NEWS ITEMS ON CAG/ AUDIT REPORTS (11.08.2022)

1. CAG concern over reliability of data maintained by GST Network *(fortuneindia.com)* 10 August 2022

The Comptroller and Auditor General (CAG) of India has expressed concerns over the reliability of the Goods and Services Tax (GST) data maintained by the GST Network (GSTN).

The apex auditor's Compliance Audit Report on Indirect Taxes — Goods and Services Tax, Union Government Department of Revenue (Indirect Taxes – Goods and Services Tax), tabled in the Parliament on August 8 says that an analysis of pan-India data provided by GSTN revealed significant data inconsistencies between the taxable value and declared tax liability. "Inconsistencies were also noticed between the CGST and SGST components of GST, and between ITC (indirect tax credit) figures captured in GSTR-3B and GSTR-9 returns", the report said.

The audit looked into GST returns data in February 2021, pertaining to the period from FY 2017-18 to FY 2019-20, as filed by taxpayers up to August 2021. The report states that due to significant inconsistencies in the GST data, audit could not establish the reliability of data, for the purpose of finding audit insights and trends in GST revenue, and assessing high risk areas such as tax liability and ITC mismatch at the pan-India level.

The CAG report wants the finance ministry to consider introducing "appropriate validation controls (controls which prevent unreasonable data entries or alert the taxpayer to unreasonable data or both) supplemented by post-facto data analytics in respect of important data elements, where in data (such as tax amounts; taxable values; tax components, like CGST and SGST; validation of ITC and tax amounts, between the annual and monthly returns) is entered by the taxpayer."

It also recommends the development of an effective review and follow up system within GSTN to review and address cases of data inconsistencies. "In case of significant deviations, tax officers may be alerted to the inaccuracies and directed to take necessary action", the report said.

The report also pointed out that while there exists a mechanism to match ITC availed by a taxpayer with the GSTR-1 returns filed by the suppliers and to identify fraudulent cases through data analytics after the amount has been paid, adequate systems are not in place to prevent and mitigate refund related frauds by using real-time or near real-time data analytics so as to alert the tax officials before sanction of refunds. https://www.fortuneindia.com/macro/cag-concern-over-reliability-of-data-maintained-by-gst-network/109276

2. CAG plans to fix GST holes and loopholes *(economictimes.indiatimes.com)* 10 August 2022

The Comptroller and Auditor General's (CAG) audit of the GST regime for the year ended March 2021 flags problems. These include the way refunds are dealt with and failure to detect frauds. Systemic weaknesses such as deficiencies in the automated refund module, sanction of suspicious refunds to taxpayers without proper scrutiny, absence of a way to monitor the realisation of export proceeds, and double payment of GST refunds are being tackled. The remedy lies in the correction of business rules, proper implementation of systems and technology, and robust deployment of data analytics that will also minimise any arbitrariness by tax authorities. Frequent changes in the rate structure, though, can unsettle the GST system.

Central GST taxes as a percentage of GDP fell to 2.79% in FY2021 from 2.95% in FY2020 and 3.02% in FY2019. Collections have picked up this fiscal, as glitches are being fixed. Many of CAG's recommendations have already been acted upon, such as comprehensive profiling of the taxpayers by integrating data from both internal and external systems such as income-tax (I-T), Directorate General of Foreign Trade (DGFT) and corporate affairs ministry, as well as scrutiny involving the risk-based selection of returns (just as in I-T). A realtime system of red-flagging high-risk taxpayers in the refund-related modules to avoid fake input tax credit claims, and a proper module for post-audit refunds to improve monitoring, are also in order.

CAG has also pointed to inconsistencies in the GST Network (GSTN) data, such as gaps between taxable value and declared tax liability. An effective review and follow-up system by GSTN to address the causes of data inconsistencies is a must. Revenues would go up significantly with a robust GSTN. https://economictimes.indiatimes.com/opinion/et-editorial/cag-plans-to-fix-gst-holes-and-loopholes/articleshow/93486478.cms

3. CAG raises concerns over Centre's ballooning debt, interest burden *(newindianexpress.com)* 11 August 2022

The Comptroller and Auditor General (CAG) of India have raised concern over increasing Central government debt as several indicators gauging the sustainability of debt have turned unfavourable since 2015-16. The CAG in a report tabled in parliament recently pointed out that some of the indicators like debt/GDP ratio, interest repayment to revenue receipts and interest rate spread became unfavourable during the five-year period from 2015-16 to 2019-20.

The Central government debt-to-GDP ratio in 2019-20 was 52.30% compared to 50.5% in 2015-16. The government was using 34% of the revenue earned in 2019-20 to pay interest on the debt. This was 32% in 2015-16. The report also pointed out that although the average interest cost declined from 6.91% in FY16 to 6.61% in FY20, the actual interest paid on debt consistently increased from Rs 4.57 lakh crore in FY16 to Rs 6.55 lakh crore in FY20 due to expanding overall debt.

Another area of concern pointed out by the CAG is that the interest spread, which is the difference between nominal GDP growth rate and average interest cost, turned negative in 2019-20. The CAG said the government must have in place a requisite plan to achieve the target set by the FRBM act to cap the Central government debt-to-GDP ratio of 40%.

