Punjab. "In six test-checked districts, active beneficiaries were denied financial assistance of Rs 277.96 crore in three selected schemes during the period from April 2017 to July 2020. Besides, in 8,371 cases, the financial assistance was sanctioned with a delay up to 1,432 days beyond the prescribed time period of 30 days in four test-checked districts," said the report.

The DSSWCD weeded out (January 2018- July 2020) 8,256 records of duplicate beneficiaries under three selected social security schemes. However, no action had been taken for recovery of probable excess financial assistance of Rs 9.89 crore paid (April 2017- July 2020) to these duplicate beneficiaries, said the report. After porting the beneficiaries' data in PBMS, no review to check the completeness, authenticity and correctness of the legacy data was conducted.

The audit noticed 941 duplicate or ineligible records of beneficiaries under three selected schemes in six testchecked districts. The probable excess financial assistance paid (April 2017-July 2020) to these beneficiaries worked out to Rs 1.82 crore. Besides, financial assistance of Rs 0.72 crore was also paid to 651 children beyond the prescribed age of 21 years, in contravention of the guidelines.

Besides, the delay in sending payment files to banks ranged up to 245 days from the sixth day of the succeeding month in which the financial assistance was due in six test-checked districts. Modification in master database i.e. change in bank account numbers of beneficiaries was being done without any authority or request of the applicant on record. Dissemination of information through SMS about payment of financial assistance to beneficiaries and regulation of failed transactions received from the respective banks was also lacking.

In 213 cases, the financial assistance was provided to the same beneficiaries under two different social security schemes. The CAG also observed that no mechanism existed in DSSWCD for identification of deceased beneficiaries through the Registrar General of India to ensure discontinuance of financial assistance to the deceased. https://timesofindia.indiatimes.com/city/chandigarh/cag-report-picks-holes-in-punjabs-dbt-for-social-security-schemes/articleshow/92556922.cms

3. Outstanding public debt went up by 39.8 % from 2017 to 2021: CAG *(timesofindia.indiatimes.com)* June 30, 2022

Chandigarh: The outstanding public debt increased by 39.84% from Rs 1,53,773 crore in 2016-17 to Rs 2,15,035 crore in 2020-21, as per the state finances audit report of the Comptroller and Auditor General of India for the year ending March 2021.

The percentage of debt repayments to debt receipts increased from 38.79% in 2016-17 to 62.59% in 2020-21. The ratio of interest payments to revenue receipts ranged between 20.26% and 25.08% during 2016-21. Availability of net debt to state decreased from Rs 41,462 crore in 2016-17 to Rs 4,597 crore in 2020-21. Besides, the state government had not invested funds of Rs 7,334.00 crore lying in balance under State Disaster Response Fund (SDRF) as on March 31, 2021.

Subsidies constituted 10.53% to 17.72% of the revenue expenditure and contributed 56% to 102% to the revenue deficit during 2016-21. Power subsidy constituted major portion of the total subsidies ranging between 68% and 99% during the same period

The total outstanding loans advanced by the state government increased by Rs 906 crore from Rs 35,394 crore in 2019-20 to Rs 36,300 crore in the year 2020-21. Recovery of loans decreased by 99.69% in 2020-21 as compared to 2019- 20 mainly due to conversion of UDAY loans amounting to Rs 15,628 crore into equity in Punjab State Power Corporation Limited during 2019-20.

https://timesofindia.indiatimes.com/city/chandigarh/outstanding-public-debt-went-up-by-39-8-from-2017-to-2021-cag/articleshow/92559780.cms

4. Congress rule further pushed Punjab into debt trap, says CAG report *(tribuneindia.com)* Jun 30, 2022

Quite contrary to the tall claims made to bring Punjab out of the fiscal mess five years back, the five-year Congress rule pushed the state further into vicious debt trap, says a latest report by the Comptroller Auditor General (CAG) tabled in the Punjab Vidhan Sabha on Wednesday.

As per the 'the State of Finances Report' for the financial year 2020-21, it was found that the outstanding total debt of the state was Rs 2,49,673 crore (47.13 per cent of Gross State Domestic Product) as on March 31, 2021. In just four years of the Congress rule, between 2017-18 and 2020-21, the state's debt increased by Rs 54,521 crore.

Total debt of the state government typically constitutes internal debt of the state (market loans, ways and means advances from the RBI, special securities issued to National Small Savings Fund and loans from financial institutions, etc.), loans and advances from the Central Government, and public account liabilities.

Ideally, the borrowed funds should be used to fund capital creation and developmental activities. However, in Punjab borrowed funds were being largely used for meeting current consumption and repayment of interest on outstanding loans, which as per the CAG "is not a healthy trend".

The past practice shows that during the period 2016-21, the state government utilised 62 per cent of its borrowings for repayment of earlier borrowings and in the same period 24.2 per cent borrowed money was spent on revenue expenditure. Just 10 per cent of the borrowed amount in the last five years was spent on creating assets like land and buildings.

"Thus, the borrowed funds were being used mainly for meeting current consumption and repayment of earlier borrowings instead of capital creation/development activities," said CAG.

The financial condition also sounds alarming for the current AAP government as the state has to repay 23.29 per cent (Rs 50,071 crore) of its debt within the next three years, 13.45 per cent (Rs 28,922 crore) between 3-5 years and 15.94 per cent (Rs 34,287.44 crore) between 5-7 years. It signifies that the state has to repay 52.68 per cent of its debt (Rs 1,13,282 crore) in the next seven years.

Expenditure on health, education up

The ratio of expenditure on education and health to total expenditure in Punjab went up from 8.94 per cent and 2.86 per cent in 2016-17 to 13.25 per cent and 4.20 per cent in 2020-21, respectively, while the ratio of total expenditure to GSDP and capital expenditure to total expenditure decreased from 23.66 per cent to 17.31 per cent and 45.25 per cent to 5.82 per cent, respectively, during the same period. https://www.tribuneindia.com/news/punjab/congress-rule-further-pushed-state-into-debt-trap-says-report-408085

5. Rs 274 cr spent on diversification, but paddy area up 7.18% in five years: CAG *(tribuneindia.com)* Jun 30, 2022

Chandigarh: Rs 274 crore on crop diversification, area under paddy increased by 7.18 per cent in five years (2014-19), a latest report of the Comptroller and Auditor General (CAG) of India has revealed.

The report tabled in the Vidhan Sabha today found that the Departments of Soil, Agriculture, Farmers Welfare and Water Conservation had "under-performed" in restoring the ecological balance of soil and water conservation for sustainable agriculture despite spending Rs 699.24 crore on various schemes.

The trend is adversely affecting the consumption of groundwater. To improve soil fertility and arrest the depletion of groundwater, a target to divert 1.40 lakh hectare paddy area (at least five per cent of the area under paddy in identified blocks) with alternate crops during 2013-14 was fixed.

However, it was noticed that the sown area of paddy increased by 7.18 per cent during 2014-15 to 2018-19 and the sown area of other crops decreased by 13.49 per cent to 38.02 per cent from 2014-15 to 2018-19.

It happened despite spending Rs 273.73 crore during 2014-19, the state could not achieve the intended objective of diverting the area from paddy to alternate crops. Rather, area under paddy increased.

Consequently, over-exploited blocks had increased from 76 per cent to 79 per cent against the national average from 16 to 17 per cent during 2014-17, defeating the objective of arresting the depletion of groundwater through the crop diversification programme.

"Due to inefficient implementation of crop diversification programme, the area covered under oilseeds (kharif) decreased (48 per cent) from 8,000 hectares to 4,200 hectares, and production reduced (40 per cent) from 5,700 tonne to 3,400 tonne, which would necessitate additional import/procurement of oilseeds," the CAG report read.