Meanwhile, data released by the department of economic affairs in the Finance Ministry showed interest paid on debt by the central government has increased to `8.05 lakh crore in FY22 from Rs 6.80 lakh crore in FY21. The government spent almost 37% of its total revenue in FY22 on interest payments. The overall central government debt, as per provisional estimates, was Rs 128 lakh crore, 54% of the GDP in FY22.
India's debt situation is a cause of concern, feel experts.

"One of the major fallouts of high debt is interest payments, which could have been otherwise used for more productive purposes. It is estimated that the Indian government's interest payment is approx 3.1% of GDP against 2.5% in 2014-15," says Debopam Chaudhari, chief economist and head of research, TruBoard Partners.

https://www.newindianexpress.com/business/2022/aug/11/cag-raises-concerns-over-centresballooning-debt-interest-burden-2486422.html

4. CAG report flags critical concerns in the gems and jewellery sector, pearl imports are '3 to 10 times higher' than global production *(opindia.com)* 10 August, 2022

On August 8, the Comptroller and Auditor General of India (CAG) tabled a report in the Lok Sabha in which it flagged critical concerns in the gems and jewellery sector. The report suggests that the import of pearls in India from financial years 2013-14 to the financial year 2018-19 was 3 to 10 times higher compared to the average annual value of global pearl production.

Further, there was a manifold increase in the rate at which pearls were imported into the country. The value of imports of pearls in India being much higher than the value of global production of pearls is indicative of trade mis-invoicing and round-tripping of funds which have been flagged as critical concerns in respect of Gems and Jewellery sector, as per reports.

India imported pearls mainly from Hong Kong, Thailand and UAE. Interestingly, the contribution of pearls to a global market for these three countries is negligible. CAG said in its report that the pearls were imported at the price higher by manifolds. The auditor mentioned that there were irregular trends in the growth of quantity and value of imports and exports of rough diamonds from 2010 to 2020. CAG recommended a detailed examination of the same.

Notably, India is the largest consumer of gold as well as the largest player in the field of diamond cutting and polishing. The gems and jewellery industry particularly in export is one of the fastest growing sectors in India. Because of the high value of transactions and foreign exchange involved in the sector, CAG pointed out there could be misuse and money laundering instances in the sector.

CAG's Customs Receipt Audit Unit and Directorate of Revenue Intelligence (DRI) pointed towards the irregularities of large scale including round tripping of exports of machines and gold jewellery was manipulated to allegedly increase the turnover artificially to take status certificates and to enhance credit limits and financing from the banks.

The various irregularities that CAG mentioned include unexplained excess output, non-verification of claims made by the assessee and related parties, short according of stocks and more. In 33 notable incidents, CAG said the tax effect involved in the cases could round up to Rs 37,909.38 crores. CAG said, "Such irregularities had the underlying risk of tax evasion that require further probing and detailed examination."

CAG further observed that the Income Tax Department allowed an aggregate deduction of Rs 115.45 crores under Section 10AA against a total export turnover of Rs 5,654.39 crores in seven out of 84 scrutiny cases. It happed even though the major part of the exports (Rs 3,878.95 crores) was outstanding for over six months. Revenue loss in these cases could be close to Rs 28.57 crores.

It further noticed that in 34 cases spread over 10 states, AO failed to consider the income under several provisions of the IT Act resulting in a total tax effect involved of approx Rs 58.86 crores.

While speaking about the discrepancies in the inventory, CAG said, "Audit observed that in 346 instances the assessees had not disclosed the quantitative details of inventory in ITRs and/or in Tax Audit Reports; in 362 instances, there was a mismatch in quantitative details as per the ITR vis-à-vis the disclosures through Tax Audit Report and in 330 cases there were discrepancies in Tax Audit Reports such as, incorrect carry forward of closing stock, mistakes in various disclosures required under the Income Tax Act."

The recommendations from CAG to CBDT and ITD included revision of the format of the Tax Audit Report for grade-wise details necessary for the valuation of diamonds, Standard Operating Procedure (SOP) and standard guidelines entailing checks to be exercised during scrutiny assessment of Gems and Jewellery cases, capturing of details of exports and imports transactions undertaken with related parties, mandatory disclosure of PAN details of related parties for transactions beyond a certain threshold limit and more. https://www.opindia.com/2022/08/cag-report-flags-critical-concerns-in-the-gems-jewellery-sector-pearl-imports-are-3-to-10-times-higher-than-global-production/

5. No SoP/Instructions/Guidelines by CBDT for Completion of Assessment of Gems and Jewellery Sector: CAG *(taxscan.in)* Aug 10, 2022

The Comptroller and Auditor General of India (CAG), in its report tabled before the Parliament, has stated that there is no Standard Operating Procedure (SOP) or instructions/ guidelines has been prescribed by the CBDT for completion of assessment of assessees specific to Gems and Jewellery sector.

The CAG observed from sampled cases checked in audit that the assessments were completed based on disclosures in the Tax Audit Reports and submission made by the assessee. In the absence of proof of detailed examination of valuation details in the assessment records, the audit could not ascertain how the Department satisfied itself with the correctness of the valuation of inventory disclosed by assessees in Income Tax Returns and Tax Audit Reports. Also, no Standard Operating Procedure (SOP) or instructions/ guidelines has been prescribed by the CBDT for completion of assessment of assessees specific to Gems and Jewellery sector.

"There is no provision in the Income Tax Act to deal with the share application money pending allotment for long period. The non-verification of share application money pending for allotment for a long period is indicative of risk of routing of black money or illegal money," the report said.

Audit noted that the valuation of the diamond depends on four Cs i.e. Cut, Clarity, Colour and Caratage. The Tax Audit Report, however, contains only carat- wise quantitative details of diamonds (rough, rejected & polished), and does not give grade- wise (Cut, Clarity, Colour & Caratage) details. In absence of grade wise details of diamonds, it was not clear how the Department was satisfying itself that the value of diamonds declared by assessee was correct. The gradations of diamonds or precious gems based on difference in cut, clarity, color and carat makes it extremely difficult to have standard valuation methodology. https://www.taxscan.in/no-sop-instructions-guidelines-by-cbdt-for-completion-of-assessment-of-gems-and-jewellery-sector-cag/198448/

6. 26,364 cr losses in 5 years: CAG report *(downtoearth.org.in)* Aug 10, 2022

General insurance companies in India have incurred losses of Rs 26,364 crore on their health portfolios during 2016-2021, according to a new report by the Comptroller Auditor General (CAG). The report was based on analysis of 32 general insurance companies.

Irregularities such as multiple settlements for single claim, claims paid in excess of sum insured, claims paid in fresh policies by ignoring waiting period, excess payment due to non-recovery of co-payment, breach of capping on specific diseases and non-adherence to network agreed rates were some of the reasons cited by the central auditor.

CAG studied four public sector general insurers, The New India Assurance Company Limited (NIACL), The Oriental Insurance Company Limited (OICL), National Insurance Company Limited (NICL) and United India Insurance Company Limited (UIICL).

There are seven stand-alone health insurance (SAHI) companies. The remaining 21 are private insurers.

The losses of the sector were attributed to decreased profits of PSU insurers and overall losses.

The market share of PSU insurers fell steadily to 49 per cent in 2020 from 63 per cent in 2016, according to the report. The share of SAHI and private insurers, on the other hand, increased to 27 per cent from 18 per cent and to 24 per cent from 19 per cent, respectively, during the same period.

NIACL and UIICL settled more than one claim on different dates with the same policy number, beneficiary name, illness code, insured name, hospital name, hospitalisation names and disease, the data showed.

The companies stated technical issues for the duplicate payments and NIACL claimed that Rs 0.74 crore has been recovered.

NIACL settled 792 cases amounting to Rs 4.93 crore, while UIICL settled 12,532 amounting to Rs 8.6 crore.

Losses made because of claims paid in excess of sum insured was Rs 33 lakh for NIACL and Rs 36.13 crore for UIICL for payments for claims made in terms of cumulative bonus and group or corporate policies.

Health insurance policy terms and conditions often mention that the policy will not cover some diseases like cataract, hypertension, hernia, fistula, hydrocele and others for two-four years and the waiting period is later deleted after a stipulated time.

NIACL made an avoidable payment of Rs 3.31 crore for 195 claims related to freshly issued policies, the analysis revealed. In one of the cases examined, an amount of Rs 8 lakh was issued within 30 days from the commencement of policy.

Excess payments were also made in co-payment policies, according to the report. Co-payment provision involves sharing of a specific percentage of claims while the remaining is borne by the health insurance company. An analysis of 275 claims showed that co-payment was not sought, resulting in excess payment of Rs 84.36 lakh.

The report highlighted another sinkhole: Breaching of rates and claim amounts mentioned in the policy for specific diseases and procedures.

The capping amount for 1,389 retail clams for cataract were not capped and an excess payment of Rs 2.33 crore was made as a result, CAG found. The capping range was fixed for 13 of 19 products of NIACL, offering a limit between Rs 10,000 and Rs 50,000.

Also, the audit also found excess room charges allowed in claim settlement, non-deduction of claim payment for deficiencies in the requirement such as submission of bills, prescriptions and other calculation errors, irregular payments on implants running into lakhs and delayed claim payments.

The audit concluded that processing the health insurance claims mainly depends on digital platform and IT systems with embedded validation controls, seamless flow of data and data integration.

The IT systems in PSU insurers, however, have shortcomings of smooth functioning and do not capture all data and required fields, resulting in lapses, according to CAG.

The auditor urged companies to strengthen their systems and the latter have agreed to comply with the same. https://www.downtoearth.org.in/news/health/health-insurance-companies-recorded-rs-26-364-cr-losses-in-5-years-cag-report-84264

7. Health insurance business loss for government companies; A cumulative loss of Rs 26,364 crore in five years *(globenewsinsider.com)* 11 Aug 2022

Health insurance business for all the four general insurance companies in the public sector has been unprofitable. The report of the Comptroller and Accountant General of the country, or 'CAG', has revealed that the combined loss of these four companies on this front has been close to Rs 26,364 crore in the last five years due to the high volume of claims filed especially in group insurance schemes.

Due to losses in the health insurance business of government insurance companies, their profits in other businesses have either decreased or their overall losses have increased, said a report submitted by the CAG in Parliament. New India Assurance Company Limited, United India Insurance Company Limited, Oriental Insurance Company Limited and National Insurance Company Limited are the four public sector general insurance companies reporting losses. These four state-owned companies collected a total of Rs 1,16,551 crore in insurance premiums during the five years from FY 2016-17 to 2020-21. After motor insurance business, health insurance is the second largest business segment of these insurance companies. However, the market share of government insurance companies in the health insurance business has also been steadily declining compared to private insurance companies and single health insurance companies, the report said.