The import of oilseeds had, in fact, increased by 25 per cent from 14.69 million tonne to 18.41 million tonne, during 2014-19, indicating at increased gap between demand and production.

Soil health card scheme 'ineffective'

The implementation of the soil health card scheme remained ineffective due to inefficient flow of funds, and deficient planning for providing financial assistance for recommended nutrients. https://www.tribuneindia.com/news/punjab/274-cr-spent-on-diversification-but-paddy-area-up-7-18-cag-408077

6. In Punjab, paddy sown area rose by 7.18% in 2014-19, says CAG report *(indianexpress.com)* June 30, 2022

Even after spending Rs 274 crore on Crop Diversification Programme (CDP), sown area of paddy in Punjab increased by 7.18 per cent during 2014-19, adversely affecting the consumption of groundwater, a report of the Comptroller and Auditor General (CAG) of India for the year ending March 31, 2019, has noted.

The report was tabled in Punjab Vidhan Sabha on Wednesday during the on-going budget session. The report pointed out that the cases of stubble burning increased from 43,660 in 2017-18 to 49,905 in 2018-19, owing to "lack of systemic spread of awareness amongst stakeholders".

While paddy is a water guzzling crop – blamed for depleting water table in the state – the issue of stubble burning has also remained a matter of serious concern, not only in Punjab but also in Delhi. "The Department of Soil and Water Conservation, and the Department of Agriculture and Farmers' Welfare had under-performed in restoring the ecological balance of soil and water conservation for sustainable agriculture in the state despite spending Rs 699.24 crore on various schemes," the CAG report noted. "The state (read Punjab) does not have an agriculture policy and a long-term plan for conservation of soil and water, nor does it have a complete inventory of soil for taking forward soil and water conservation effectively," the CAG report said. "The state was deprived of conserving 972.04 lakh cubic metre water despite spending Rs 37.16 crore on Underground Pipeline Scheme during 2014-19," the report noted.

While noting that out of total 50.33 lakh hectare geographical area in the state, 41.25 lakh hectare (82%) was cultivable, the report noted that "Continuous wheat-paddy rotation to get maximum food production has depleted the macro/micro nutrients, organic contents, minerals and trace elements of the soils. Out of the total irrigated area in the state, 71% of the area is being irrigated by extracted groundwater and 29% by surface water through canals.

Unchecked use of groundwater for agriculture had brought the state on the verge of a serious water crisis as 96.59% of extracted groundwater in the state was utilised for irrigation due to which 79% blocks in the state, covering 38.04 lakh hectare area (75.58% of total geographical area of Punjab), were assessed as over-exploited as against 17% in the country."

The report noted, "Considering the importance of water, United Nations Member States jointly committed (September 2015) to the Sustainable Development Goal-6 (SDG-6) which, inter alia, provides for ensuring availability and sustainable management of water and sanitation. Besides, SDG 2.4 provides for implementation of resilient agricultural practices that help to maintain the ecosystem and SDG 6.4 provides for substantial increase in water use efficiency across all sectors. The Department of Soil and Water Conservation and the Department of Agriculture and Farmers' Welfare failed to achieve the United Nations sustainable development goals as both the departments did not fix specific targets for achievement of SDGs during 2015-19." A committee constituted to formulate an agricultural policy had submitted a draft of that to the state government in March 2013, but the audit observed that the draft had not been approved by the state government as of November 2020.

It trashed the reply of a director rank officer where it was stated that approval of the draft policy was awaited. The CAG report noted, "The reply was not acceptable because due to absence of agriculture policy, unchecked use of groundwater as well as over-use of fertilisers could not be controlled." On crop diversification, the report observed cash support of Rs 2,500 per hectare each was not provided to farmers on account of land development charges and marketing support in seven selected districts, as no budget provision was made for the purpose, due to which no motivation to farmers was provided to diversify from paddy to alternative crops. https://indianexpress.com/article/cities/chandigarh/in-punjab-paddy-sown-area-rose-by-7-18-in-2014-19-says-cag-report-7999749/lite/

7. Colleges' student-teacher ratio insufficient: Report *(timesofindia.indiatimes.com)* June 30, 2022

Chandigarh: A report of the Comptroller and Auditor General of India on the performance audit on higher education in Punjab has observed that the state had no policy regarding opening of colleges as per geographical mapping and the availability of faculty in colleges was insufficient.

It was found that the average Student Teacher Ratio (STR) was 49:1 more than two times its prescribed STR of 20:1. In government colleges, the percentage of contractual teaching staff ranged between 56% and 70% during the 2015-2020. Besides, 35.88% of the teachers in 38 test checked affiliated colleges did not possess the prescribed National Eligibility Test qualification. Punjabi University, Patiala, and

GNDU inn Amritsar could complete only 53% and 56% research projects respectively during 2015-2020 whereas only three research projects were undertaken and completed in three selected colleges. Out of the 99 completed research projects, only eight patents were awarded in selected universities. "Seven sub-divisions were still devoid of any college due to non-inclusion in the plan. Besides, construction work of 12 colleges out of 27 planned colleges were not completed within scheduled date due to lack of funds," said the report for the period April 2015 to March 2020.

Besides, the audit has found that the distribution of general degree colleges both regionally as well as among rural and urban areas of the state was not proportionate. https://timesofindia.indiatimes.com/city/chandigarh/colleges-student-teacher-ratio-insufficient-report/articleshow/92559764.cms

8. Children's homes not built in Punjab despite grant from Centre ***(tribuneindia.com)*** Jun 30, 2022

Chandigarh: The Comptroller and Auditor General (CAG) report, tabled in the Vidhan Sabha today, stated it had been found that due to the failure of the state government to provide suitable land, children's homes and observation homes could not be established in the state even six years after the release of assistance by the Centre.

Stressing that vulnerable children were being denied access to care and rehabilitation, it has recommended that the state government should allot suitable land and provide adequate funds for the establishment of the children's homes and observation homes in the state.

The case pertains to the SAD-BJP tenure from 2012 to 2017, which was not properly followed up by the Congress government from 2017 to 2022.

The audit report revealed that a children's home for girls at Jalandhar, having a capacity of 150 and catering to the entire state, and an observation home for boys, having a capacity of 50 at Hoshiarpur and catering to seven districts, were overcrowded during the 2015-2020 period. Further, since the existing children's/observation homes were catering to many districts in the state, children/inmates had to travel from far-off places to the existing homes for care and rehabilitation.

CAG found that there were six children's homes and four observation homes in the state in 2014. The Centre approved the establishment of additional five children's homes and two observation homes in different districts.

However, records revealed that at the time of approval of the proposal and release of the grant-in-aid by the Centre (October 2014), suitable land was not available with the department for the construction of the homes in any of the seven districts.