Irregularities and Violations
The Union Finance Ministry has laid down the guidelines for underwriting of group insurance schemes in September 2012 and subsequently amended in May 2013, according to which the aggregate ratio of group insurance policies should not exceed 95 per cent and for group insurance policies which include cross-subsidy, the aggregate ratio should not exceed 100 per cent. Should not be more than percent.

However, the finance ministry's guidelines were not followed by the government insurance companies and the combined ratio of the group health insurance segment reported by them has gone up to 125 to 165 per cent of the company's health insurance business, observed the CAG report. This has also led to errors like settlement of claims more than once, compensation over and above the sum assured, disregard of waiting period clause for certain diseases, non-implementation of co-payment clause, violation of maximum (capag) limits for certain diseases. Irregularities like wrong assessment of admissible claim amount, non-payment of interest on delayed settlement have also been found. https://www.globenewsinsider.com/2022/08/11/health-insurance-business-loss-for-government-companies-a-cumulative-loss-of-rs-26364-crore-in-five-years/

8. CAG slams Railways for obvious deficiencies in waste management system ***(irshivideos.com)*** 11 Aug 2022

Criticizing the Indian Railways for its waste management system, the Comptroller and Auditor General (CAG) observed that there was neither a demarcated fund allocation for waste management, nor was there a single body or agency within the Indian Railways that had a clear There was role and responsibility. waste management.

Although the Directorate of Environment and Housekeeping Management (NHM) was required to manage the budget for housekeeping of stations and trains, including cleaning and sanitizing stations, coaches and railway colonies, the railway ministry did not issue directions on demarcation of waste. management activities.

“There is no agency taking ownership of the issues related to waste management in Indian Railways. EnHM wing was constituted to carry out monitoring and coordination work for all the issues related to environment, while planning, clearance and execution of works related to environment were yet to be dealt with by the commercial and engineering department,” highlighted the report .

Despite assurances to the Public Accounts Committee (PAC) to set up Directorate of Engineering and Health Management at zonal and divisional level, compliance by Railways was partial.

Accountable institutions at Railway Stations, Divisions and Zonal level were not constituted in 38.60% of the test checked stations. In 59 stations out of 109 selected for audit, the directions of the National Green Tribunal (NGT) to obtain the Consent of Establishment (CTE) from the respective State Pollution Control Boards (SPCBs) were not followed (as on 31 July 2021) ,” said the CAG report.

In 86% of the stations tested, waste collected from pantry cars or onboard housekeeping service (OBHS) was not dumped separately into designated dustbins.

Audit conducted at 109 stations and 30 coaching depots revealed that the quantum of plastic waste generated at 71 stations and 26 coaching depots was not assessed by Indian Railways.

The directions of NGT for implementation of 24 verifiable indicators for proper monitoring of waste management at 36 out of 720 major stations were not followed completely. In 65 other stations, there was a lack of seriousness in the implementation of verifiable indicators.

Audit observed that Effluent Treatment Plants and Sewage Treatment Plants (ETP/STP) in 19 major coaching depots and 40 workshops were not commissioned as of March 2020 despite availability of funds for environmental related works.

Further, many commissioned ETPs/STPs were not operational. In some ETPs/STPs, deficiencies were noticed in the process of effluent and sludge management and disposal.

Water Recycling Plants were not provided at 86 stations as of March 2020 and Automatic Coach Washing Plants (ACWP) were not installed at 43 out of 63 approved locations.

The CAG observed that the basic condition for segregation of bio-degradable and non-biodegradable waste was:
Not sure.

Facilities for management of solid waste such as wet waste processing, material recovery facility, provision of compost plant, waste segregation and recycling centers were not provided for audit in 70% of stations and 90% of coaching yards.

Additionally, the CAG report found that 102 units (out of 131 selected) did not comply with the prescribed norms for storage and labeling of hazardous waste, posing a potential hazard to the environment and the people engaged in these units.

Necessary infrastructure for the management of biomedical waste was not in place and there were deficiencies in the process of collection of biomedical waste in the hospitals test checked in audit. The CAG report pointed out that in 46 out of 72 railway hospitals selected for audit, provision of safe rooms in terms of Biomedical Waste Rules for storage of biomedical waste was not made.

In addition, in the absence of necessary equipment for the treatment of biomedical waste, 15 hospitals managed the waste disposal departmentally, jeopardizing the safety of public health. Review and Monitoring Committee for Bio-Medical Waste Management was not constituted in 52 hospitals. The clause that only skilled personnel would handle bio-medical waste was not included in the contracts for 46 hospitals in 14 regions.

It was observed during audit that during the review period (2015-16 to 2019-20) prescribed health check-up of the employees involved in handling of bio-medical waste was not conducted in 13 Railway Hospitals of nine zones. Records of such health check-ups were not maintained in seven hospitals of five zones.

In addition, immunization of health workers was not done during the review period in 14 hospitals in eight zones.

Further, in 23 hospitals in 11 areas where vaccination was done, no records were maintained for the same, the CAG audit report pointed out. https://irshivideos.com/cag-slams-railways-for-obvious-deficiencies-in-waste-management-system-iv-news/

9. Post office: This incident can shake the customers? *(indiaherald.com)* 11 Aug 2022

If you are a post office customer then there is an important news for you. The Comptroller and Auditor General (CAG) has released a shocking report. According to this CAG report, the post office employees have misused public money of Rs 95.62 crore between november 2002 and september 2021. Actually, the post office savings scheme is considered very safe, in such a situation such an incident can shake the customers.