The government released the central share of Rs 4.66 crore, which was withdrawn by the department in June 2016 and kept in a savings bank account in contravention of the Punjab Financial Rules. However, the state share of Rs 1.55 crore was not released. https://www.tribuneindia.com/news/punjab/childrens-homes-not-built-despite-grant-from-centre-408082

9. कैग की रिपोर्ट में फर्जीवाड़ा उजागर: पंजाब में मृतक भी तीन साल तक लेते रहे बुढ़ापा पेंशन, महिलाओं संबंधी स्कीम में भी पुरुषों को लाभ *(amarujala.com)* 30 June 2022

पंजाब में सामाजिक सुरक्षा योजना के तहत बुजुर्गों को दी जा रही बुढ़ापा पेंशन में धांधली का बड़ा खुलासा हुआ है। भारत के नियंत्रक और महालेखा परीक्षक (कैग) ने अपनी बीते वर्ष की रिपोर्ट में कहा है कि राज्य में ऐसे लोगों को भी बुढ़ापा पेंशन दी जाती रही, जिनकी मृत्यु तीन साल पहले हो चुकी थी। एक लाख से ज्यादा ऐसे लोगों का भी पता चला जो बुढ़ापा पेंशन के लिए निर्धारित उम्र से भी कम आयु के थे। कैग ने यह भी खुलासा किया है कि इस धांधली के सबसे ज्यादा मामले पूर्व मुख्यमंत्री कैप्टन अमरिंदर सिंह के जिले पटियाला में सामने आए हैं।

पंजाब विधानसभा के बजट सत्र के पांचवें दिन बुधवार को सदन में कैग की वार्षिक रिपोर्ट पेश की गई। रिपोर्ट में सामाजिक सुरक्षा स्कीम में फर्जीवाड़े का खुलासा करते हुए कहा गया है कि 3 साल तक मृत लोगों के नाम पर भी पेंशन बांटी जाती रही और किसी ने भी इस पर ध्यान नहीं दिया। वहीं 50053 पुरुष और 59151 महिलाएं, जो कम उम्र के कारण बुढ़ापा पेंशन के हकदार नहीं थे, को भी पेंशन दी जाती रही। इनके अलावा 76848 लोगों के नामों के साथ उनकी जन्म तिथि ही दर्ज नहीं की गई। रिपोर्ट में यह भी खुलासा किया गया है कि एफएडब्ल्यूडी स्कीम, जो केवल महिलाओं के लिए है, में 12047 लोगों को पुरुष बताया गया है। वहीं 23754 व्यक्ति, जिनकी उम्र 18 वर्ष से कम थी, इस स्कीम के तहत वित्तीय लाभ के योग्य नहीं थे।

अयोग्य में सबसे ज्यादा मामले पटियाला से सामने आए हैं। रिपोर्ट के अनुसार, पटियाला में 6455, लुधियाना में 1871, रोपड़ में 629, शहीद भगत सिंह नगर में 204, एसएएस नगर मोहाली में 698 अयोग्य लोगों का पता चला। इनके बीते 3 वर्षों से पंजाब में रहने संबंधी सेल्फ डिक्लेरेशन (स्वयं घोषणा) भी फर्जी पाए गए।

डुप्लीकेट लाभार्थियों को बांटे 9.89 करोड़

कैग की रिपोर्ट में कहा गया है कि 8286 डुप्लीकेट लाभार्थियों को अतिरिक्त लाभ पहुंचाते हुए अप्रैल, 2017 से जुलाई, 2020 तक 9.89 करोड़ का भुगतान किया गया। रिपोर्ट में कहा गया कि राज्य सरकार की ओर से तैयार दिशा-निर्देश के अनुसार, एक आवेदक केवल एक तरह की ही सामाजिक सुरक्षा पेंशन ले सकता है। इसके बावजूद 2226 महिलाएं, जिनके पिता का नाम, आधार नंबर या बैंक खाता नंबर एक था, को दोनों स्कीमों- ओए

पी और एफएडब्ल्यूडी स्कीम के तहत वित्तीय मदद दी जाती रही। यह सारी राशि जनवरी 1996 से 2020 के दौरान मंजूर की गई। https://www.amarujala.com/chandigarh/cag-report-deceased-also-continued-to-take-old-age-pension-for-three-years

10. CAG Report: बिजली सब्सिडी में बेतहाशा वृद्धि से भी बिगड़ रही है पंजाब की आर्थिक स्थिति *(jagran.com)* 30 June 2022

CAG Report: पंजाब पर 2.63 लाख करोड़ रुपये कर्ज चढ़ चुका है। राजस्व घाटा भी तेजी के साथ बढ़ रहा है। पंजाब सरकार को 2008-09 तक राजस्व घाटा शून्य करना था लेकिन 2020-21 में यह घाटा 17,296 रुपये तक पहुंच गया। महालेखाकार की रिपोर्ट (CAG Report) में इसके लिए बिजली सब्सिडी को सबसे ज्यादा जिम्मेदार बताया गया है। इसमें कहा गया है कि बिजली सब्सिडी में बेतहाशा वृद्धि के कारण भी पंजाब की आर्थिक दशा बिगड़ रही

68 से 99 फीसदी तक पहुंची पावर सब्सिडी, राजस्व घाटा 17,296 तक पहुंचा

पंजाब में पावर सब्सिडी 68 फीसदी से बढ़ कर 99 फीसदी तक पहुंच गई है। यह चालू वित्तीय वर्ष में और बढ़ जाएगी, क्योंकि पंजाब सरकार ने सभी को 300 यूनिट फ्री बिजली देने की घोषणा की है। महालेखाकार ने अपनी रिपोर्ट में इस बात का भी खुलासा किया है कि पंजाब ने अपने राजस्व घाटे को पड़ाववार खत्म करने के लिए एफआरबीएस एक्ट 2003 पास किया था। इसके बावजूद पंजाब लगातार राजस्व घाटे वाला राज्य बन गया है। 2019-20 में राज्य का राजस्व घाटा 23 फीसदी था, जोकि 2020-21 में बढ़ कर 25 फीसदी तक पहुंच गया।

महालेखाकार नेअपनी रिपोर्ट में कहा है कि 2016 से 21 के दौरान सब्सिडी राजस्व खर्चे का 11 से 18 फीसदी था व इनके राजस्व घाटे को 56 से 102 का योगदान दिया। बिजली सब्सिडी 68 फीसदी से 99 फीसदी तक बढ़ गई। जोकि कुल सब्सिडी का बड़ा हिस्सा है। 2020-21 के दौरान वित्तीय घाटा 22584 करोड़ रुपये रहा, जोकि जीएसडीपी का 4.2 फीसदी था। जोकि राज्य सरकार की ओर से तय किए गए मानक ने ज्यादा था।

महालेखाकार ने कहा कि वित्तीय घाटे को पूरा करने के लिए राज्य सरकार ने बाजार सेऋण उठाया। राजस्व प्राप्ति की वार्षिक दर 2016-17 में 15.56 फीसदी थी। जोकि 2020-21 में घट कर 12.14 फीसदी रह गई। जिसके परिणाम स्वरूप राज्य को अपने खर्चों की पूर्ति के लिए सरकार को उधार पर निर्भर होना पड़ा। महालेखाकार ने इस बात पर चिंता जताई है कि राज्य सरकार अपने राजस्व प्राप्ति के प्रति गंभीर नहीं है। यही कारण है कि उनके राजस्व प्राप्ति में गिरावट देखी जा रही है।

महालेखाकार की ओर से यह की गई सिफारिशें

महालेखाकार की ओर से सिफारिश की गई है कि राज्य सरकार निगमों, सरकारी कंपनियों, सहकारी बैंकों व सोसाइटियों के निवेश के नाकाफी प्रतिफल के कारणों का मूल्यांकन करे। इसके लिए एक कमेटी का गठन किया जाए, जो अपने सुझाव दे सके। राज्य के अधूरे पड़े प्रोजेक्टों को समय पर पूरा किया जाए। राज्य सरकार इस बात को लेकर कदम उठाए कि उसे दूसरे साधनों से उधार न लेना पड़े। सरकार अपनेसाधन जुटाए। https://www.jagran.com/punjab/chandigarh-economic-condition-of-punjab-deteriorating-due-to-hug-increase-in-electricity-subsidy-said-cag-report-22848776.html

11. CAG Report: शिअद व कांग्रेस सरकार के दौरान केबल आपरेटरों ने पावरकाम को लगाई करोड़ों रुपये की चपत *(jagran.com)* 30 June 2022