Post office safe scheme

It is worth noting that people who do not have the ability to take risk, they also invest in post office as post office is considered a safe investment. The system caters to the investment needs of urban and rural customers through schemes like Savings Bank, Recurring Deposit, Fixed Deposit, National Saving Certificate, Kisan Vikas Patra, and PF. Not only this, the Department of Posts (DoP) provides these services to the Ministry of Finance on an agency basis.

What does this report say?

According to reports, the audit report of the CAG on Finance and Communications tabled in parliament on monday said, "Fake withdrawals of Rs 62.05 crore were made by postal workers in five circles from fake accounts. These were shown as active with fake balances and then turned off. Cash deposits of Rs 9.16 crore by customers in eight circles were recorded in passbooks but not deposited in their post office accounts. Later the postal workers withdrew the money. Fraudulent withdrawal of Rs 4.08 crore from savings accounts of customers by postal workers in four circles with forged signatures/thumb impressions. There were also other cases of unauthorized use of user ID and password by postal workers or outsiders. This led to fraud of Rs 3 crore in four circles.

CAG gave information

After this embezzlement of post office employees, the CAG said that out of fraud / rigging of Rs 95.62 crore, the postal department recovered Rs 14.39 crore (including penalty/interest Rs 40.85 lakh) from the concerned persons. Soon the remaining amount will be recovered accordingly. https://www.indiaherald.com/Money/Read/994524697/Post-office-This-incident-can-shake-the-customers

10. Indian Post Office: डाकघरों के कर्मचारियों ने 95.62 करोड़ के पब्लिक फंड का किया दुरुपयोग, अब होगी वसूली *(abplive.com)* Aug 10, 2022

Post Office Savings Scheme: अगर आप भारतीय पोस्ट ऑफिस (Indian Post Office) के ग्राहक हैं तो आपके लिए जरूरी खबर है. Comptroller and Auditor General यानी कैग (CAG) ने एक चौंकाने वाली रिपोर्ट जारी की है. कैग (CAG) रिपोर्ट के अनुसार, पोस्ट ऑफिस यानी डाकघरों के कर्मचारियों ने नवंबर 2002 और सितंबर 2021 के बीच 95.62 करोड़ रुपये के पब्लिक फंड का दुरुपयोग किया है. डाकघर की बचत योजना में निवेश करने वालों के लिए यह बड़ी खबर है. डाकघर की बचत योजना काफी सुरक्षित है, ऐसे में इस तरह की घटना ग्राहकों को झटका दे सकती है.

पोस्ट ऑफिस है सुरक्षित योजना

पोस्ट ऑफिस को सबसे सुरक्षित निवेश माना जाता है. पोस्ट ऑफिस देश की सबसे पुरानी और सबसे बड़ी बैंकिंग सिस्टम है. यह System Savings Bank, Recurring Deposit, Time Deposit, National Savings Certificate, Kisan Vikas Patra, PF, Monthly Income Account Scheme, Sukanya Samriddhi Yojana, और वरिष्ठ नागरिक बचत योजना जैसी योजनाओं के जरिए शहरी और ग्रामीण ग्राहकों की निवेश आवश्यकताओं को पूरा करती है. वही डाक विभाग (DOP) वित्त मंत्रालय के लिए एजेंसी के आधार पर ये सेवाएं प्रदान करता है.

क्या है रिपोर्ट

आपको बता दे कि संसद में पेश की गई वित्त और संचार पर सीएजी की ऑडिट रिपोर्ट (CAG Audit Report) में कहा गया है कि, 5 सर्किलों में डाक कर्मचारियों ने फर्जी खातों से 62.05 करोड़ रुपये की फेक निकासी की. इन्हें फर्जी बैलेंस के साथ एक्टिव दिखाया और फिर बंद कर दिया है. 8 सर्किलों में ग्राहकों द्वारा 9.16 करोड़ रुपये की नकद जमा पासबुक में दर्ज की गई, लेकिन उनके डाकघर खातों में जमा नहीं की गई.

4 सर्किल में हुई धोखाधड़ी

डाक कर्मियों ने पैसे वापस ले लिए. 4 सर्किलों में, डाक कर्मचारियों द्वारा किए गए नकली साइन/अंगूठे के निशान के साथ ग्राहकों के बचत खातों से 4.08 करोड़ रुपये की धोखाधड़ी की निकासी की गई. अन्य डाक कर्मचारियों या बाहरी लोगों द्वारा यूजर आईडी और पासवर्ड के Unauthorised इस्तेमाल के मामले आये थे. इस कारण 4 सर्किलों में 3 करोड़ रुपये की धोखाधड़ी हुई. डाक कर्मचारियों ने 2 सर्किल में बाहरी लोगों की मिलीभगत से 1.35 करोड़ रुपये की फर्जी जमा राशि के खाते खोले, जिसे बाद में वापस ले लिया गया है.