CAG Report: शिरोमणि अकाली दल और कांग्रेस सरकार के दौरान केबल आपरेटरों ने पावर काम को 7.21 करोड़ रुपये की चपत लगाई है। इस बात का खुलासा महालेखाकार की रिपोर्ट (CAG Report) में हुआ है। एक कंपनी ने पावर काम के बिजली के खंभों को किराये पर लिया।

कैग रिपोर्ट में हुआ खुलासा- केबल आपरेटरों ने 7.21 करोड़ का पावरकाम को लगाया चूना

कंपनी ने 1,21,125 खंभों को प्रति खंभा 150 रुपये सालाना को लेकर करार किया। इस करार के बाद कंपनी ने 2,74,098 खंभों का प्रयोग किया। महालेखाकार द्वारा इस पर बाकायदा पंजाब सरकार से जवाब भी मांगा गया लेकिन सितंबर 2021 तक सरकार ने कोई जवाब नहीं दिया। जिससे पावर काम को 7.21 करोड़ रुपये की चपत लगी।

बता दें कि केबल माफिया पंजाब में पिछले पांच वर्षों से राजनीतिक मुद्दा रहा है। कांग्रेस के पूर्वविधायक व स्थानीय निकाय मंत्री रहे नवजोत सिद्धू विधान सभा से केवल माफिया को लेकर न सिर्फ अकाली दल बल्कि अपनी ही सरकार को घेरते रहते थे। विपक्ष में रहते हुए आम आदमी पार्टी भी इस मुद्दे को उठाती रहती थी।

1.21 लाख खंभे लिए किराये पर 2.74 लाख खंभों का किया प्रयोग, पावर काम ने भी नहीं की जांच

बुधवार को विधान सभा में पेश हुई महालेखाकार की रिपोर्ट में इस बात का खुलासा हुआ है कि केबल आपरेटरों ने सरकारी संसाधनों का दुरुपयोग किया। रिपोर्ट के अनुसार कंपनी ने 1.21 लाख खंभों के लिए दिसंबर 2016 में पावर काम के साथ समझौता किया। इस समझौते के तहत अगर कंपनी तय खंभों से 5 फीसदी ज्यादा खंभों का प्रयोग करती है तो सालाना किराये के अतिरिक्त उसे दोगुणा ज्यादा जुर्माना वसूल किया जाएगा। कंपनी ने खंभों को प्रमाणित करवाने में ही 7 माह का समय ले लिया।

कैग रिपोर्ट में कहा गया है कि कंपनी ने बाद में 1.21 लाख खंभों की बजाए 2.74 लाख खंभों का प्रयोग किया। पावर काम को कंपनी से 2.68 करोड़ रुपये का बनता जुर्माना वसूल करना था लेकिन सरकार ने जुर्माने का नोटिस भेजने में

ही 2 साल का समय लगा दिया। कंपनी को मई 2019 में नोटिस भेजा गया। इस वजह से कंपनी से न तो 6.12 करोड़ रुपये
की वसूली हुई और नही हुई। इसके कारण 109 करोड़ रुपयेके ब्याज का भी नुकसान हुआ।

कैग रिपोर्ट के अनुसार इस बात को लेकर महालेखाकार की तरफ से पंजाब सरकार को अप्रैल 2021 में पत्र लिखा गया था। जबकि सितंबर 2021 तक पंजाब सरकार ने इसका जवाब तक नहीं दिया। कैग ने पावर काम द्वारा 2 साल बाद नोटिस भेजे जाने का भी जिक्र किया है। इससे इस बात के साफ संकेत मिलते है कि पावर काम ने नोटिस भेजने में कोताही बरती। बता दें की 2012 से लेकर 2017 तक शिरोमणि अकाली दल व 2017 से 2022 तक कांग्रेस पार्टी की सरकार थी। https://www.jagran.com/punjab/chandigarh-cable-operators-caused-loss-of-crores-to-power-com-during-sad-and-congress-government-22848525.html

12. मृतक भी तीन साल तक लेते रहे बुढ़ापा पेंशन, कैग की रिपोर्ट में सामाजिक सुरक्षा पेंशन का फर्जीवाड़ा उजागर *(amarujala.com)* 30 June 2022

चंडीगढ़। पंजाब में सामाजिक सुरक्षा योजना के तहत बुजुर्गों को दी जा रही बुढ़ापा पेंशन में धांधली का बड़ा खुलासा हुआ है। भारत के नियंत्रक और महालेखा परीक्षक (कैग) ने अपनी बीते वर्ष की रिपोर्ट में कहा है कि राज्य में ऐसे लोगों को भी बुढ़ापा पेंशन दी जाती रही, जिनकी मृत्यु तीन साल पहले हो चुकी थी। एक लाख से ज्यादा ऐसे लोगों का भी पता चला जो बुढ़ापा पेंशन के लिए निर्धारित उम्र से भी कम आयु के थे। कैग ने यह भी खुलासा किया है कि इस धांधली के सबसे ज्यादा मामले पूर्व मुख्यमंत्री कैप्टन अमरिंदर सिंह के जिले पटियाला में सामने आए हैं।

पंजाब विधानसभा के बजट सत्र के पांचवें दिन बुधवार को सदन में कैग की वार्षिक रिपोर्ट पेश की गई। रिपोर्ट में सामाजिक सुरक्षा स्कीम में फर्जीवाड़े का खुलासा करते हुए कहा गया है कि 3 साल तक मृत लोगों के नाम पर भी पेंशन बांटी जाती रही और किसी ने भी इस पर ध्यान नहीं दिया। वहीं 50053 पुरुष और 59151 महिलाएं, जो कम उम्र के कारण बुढ़ापा पेंशन के हकदार नहीं थे, को भी पेंशन दी जाती रही। इनके अलावा 76848 लोगों के नामों के साथ उनकी जन्म तिथि ही दर्ज नहीं की गई। रिपोर्ट में यह भी खुलासा किया गया है कि एफएडब्ल्यूडी स्कीम, जो केवल महिलाओं के लिए है, में 12047 लोगों को पुरुष बताया गया है। वहीं 23754 व्यक्ति, जिनकी उम्र 18 वर्ष से कम थी, इस स्कीम के तहत वित्तीय लाभ के योग्य नहीं थे। अयोग्य में सबसे ज्यादा मामले पटियाला से सामने आए हैं। रिपोर्ट के अनुसार, पटियाला में 6455, लुधियाना में 1871, रोपड़ में 629, शहीद भगत सिंह नगर में 204, एसएएस नगर मोहाली में 698 अयोग्य लोगों का पता चला। इनके बीते 3 वर्षों से पंजाब में रहने संबंधी सेल्फ डिक्लेरेशन (स्वयं घोषणा) भी फर्जी पाए गए।

डुप्लीकेट लाभार्थियों को बांटे 9.89 करोड़

कैग की रिपोर्ट में कहा गया है कि 8286 डुप्लीकेट लाभार्थियों को अतिरिक्त लाभ पहुंचाते हुए अप्रैल, 2017 से जुलाई,
2020 तक 9.89 करोड़ का भुगतान किया गया। रिपोर्ट में कहा गया कि राज्य सरकार की ओर से तैयार

दिशा-
निर्देश के अनुसार, एक आवेदक केवल एक तरह की ही सामाजिक सुरक्षा पेंशन ले सकता है। इसके बावजूद 2226 महिलाएं, जिनके पिता का नाम, आधार नंबर या बैंक खाता नंबर एक था, को दोनों स्कीमों- ओएपी और एफएडब्ल्यूडी स्कीम के तहत वित्तीय मदद दी जाती रही। यह सारी राशि जनवरी 1996 से 2020 के दौरान मंजूर की गई। https://www.amarujala.com/haryana/panchkula/the-deceased-also-continued-to-take-old-age-pension-for-three-years-bureau-news-pkl455130969

13. Kerala stares at huge cut in borrowings as Centre tightens reins *(newindianexpress.com)* 30 June 2022

THIRUVANANTHAPURAM: Efforts of the Kerala government to continue keeping off-budget borrowings (OBBs) out of the purview of the state's public debt have fallen flat before the stern stand taken by the department of expenditure (DE) under the Union ministry of finance.