कैग ने दी जानकारी

पोस्ट ऑफिस (Post Office) के कर्मचारियों के इस गबन के बाद कैग ने कहा कि 95.62 करोड़ रुपये की धोखाधड़ी / हेराफेरी में से डाक विभाग ने संबंधित व्यक्तियों से 14.39 करोड़ रुपये (जुर्माना/40.85 लाख रुपये का ब्याज सहित) वसूल किया गया है. यानी 81.64 करोड़ रुपये की वसूली होनी है.जल्दी ही इसकी भी वसूली कर ली जाएगी. https://www.abplive.com/business/employees-of-post-offices-misused-public-funds-of-95-62-crores-now-recovery-will-be-done-2189267

11. Post Office Customers: 95.62 करोड़ रुपये पब्लिक फंड गायब, अब होगी वसूली, जानिए पूरी जानकारी *(dnaindia.com)* Aug 10, 2022

अगर आप पोस्ट ऑफिस (Post Office) के ग्राहक हैं तो आपके लिए एक अहम खबर है. नियंत्रक एवं महालेखा परीक्षक (CAG) ने चौंकाने वाली रिपोर्ट जारी की है. सीएजी की इस रिपोर्ट के मुताबिक डाकघर यानी डाकघर के कर्मचारियों ने नवंबर 2002 से सितंबर 2021 के बीच 95.62 करोड़ रुपये के सार्वजनिक धन का दुरुपयोग किया है. डाकघर बचत योजना में निवेश करने वालों के लिए यह बड़ी खुशखबरी है. दरअसल डाकघर बचत योजना को काफी सुरक्षित माना गया है, ऐसे में ऐसी घटना ग्राहकों को झकझोर सकती है.

डाकघर सुरक्षित योजना

गौरतलब है कि जिन लोगों में जोखिम उठाने की क्षमता नहीं होती है वे डाकघर में भी निवेश करते हैं क्योंकि डाकघर को सुरक्षित निवेश माना जाता है. आपको बता दें कि डाकघर देश की सबसे पुरानी और सबसे बड़ी बैंकिंग प्रणाली है. यह प्रणाली बचत बैंक, आवर्ती जमा, सावधि जमा, राष्ट्रीय बचत प्रमाणपत्र, किसान विकास पत्र, पीएफ, मासिक आय खाता योजना, सुकन्या समृद्धि योजना और वरिष्ठ नागरिक बचत योजना जैसी योजनाओं के माध्यम से शहरी और ग्रामीण ग्राहकों की निवेश आवश्यकताओं को पूरा करती है. इतना ही नहीं, डाक विभाग (DoP) वित्त मंत्रालय को एजेंसी के आधार पर ये सेवाएं प्रदान करता है.

क्या कहती है यह रिपोर्ट?

ख़बरों के मुताबिक सोमवार को संसद में पेश वित्त और संचार पर सीएजी की ऑडिट रिपोर्ट में कहा गया, 'फर्जी खातों से पांच सर्किलों में डाक कर्मियों द्वारा 62.05 करोड़ रुपये की फर्जी निकासी की गई. इन्हें नकली बैलेंस के साथ सक्रिय दिखाया गया और फिर बंद कर दिया गया. आठ सर्किलों में ग्राहकों द्वारा 9.16 करोड़ रुपये नकद जमा पासबुक में दर्ज किए गए लेकिन उनके डाकघर खातों में जमा नहीं किए गए. बाद में डाक कर्मियों ने पैसे निकाल लिए. चार सर्किलों में डाक कर्मियों द्वारा फर्जी हस्ताक्षर/अंगूठे के निशान से ग्राहकों के बचत खातों से धोखाधड़ी से 4.08 करोड़ रुपये की निकासी की गई. डाक कर्मियों या बाहरी लोगों द्वारा यूजर आईडी और पासवर्ड के अनधिकृत उपयोग के अन्य मामले भी थे. इससे चार सर्किलों में तीन करोड़ रुपये की धोखाधड़ी हुई.

सीएजी ने दी जानकारी

डाकघर कर्मचारियों के इस गबन के बाद सीएजी ने कहा कि 95.62 करोड़ रुपये की धोखाधड़ी/धांधली में से डाक विभाग ने संबंधित व्यक्तियों से 14.39 करोड़ रुपये (जुर्माना/ब्याज 40.85 लाख रुपये सहित) वसूल किए. यानी 81.64 करोड़ रुपये की वसूली होनी है. जल्द ही इसे भी ठीक कर लिया जाएगा. https://www.dnaindia.com/hindi/business/personal-finance/report-post-office-customers-rs-9562-crore-public-fund-missing-now-recovery-will-be-done-4044381

12. Coastal area projects got Centre's nod without proper environmental impact assessment, finds CAG *(downtoearth.org.in)* Aug 10, 2022

There are large-scale violations of coastal zone regulations by several projects in the country, an audit by the Comptroller Auditor General has found.

A report on the conservation of coastal ecosystems was released August 8, 2022 and found that norms set down by Coastal Regulation Zone (CRZ) notification, 2019 were not being followed.

The Union Ministry of Environment, Forest and Climate Change (MoEFCC) cleared projects without proper approval of the environmental impact assessment (EIA) consultants, the report found. The pre-audit studies also recorded illegal construction activities and effluent discharges from industries and farms.

The audit report said:

Projects were approved even though EIA consultants were not accredited, outdated baseline data was used, environmental impacts of the project were not being evaluated and disasters the project area was prone to were not being addressed.

The MoEFCC in 2018 cleared laying a natural gas pipeline by Mahanagar Gas Ltd in Maharashtra. But the consultant, JV Analytical Services, Pune, was not accredited for the pipeline sector, the report said.

The construction of a hotel in Mangaluru, Karnataka, received clearance by MoEFCC in 2017. However, the project proponent did not appoint an accredited consultant for the EIA and proposed the environment management plan and the disaster management plan itself.

The audit also observed that 12 projects with outdated baseline data as old as 11 years for the EIA were approved. The MoEFCC had specified that the baseline data should not be older than three years.

For instance, a project to construct a 35-kilometre coastal road from Princess Flyover to Worli in Mumbai received clearance in 2017. However, the joint technical committee, formed to assess the project's environmental impact, justified the construction of the coastal road based on traffic studies conducted for the Mumbai Metropolitan Region in 2008.

MoEFCC cleared a project in Dahej in Gujarat's Bharuch district in 2013 for developing a petroleum, chemical and petrochemical investment region. The baseline data for the EIA was more than seven years old, with the water quality analysis data pertaining to 2010-11.

Environment impact studies for 14 projects out of 43 sampled approved ones failed to identify the key biodiversity in target area. "It did not include mitigation measures to alleviate the risks faced by the biodiversity," the audit said.

The deepening of the approach channel by Mormugao Port Trust in Goa received clearance in 2018. However, "neither the impacts nor the mitigation plan for endangered species of windowpane oyster, corals and associated life forms in Chicalim Sancole Bay was taken up," the CAG said. The bay is just four kilometres away from the dredging area.

There were also examples of projects getting clearances by expert appraisal committees (EAC) even when the domain experts were not present. The CAG audit also found that there were less than half of the EAC members present during project discussions.

Karnataka had not reconstituted a State Coastal Zone Management Authority (SCZMA) at all and there was a delay in its reconstitution for Goa, Odisha and West Bengal, the report said.

The authority conducted meetings in a few states without fulfilling the required quorum and in the absence of stakeholder bodies. The authority did not have enough manpower to perform their mandate in Andhra Pradesh, Karnataka, Goa, Tamil Nadu, Odisha and West Bengal.

CAG also found a lack of participation from local communities in the district level committees (DLC) of Tamil Nadu, whereas Andhra Pradesh had not constituted DLCs in all nine of its coastal districts.

While Goa formed the DLCs in 2017, two districts of Karnataka had not reconstituted them until March 2021.

There is no active website to disseminate the information related to National Coastal Zone Management Authority, like agenda notes and minutes of the meetings, the CAG found. This is against the mandated responsibilities of the institution. https://www.downtoearth.org.in/news/governance/coastal-area-projects-got-centre-s-nod-without-proper-environmental-impact-assessment-finds-cag-84247

13. Coastal Road, MTHL bypassed critical environmental scrutiny: CAG audit *(hindustantimes.com)* Aug 11, 2022

Mumbai: Two major infrastructure projects in the city, namely the Coastal Road and the Mumbai Trans Harbour Link (MTHL), bypassed critical scrutiny under the Centre's

Environment Impact Assessment (EIA) rules, a new report by India's apex public expenditure auditing body, the Comptroller and Auditor General (CAG), has found. The projects are being carried out by the Brihanmumbai Municipal Corporation (BMC) and the Mumbai Metropolitan Region Development Authority (MMRDA), respectively.

Despite the Coastal Road and the MTHL bridge having a significant impact on local ecology, they were not made to go through a process of multistage scrutiny by the Centre for obtaining environment clearance (EC), as mandated by the EIA rules, the CAG has pointed out in its Performance Audit on Conservation of Coastal Ecosystems report dated August 8.

Both projects were cleared solely on the basis of the Centre's Coastal Regulation Zone (CRZ) Notification and not under the EIA Notification. This was permitted by the Union environment ministry (MoEFCC) despite the fact that "projects by nature and scale of operation attracted the comprehensive EIA assessment in addition to CRZ clearances," the CAG remarked.

While the Coastal Road was depicted in proposals as a "municipal road" (which is not covered under the EIA Notification) instead of as a state or national highway, the MTHL was depicted as a "standalone bridge".

"Thus, the project [Coastal Road] which had otherwise significant environmental concerns bypassed the critical stage of public hearing as CRZ Notification does not provide for public consultation," the CAG audit stated.

"[Depicting the MTHL as a standalone bridge] resulted in approving the project without Terms of Reference (ToRs) and public consultation, though the project included land acquisition, rehabilitation and resettlement of local residents," the CAG audit stated.

The BMC and MMRDA had hired consultants to prepare EIA reports for both projects, they "lacked holistic ecological evaluation and failed to identify the key ecological risks and downplayed potential ecological impacts," the CAG audit revealed.

However, neither EIA report would have had a bearing on it being cleared by the MoEFCC.

In the case of both projects, the CAG remarked that "there were deficiencies in the project approval mechanism of MoEF&CC... Clearances were granted to the Project Proponents though the projects failed to address the impact on vulnerable flora and fauna."

The audit also noted that "the process of grant of clearances for setting up projects could not ensure fully that (they) would not have a detrimental impact on the coastal ecology."

This is the second time that the Coastal Road has come under the CAG's scanner. In a July 2021 report, the body questioned BMC over the sharp increase in the project's construction cost from ₹252 crore per kilometre in 2011 to ₹1,274 crore in 2018. The CAG had also raised questions over spends amounting to ₹200 crore between April 2016 and March 2020. The report also said that a "detailed and proper analysis of traffic for Mumbai Coastal Road Project was not done".