Multiple communications between the DE and state finance department, between March 31 and June 1, 2022 — exclusively accessed by TNIE — showed that the state had tried its best to account the total borrowings made by the Kerala Infrastructure Investment Fund Board (KIIFB) and the Kerala Social Security Pension Limited (KSSPL) in the last three years as a separate entry so that the burden of that debt won't affect the state's net borrowing ceiling (NBC).

Fed up with Kerala's attempts not to account OBBs, the DE warned on May 20 that they might be forced to unilaterally fix the NBC for the state for 2022-23 if the required details of OBBs were not furnished in the prescribed format. The reply of the state filed on May 25 by mentioning net borrowings by both KIIFB and KSSPL was also rejected by the DE, which on June 1 directed the state to furnish details of gross borrowings made during 2020-21 and 2021-22.

The gross borrowing figure reflects the actual borrowing till date while net borrowings indicate only the outstanding sum of the borrowed money. The chain of communications revealed that the DE depended mostly on CAG's State Finance Audit Report for the year ended March 2020 to shoot down state's counter arguments on OBBs.

Off-budget borrowings to be adjusted from next financial year

The revised conditions on NBC were communicated to the state finance department on March 31 this year. It said borrowings made by state public sector companies, corporations and special purpose vehicles (SPV) where "principal and/or interest are to be serviced out of the state budgets and/or by assignment of taxes/cess or any other state's revenue, shall be considered as borrowings made by the state itself for the purpose of issuing consent."

The DE letter also made it clear that the aforesaid provisions shall be implemented since the beginning of the 15th finance commission award period i.e, 2020-21. This meant that OBBs made by the state in 2020-21 and 2021-22 will be adjusted from the NBC for 2022-23. The letter also said that a review will be conducted on the Rs 4,511 crore additional borrowing allowed to the state in 2021-22 for capital expenditure.

“Any shortfall/ deficiency in actual capital expenditure for 2021-22 by the state in comparison with the targeted capital expenditure for that year will be adjusted from the borrowing ceiling for 2022-23,” DE warned. Such a scenario would lead to a financial emergency in coming months.

The state was asked to furnish details of guarantees issued by the government for past two years, escrowing of future revenues for the past three years and details of borrowings by state public sector firms/corporations, SPVs from 2019-20 up to the estimates for 2022-23 as annexure along with request letter seeking permission for borrowings.

CAG REPORT

CAG’s State Finance Audit Report for the year ended March 2020 observes that Kerala mobilised Rs 8,773.69 crore in 2019-20 through OBBs by KIIFB and KSSPL where the principal and/or interest are to be serviced out of state budgets.

“Such borrowings have an impact on the revenue and fiscal deficits and thus, have the effect of surpassing the targets set for fiscal indicators under the Kerala Fiscal Responsibility Act, 2003. Creating such liabilities without disclosing them in budget raises questions.”

Causing sorrow

State’s net borrowing ceiling for 2022-23: Rs 32,439 cr + 0.5% of GSDP based on certain performance criteria in power sector

KSSPL borrowed at least Rs 17,000 cr in the last two fiscals, KIIFB at least Rs 1,000 cr

Threat: Sum may be deducted from net borrowing ceiling, forcing a financial emergency in state. https://www.newindianexpress.com/states/kerala/2022/jun/30/kerala-stares-at-huge-cut-in-borrowings-as-centre-tightens-reins-2471201.html

14. AIADMK govt bought drugs worth Rs 700 crore sans expiry date: Committee *(newindianexpress.com)* 30th June 2022

TIRUNELVELI: The Committee on Public Accounts of TN Legislative Assembly said the previous AIADMK government purchased a whopping Rs 700 crore-worth medicines that lacked expiry or manufacturing date labels.

Addressing media persons after visiting various government hospitals, the committee chairman, K Selvaperunthagai, said his team had spotted irregularities in hospitals of several districts.

“There were no expiry or manufacturing dates on many medicines at government Papanasam hospital in Thanjavur district. The TN Medical Service Corporation had previously purchased Rs 700 crore worth of medicines that lacked such labels. We fear for the condition of the people who have consumed these medicines. We have also demanded the State government to set up a commission to inquire into this matter. Several such irregularities had taken place during 2017-18,” he added.

The chairman also charged that medical equipment meant to detect malaria and dengue were unnecessarily imported by the previous government from Norway for five government hospitals in Tirunelveli district, causing a huge loss to the State exchequer.

“The chief doctors of these hospitals told us that the equipment is useless. Apparently, a malaria detection test which normally costs around 45 paise, costs `28 through this machine. The Accountant General had already mentioned this issue in his report to the Assembly. We will recommend the government to take action against those who purchased the machines,” Selvaperunthagai added.

The committee members also inspected student hostels and smart city mission works in the district. District Collector V Vishnu accompanied them. https://www.newindianexpress.com/states/tamil-nadu/2022/jun/30/aiadmk-govt-bought-drugs-worth-rs-700-crore-sans-expiry-datecommittee-2471198.html

15. सरयूराय ने हेमंत सोरेन को दिया बड़ा झटका ... आपकी सरकार के कई अफसर, अपराधी जैसा काम कर रहे *(jagran.com)* 30 June 2022

झारखंड में बालू की किल्लत ऐसे ही नहीं है। राज्य सरकार ने झारखंड खनिज विकास निगम (जेएसएमडीसी) को 622 बालू घाट संचालित करने की जिम्मेदारी थी । जेएसएमडीसी बमुश्किल 12 घाटों का संचालन कर पा रहा है। बुधवार को झारखंड विधानसभा की लोक उपक्रम समिति ने जब जेएसएमडीसी के अधिकारियों से पूछा कि सारे बालू घाटों को चलाने की स्थिति में आप नहीं थे, तो आखिरकार क्यों आप

लोगों ने इन घाटों को संचालित करने की जिम्मेदारी ली । लोक उपक्रम समिति के सभा पति सरयू राय के इस सवाल पर निगम के अधिकारी बगलें झांकने लगे। उन्हें जवाब ही नहीं सूझ रहा था । उन्हों ने दूसरा स वाल दागा कि बालू घाटों से आखिरकार कितना राजस्व राज्य सरकार को मिल रहा है तो अधिकारियों ने ब ताया कि सिर्फ 12 घाट संचालित किए जा रहे हैं।

विधानसभा कमेटी ने फटकारते हुए कहा कि इससे राज्य को रायल्टी और लाभांश का घोर नुकसा न हो र हा है। जेएसएमडीसी इसपर विस्तृत रिपोर्ट उपलब्ध कराए। जेएसएमडीसी अधिकारी सिकनी कोलियरी के सं बंध में पूछे गए सवाल पर भी घिर गए। कमेटी ने संचालन से संबंधित सवाल उठाया तो अधिकारियों ने बता या कि अभी कोलियरी से उत्पादन बंद है। अदालत में इससे संबंधित केस है। कमेटी ने इसपर भी विस्तृत रिपोर्ट प्रस्तुत करने का निर्देश दिया । जेएसएमडीसी के पाताल कोल ब्लाक का मामला भी इस दौरान उठा ।

बताया गया कि कोल ब्लाक से खनन के लिए टेंडर निकाला गया । बिड के जरिए प्राइस वाटर हाउस कूप र को बतौर कंसल्टेंट बहाल किया गया । उसे 52 करोड़ रुपये का भुगतान भी किया गया , लेकिन उत्पादन नहीं हुआ। कोल ब्लाक से संबंधित राशि भी जब्त हो चुकी है। कमेटी ने इसके औचित्य पर सवाल उठाते हुए पूछा कि एक कंसलटेंट को 52 करोड़ का भुगतान कर दिया गया । कोई उत्पादन भी नहीं हुआ। अधि कारियों से पूछा गया कि आखिरकार ऐसा क्यों हुआ तो वे जवाब देने में असमर्थ थे। कमेटी ने इसपर आप त्तिजताते हुए पूछा कि आखिरकार इससे राज्य को क्या
लाभ हो रहा है? अफसरों को चेताया कि आप अपराधी जैसा काम कर रहे हैं, पूरी रिपोर्ट दी जिए।

झारक्राफ्ट कंबल घोटाला में एसीबी तलब

विधानसभा की लोक उपक्रम समिति की बैठक में झारक्राफ्ट कंबल घोटाले का मामला भी उठा। इसपर नि यंत्रक महालेखा परीक्षक (सीएजी) की रिपोर्ट के संदर्भ में अधिकारियों से जवाब मांगा गया । सीएजी के अ धिकारियोंने बताया कि कंबल की खरीद कागज पर हुई है। अधिकारियों से बाहर से कंबल मंगाने संबंधी प रिवहन के गलत दस्तावेज के संबंध में पूछताछ की गई तो वे स्पष्ट जवाब नहीं दे पाए। कमेटी ने इसकी ग हन जांच का आदेश देते हुए पूछा तो बताया गया कि एंटी करप्शन ब्यूरो (एसीबी) से घोटाले की जांच च ल रही है। सभा पति सरयू राय ने अगली बैठक में एसीबी के अफसरों को जांच की प्रगति रिपोर्ट के साथ तलब किया है।

नहीं आए बेवरेज कारपोरेशरेन के अधिकारी , नोटिस जारी

राज्य बेवरेज कारपोरेशरेन के अधिकारियों को भी बैठक में पूरी रिपोर्ट के साथ बुलाया गया था कि नई उ त्पाद नीति से क्या लाभ हो रहा है? अधिकारियों ने बैठक से दूरी बनाई। विधानसभा कमेटी ने कारपोरेशन को इस संदर्भ में नोटिस जारी किया है। बैठक में पूर्ववर्ती झारखंड राज्य विद्युत बोर्ड के बनहरदी को ल ब्लाक के संबंध में बिजली महकमे के अधिकारियों से पूछा गया । कोल ब्लाक में बगैर ड्रिलिंग के 50 करो ड़ रुपये के भुगतान का आरोप है। सीएजी ने अपनी रिपोर्ट में इसका खुलासा
किया है। बैठक में कंपनियों को निर्देश दिया गया कि सीएजी की तमाम आपत्तियों के संबंध में स्पष्टीकरण सौंपे। कंपनियों को कंपनियों की तरह हर हाल में काम करना होगा । https://www.jagran.com/jhark

hand/ranchi-jharkhand-news-hindi-saryu-roy-led-public-undertaking-committee-of-jharkhand-assembly-says-hemant-soren-govt-officers-worked-as-criminal-jharkhand-news-in-hindi-22848968.html

SELECTED NEWS ITEMS/ARTICLES FOR READING

16. CDS not the only one. India's national security management has two more missing links *(theprint.in)* 30 June, 2022

Even as the much anticipated announcement of India's second Chief of Defence Staff enters its seventh month, there are other equally important links missing from the country's higher national security management. While the focus remains on the next CDS, the absence of a National Security Strategy and revised Raksha Mantri's Operational Directives means that the Indian Armed Forces continue to undertake plans and operate in an ad hoc manner in order to fulfil commitments. The NSS is, of course, the oldest of the missing links in the national security circuit. But given the current environment, Raksha Mantri's Operational Directives are easily the most important.

The enlarged selection pool for the next CDS is a severe negation on the abilities of the current chiefs of the three Services. And it has of course come in for a scathing comment by Lt Gen HS Panag (retd). The fanfare that went with the announcement of late Gen Bipin Rawat as CDS on 31 December 2019 raised expectations about the furtherance of defence reforms. But the only 'reform' since then has been the announcement of a bizarre four-year contractual service scheme — named Tour of Duty or 'Agnipath' — for soldiers. The contours of the contract make it apparent that this scheme is not a Ministry of Defence creation.

The missing NSS

The brazenness displayed in conjuring up a scheme of such alien proportions is also apparent in the continued delays in coming up with a comprehensive National Security Strategy (NSS). India is of course the only major military power that has never articulated or published an NSS. There have been many initiatives announced to come up with a comprehensive NSS, but they've always run aground for some reason or the other. The least of which is the inability of a department to agree fundamentals with another. As a result of which India continues to plan and execute national security formulae without a comprehensive long term plan or vision.

"The Indian state does not possess an overarching National Security Strategy that comprehensively assesses the challenges to the country's security and spells out policies to deal effectively with them…the state relies on ad hoc responses of questionable utility," former foreign secretary Shyam Saran expressed searingly. Despite repeated attempts and announcements, the roadblocks of unwillingness, or ignorance, have hampered progress towards formulating the elusive NSS. An elaborate NSS requires the joint effort of multiple departments and fields of study, not the least of which is finance and human resources, science and space. It is not a military endeavour alone.

The effort, however, seems to have been entirely military thus far. So it was in 2007 that the Headquarters of the Integrated Defence Staff produced the first draft of the proposed NSS. The draft lay unattended until it was dusted in 2018 by the National Security Advisory Board, revised and presented to the then recently constituted Defence Planning Committee. Since October 2019, the draft NSS has remained just as it was — unanalysed by other departments pending approval. The NSS is only as good as the wider departmental circle that contributes to its formulation. Progress has been tardy.

The elusive Op Directive

The three armed forces are entirely dependent on the Raksha Mantri's Operational Directives for political direction in planning for an all-out war, or any other circumstances. It is the most important political directive for operational planning. And in more than a decade, it has not been updated to cater for newer challenges and changed circumstances.

As the former Chief of Army Staff Gen N.C. Vij wrote: "The only political direction to the Armed Forces in existence is Raksha Mantri's operational Directive of 2009. It is now dated and hence needs to be revised. It lays down that, 'We should be prepared to fight on both fronts simultaneously a war at 30 days (intense) and 60 days (normal) rates'."

The revisions are mired in a dispute between the military and civilian side of the Ministry of Defence, with both unwilling to put pen to paper on the exact duration of India's planning for conflict, on both fronts. For a written commitment from either binds them to the exact level of planning, hence funds, and therefore budgetary allocations. Not that allocations have been particularly generous in terms of long-term planning. While the Republic Day Parade may generate great eyeballs with sparkling brass and gleaming flypasts, the mundane question of ammunition stocks remains a matter of grave concern.

Skills displayed along a remodelled Rajpath, New Delhi, on 26 January have no bearing on operational capabilities, even as they may make some chests swell inches. Small arms ammunition stocks should become the first focus of attention, and only then will the MoD come to any conclusion on the number of days India could sustain a two-front war. And then issue at least one of those elusive documents, Raksha Mantri's Operational Directive. https://theprint.in/opinion/cds-not-the-only-one-indias-national-security-management-has-two-more-missing-links/1017381/

17. GST's half-a-decade journey: Tech usage to plug revenue leaks, Rs 1.3 lakh crore monthly tax 'new normal' *(financialexpress.com)* June 30, 2022

India's biggest tax reform, the Goods and Services Tax (GST), completes its half-a-decade journey on June 30, with many hits and some misses, and also brought about a paradigm shift in use of technology to bring about tax compliance and making over Rs 1 lakh crore revenue collection every month 'a new normal'.

A nationwide Goods and Services Tax (GST), which subsumed 17 local levies like excise duty, service tax and VAT and 13 cesses, was rolled out at the stroke of midnight on July 1, 2017. Under GST, a four-rate structure that exempts or imposes a low rate of tax of 5 per cent on essential items and top rate of 28 per cent on cars is levied. The other slabs of tax are 12 and 18 per cent. In the pre-GST era, the total of VAT, excise, CST and their cascading effect led to 31 per cent as tax payable, on an average, for a consumer.

Besides, there is a special 3 per cent rate for gold, jewellery and precious stones and 1.5 per cent on cut and polished diamonds. Besides, a cess is levied on the highest tax slab of 28 per cent on luxury, sin and demerit goods. The collection from the cess goes to a separate corpus — Compensation fund — which is used to make up for revenue loss suffered by the state due to GST rollout.

GST also represents an unprecedented exercise in fiscal federalism as the Centre and states come together in the GST Council to thrash out modalities for smooth functioning of the relatively new tax regime. The Council has met 47 times so far and have taken measures which made Rs 1 lakh crore GST collection per month 'a new normal' and on course to take the figure to Rs 1.4 lakh crore every month.As the government releases the June GST collection numbers on July 1, it is widely expected that the collections will follow the past four months' trend and be around Rs 1.4 lakh crore.

The collections had touched a record Rs 1.68 lakh crore in April 2022, it had for the first time crossed Rs 1 lakh crore mark in collections in April, 2018. On the 5th anniversary of GST, Central Board of Indirect Taxes and Customs (CBIC) tweeted "GST subsumed multiple levies and cesses, reduced compliance burden, removed regional imbalances and inter-state barriers, and significantly increased the transparency and overall Revenue collection".

Over the past years the Government has been proactively issuing circulars and clarifications to clear doubts regarding taxation under GST and ensure ease of doing business. More recently, the GST Council, in its 47th meeting in Chandigarh, has decided to ease compliance for small taxpayers who supply through the e-commerce platform.Such suppliers, who make only intra-state supplies, need not seek GST registration if their annual turnover is less than Rs 40 lakh in case of goods and Rs 20 lakh in case of supplies. To help tax officers in administration, GST Network, which provides the technological backbone for the indirect tax regime, has been using artificial intelligence and machine learning to dish out newer data and plug revenue leakages. Tax experts, however, seek a simpler structure for Goods and Services Tax, a structure which would ensure seamless flow of input tax credit through the entire supply chain without losses.

BDO India Partner and Leader – Indirect Tax Gunjan Prabhakaran said "over the past five years, the GST law has evolved and mitigated several issues faced by the taxpayers through timely clarifications and amendments. "However, the GST Council and the Government should quickly address few other hardships faced by taxpayers in relation to unwarranted and excessive issuance of show cause notices (for reconciliations of financial numbers, grant of registration, etc) and introduce a robust, technology driven single assessment process, which would achieve the twin objective of ease of doing business and remove the cascading effect of taxes".

AMRG & Associates Senior Partner Rajat Mohan said in the last five years, GST law has matured at a fast pace. First, the focus was on compliance and technology; sooner than later, it moved gears, and taxpayers were posed to self-regulate the annual filings." Now it seems the law has entered the next phase whereby litigation needs to be reduced by either replacing ambiguous tax laws or clarifying the practical application of technical issues. Businesses expect the government to resolve all sectoral issues like would BPO/KPO qualify as an intermediary, tax credit for capital expenditure on building, levy of GST on Extra Neutral alcohol (ENA) etc," Mohan said. While the GST administration has moved forward with alacrity, it is still a long way to go to achieve the full potential of GST and make it a true 'good and simple tax'.

With petrol, diesel, ATF outside GST, a large part of the economy is still not covered by the indirect tax regime. Inclusion of petroleum products under the GST net, could reduce cost for companies, tax experts say. With emerging technology, there is emergence of newer asset classes like the virtual digital assets (VDA) or cryptocurrency. There is a need for clarity on whether they would be classified as supply of 'goods' or 'services' and what would be the tax rate on them.

Tax rate rationalisation is something which would happen sooner or later. Current inflationary concerns may have derailed the plans to tweak rates and GST slabs, but it would eventually be a reality as both the Centre and states need revenues and lesser slabs would mean a simplified tax regime. Besides, the decision makers in the Council too have to work out a solution as state governments, from July 1, 2022, stare at a stoppage of compensation for revenue loss due to GST implementation. When GST was rolled out on July 1, 2017, states were promised a compensation, from the cess fund, for five years if their GST collection falls short of the 14 per cent compounded revenue growth.

Most states have sought an extension to the compensation mechanism and a final decision is likely to be taken at the next GST Council meeting in Madurai in the first week of August. Abhishek Jain, Partner Indirect Tax, KPMG in India, said going forward, the Government can consider setting up of Central authority to resolve conflicting AAR judgements across states and consider doing away with anti-profiteering provisions freeing businesses to set prices.

"Further, bringing petroleum and electricity under GST ambit will help prevent cascading and ensure further uniformity. Lastly, some checks can also be incorporated on system generated GST notices, so as to avoid any unnecessary harassment of taxpayers," Jain said. https://www.financialexpress.com/economy/gsts-half-a-decade-journey-tech-usage-to-plug-revenue-leaks-rs-1-3-lakh-crore-monthly-tax-new-normal/2577897/

18. Suspense continues *(thehindubusinessline.com)* 29 June 2022

With the GST Council not deciding on the issue of extending compensation, the imbroglio is set to continue

So, it was a rather tame end to the much-awaited 47th GST Council meeting in Chandigarh, the first since the landmark Supreme Court verdict in the Mohit Minerals case, with no decision being taken on the contentious issue of extending compensation period to States. Considering that the period ends today, "no decision" on extension can mean that either the issue will be mulled over and decided upon later or that the Centre has decided to let it lapse. If the objective is to dwell on the issue, the Centre should consult the other stakeholders involved, which is industry, and the consumer, who ultimately has to defray the compensation payment through a cess.

GST revenue for both the Centre and States will move a little higher, thanks to the rate adjustments made on a slew of goods and services. The Council has accepted the proposal of the Group of Ministers (GoM) on rate rationalisation headed by Karnataka Chief Minister, BS Bommai, on the issue of inverted duty structure in some sectors and removing some goods and services from the exemption list. While expansion of the list of products and services under GST is good, it could be bad for consumer inflation which is currently at an 8-year high. For instance, the removal of exemption for branded and labelled food items is going to hurt consumers of these products. The unbranded and unlabelled items will continue to remain exempt thus protecting smaller manufacturers and consumers. Similarly, removing services such as hotel room rentals up to ₹1,000 per day, hospital room rents above ₹5,000 per day, services provided by regulators such as RBI, SEBI and IRDAI from the list of exemptions cannot be faulted. For these are not essential services and do not require concessional or nil rates of taxations. But some of the actions to address the inverted duty structures — such as increasing tax rates on printing ink, pumps, machines used in agri-commodity processing, work contracts in infrastructure projects such as building roads, bridges, metro and so on — will result in increasing the input cost for companies, which is likely to be passed on to consumers. Also, Finance Minister Nirmala Sitharaman has indicated that the GoM has been given few more months to revert on rationalising the tax rates on all the items under GST in order to move the revenue neutral rate back to 15.3 per cent from a little under 12 per cent currently. Hopefully, inflation will also soften by then because there is no option but to widen the GST base to increase revenues.

Paving the way for implementation of e-way bills for movement of gold and precious stones with a minimum threshold of ₹2 lakh will go a long way towards checking tax evasion in this sector. Similarly, allowing small companies which supply to e-commerce operators to operate under the composition scheme and easing their compliance burden will give a leg-up to e-commerce players. Asking the GSTN to implement IT reforms on its portals to verify the antecedents of the applicants and to do risk-based monitoring will bring down undue harassment of taxpayers and help check leakages more effectively. https://www.thehindubusinessline.com/opinion/editorial/suspense-continues/article65582624.ece

19. Our bank privatization agenda demands clarity *(livemint.com)* 30 June 2022

State-owned banks mustn't be sold off just to plug fiscal gaps. While we must raise capital allocation efficiency, these lenders still have a valid role to play. Let's be clear about our goals

A clamour for complete privatization of state-owned banks seems to have arisen in policy corridors once again. This is not a new demand; discussions about the government liquidating its entire shareholding in public sector banks (PSBs) have taken place many times in the past, without any specific policy objectives spelt out. This time, though, the idea seems to have emanated from potential buyers of PSBs scheduled for disinvestment. If media reports are to be believed, investment banks and other likely investors, including some private lenders, have conveyed to India's finance ministry that the Centre's full withdrawal from PSBs would facilitate the disinvestment process and value discovery. The only hurdle is legislative: Section 3(2B)(c) of The Banking Companies (Acquisition and Transfer of Undertakings) Act of 1970 requires the government to hold at least 51% of a PSB's paid-up capital at all times. The government will have to amend this Act if it wants to sell all its equity, and any such move is fraught with political ramifications, especially at a time when assembly elections are due in critical states like Gujarat and Karnataka over the next 12 months.

In theory, the full privatization of PSBs may not be such a bad idea. It will improve capital allocation efficiency and overall productivity by an order of magnitude. It is well known that PSBs bring down the average productivity of India's financial sector with their slothful networks, outdated systems and stifling bureaucracy. In addition, weak incentives result in poor decision taking. New Delhi's recent moves to create economies of scale by merging three-four PSBs into one large bank meets that objective only partially and does not address the core issues. However, talk of privatization remains irresolute because the end goal is blurry. The primary motive behind disinvestment so far has been to fill gaps in the Centre's budget, not to achieve a step-change in the working of PSBs.

While privatizing banks could help reduce public sector dominance of our banking sector and promote allocative efficiency, India's current state of development does make space for PSBs. They have a role to play in the ongoing formalization of credit, financial inclusion and also in providing the Centre and states with transaction processing platforms and pipelines for the delivery of direct benefits to underserved Indians. The private sector, which has brought in scale efficiencies and productivity gains, is not designed to provide these services. So, as long as the state of the economy justifies this dual existence, we have two clear pathways to extract greater efficiency and productivity. One, the government has to end its twin-track governance model for PSBs, with the regulator always second-guessing the dominant shareholder's next move. For example, while the Reserve Bank of India (RBI) must approve the appointment of private bank CEOs, the government's choice of chief executives is binding on RBI. Second, the Centre's stuffing of PSB boards with party functionaries, often with scant knowledge of banking, gives rise to myriad forms of rent seeking and thereby a problem of bad loans. Given that PSBs are here to stay for some more time, we should focus on improving their standards of governance, rather than simply trying to offload them via bulk stake sales. This may help meet temporary mismatches in the Centre's cash flows, but would miss the larger target of fostering a viable financial sector to support our economy. https://www.livemint.com/opinion/online-views/our-bank-privatization-agenda-demands-clarity-11656519289480.html

20. India's Net Zero strategy: India can be a role model for developing countries *(financialexpress.com)* 30 June 2022

The recent Sixth Assessment Report of the Intergovernmental Panel on Climate Change made it clear that the world faces catastrophic consequences of rising temperatures unless nations make significant new efforts to alter this course, by reducing greenhouse gas emissions. 'Net Zero' refers to offsetting new greenhouse gas emissions with other actions, to (supposedly) make net emissions zero. This concept has become the focal point for action to deal with global warming and climate change induced by human activities.

At the 2021 COP26—the 26th Conference of Parties that signed the United Nations Framework Convention on Climate Change in 1994—many countries agreed to goals of achieving Net Zero by 2050. While these goals may still be too timid to completely remove the risk of catastrophe, they do represent major progress over previous agreements. However, countries like India, which are still relatively poor (China is four times as rich as India, for example), have been reluctant to commit to goals that could keep large segments of their populations from improving their material well-being to the point that they can enjoy decent lives. The case here is that advanced countries, which created the current situation with their past emissions, should rightfully do more to fix the problem. At COP26, India did agree to a goal of Net Zero by 2070.

India has a little over one sixth of the world's population, but contributes just over 7% of global CO_2 emissions. Its cumulative emissions are proportionately even lower compared to its population. This situation reflects the fact that it is still in the early stages of its development trajectory. Given this situation, India's adoption of a Net Zero target of 2070 is quite reasonable. The country has a feasible strategy for India to achieve this goal. A centerpiece of such a strategy has to be rapid adoption of renewable energy, especially solar power. India needs rapid electrification for development, and focusing on green electrification can make it possible to achieve Net Zero goals without sacrificing economic growth. In particular, India's strategy will require large new investment in solar power.

Currently, electricity accounts for just over a quarter of total final consumption of energy, and solar and wind power capacity is about 20% of that. To achieve Net Zero by 2070, electricity generation capacity will have to increase by about 6% a year. This is not out of line with recent growth rates of about 8%, but will have to be sustained for a much longer period. Solar power capacity will have to grow faster, at about 10% a year. Transmission, distribution and storage will all have to be improved commensurately with a strategy of green electrification.

This is all quite feasible, though it does not mean that the task is an easy one. But many of the challenges that will need to be overcome are broadly similar to those that arise in any effort for sustained, long-run development. These challenges include managing adjustment costs associated with structural change, overcoming vested interests, catalyzing innovation, and coordinating different aspects of change across sectors. Incorporating green objectives into development adds one more constraint to policymaking, but arguably also changes the objective function in a direction that better measures welfare. As in any situation of externalities and public goods, the government has a role to play in setting standards and making sure that market prices more accurately signal social costs and benefits.

In the case of climate change, the global nature of the problem means that a country like India should be receiving financial support from countries that have historically been much greater cumulative contributors to the current dire situation. Some estimates suggest that India will need additional annual investment in the energy sector of 2.7% to 4.5% of its current GDP. This is beyond the government's own resource capacity, but is certainly feasible with a mix of bilateral and multilateral contributions, made in ways that also incentivise private investment. National policies also have to be coordinated appropriately. To the extent that current and future costs of global warming and correlated outcomes such as air pollution and water scarcity are disproportionately borne by poorer segments of the population, a strategy of green development can also be more inclusive and equitable than business as usual approaches.

While a target of Net Zero by 2070 is well within India's capability, accelerating that goal by a decade or two, or flattening the emissions curve without changing the Net Zero target date, may be more challenging. In particular, dealing with the dominance of coal in electric power generation and industrial processes may require special attention to carbon capture at the project and plant level. Clear estimates of the resource costs and degree of technological innovation needed for improvement over a baseline strategy of emission reduction can help clarify the connection between national strategy and international resource commitments and financial flows. In this respect, India can serve as a role model and leader for all developing countries in achieving global coordination of the reduction of greenhouse gas emissions. https://www.financialexpress.com/opinion/indias-net-zero-strategy-india-can-be-a-role-model-for-developing-countries/2577305/