The BMC and MMRDA did not respond to queries on the CAG report.

Narendra Toke, member security, Maharashtra Coastal Zone Management Authority (MCZMA) said he was not aware of the CAG report and could only comment after he has read it.

"This CAG report, like the previous one that questioned the BMC's traffic studies, confirms what critics of the Coastal Road project have been saying since 2016: that the project is counter-productive, based on lopsided studies, has been sanctioned by skirting public inputs and legal procedures, and is a planning disaster for Mumbai," said Hussain Indorewala, urban researcher at the Kamla Raheja Vidyanidhi Institute of Architecture.

The projects have also been criticised for using "outdated baseline data" in their reports. The Coastal Road was justified by authorities on the promise of "smoother traffic movement based on comprehensive Traffic Studies conducted for Mumbai Metropolitan Region in 2008."

The MoEFCC approved the project in 2017 "without updating the baseline study and without taking into account the major infrastructural development projects in the vicinity during this period," the CAG audit noted. Similarly, in the case of the MTHL, the CAG observed that the baseline data presented to clear the project "was outdated by four to seven years."

Calling for the CAG to initiate focused audits for both projects, environmentalist Debi Goenka said, "This report has highlighted the sleight of hand used by statutory planning authorities to circumvent the CRZ and EIA notifications. The manner in which the MoEFCC and the Coastal Zone Management Authority functions has also been exposed. It is high time our Prime Minister takes the MoEFCC to task and ensures that India's Climate Change goals are not allowed to be sabotaged."

Another significant project in Mumbai -- the Chhatrapati Shivaji Maharaj Memorial at Nariman Point -- has also come under fire in this report, along with the Coastal Road. Referring to them, the CAG audit said, "The MoEF&CC amended the CRZ notification 2011 to allow for two specific development projects in the state of Maharashtra."

"Modification of CRZ notifications for approval of specific projects not only sets a bad precedent but also defeats efforts to conserve coastal ecosystems," the audit noted. https://www.hindustantimes.com/cities/mumbai-news/coastal-road-mthl-bypassed-critical-environmental-scrutiny-cag-audit-101660158283754.html

STATES NEWS ITEMS

14. MPT's Vasco bay project cleared despite major flaws in EIA *(heraldgoa.in)* Aug 11, 2022

PANJIM: The controversial Mormugao Port Trust's (MPT) project to deepen the navigation channel in Vasco Bay was approved despite inadequacies in the environmental impact assessment (EIA) report. The Expert Appraisal Committee (EAC) of the Union Ministry of Environment, Forest and Climate Change (MoEF&CC) had cleared this, in spite of stiff public resistance.

This was one among several projects in CRZ areas, according to the Comptroller and Auditor General (CAG) report tabled in Parliament.

The latest CAG report on 'Conservation of Coastal Ecosystem' said that MPT's project was approved "despite inadequacies in the EIA reports which included non-accreditation of the consultant involved with the preparation of the EIA report, usage of outdated baseline data, non-evaluation of environmental impacts of the project, non-addressal of disasters which the project area was prone to."

It is also one of those coastal projects where the project proponent failed to submit the half-yearly compliance report, which was mandated as per conditions laid down by EAC.

CAG observed that no cumulative studies were conducted to assess the overall impact of the project and that the "proposed project was within the active 'Port Basin/Navigational Channel' area of the MPT Complex. "There were large-scale activities already ongoing in this region with many industries and many Barge Yards and Ship Building units along the bank of Zuari River. EIA report too mentioned that the impacts on marine ecosystems would be of cumulative nature. But project proponent did not study them," the report has stated.

The Auditor noted that the EIA failed to assess the possible impacts of the projects on marine flora and fauna, ecologically vulnerable areas. "Although, the report listed the impacts such as land reclamation, mining, industrialisation and dredging, posing a considerable threat to the marine flora and fauna, the mitigation measures to be taken for their conservation and management were not elaborated in the EIA," the CAG report said.

As per the EIA report, the Chicalim- Sancoale bay which is known for its intertidal marine biodiversity was just 4 kms away from the dredging area and was known to harbour more than 200 faunal and 34 phytoplankton species in addition to mangroves and windowpane oyster (Placuna placenta) (schedule-4 species). The EIA report also mentioned that dredging influence was normally restricted to a maximum of 4 kms of the activity.

"The impact studies for the same were not carried out in the EIA as a result of which no mitigation measures were stipulated," the report said.

CAG also observed that no mitigation measures for the delineated emergencies like accidents involving vessels, the oil spill from vessels, fire/explosion on board vessels within the port limits and berths, breakdown of ship engine in the sea, etc, were found incorporated in the disaster management plan (DMP).

Further, the consultant appointed by MPT, M/s WAPCOS Limited, Gurgaon, was not accredited by the National Accreditation Board of Education and Training/Quality Council of India. https://www.heraldgoa.in/Goa/MPT%E2%80%99s-Vasco-bay-project-cleared-despite-major-flaws-in-EIA/192820

15. CAG unearths Rs 184-cr biz tower scam in Faridabad *(tribuneindia.com)* Aug 11, 2022

The Comptroller and Auditor General (CAG) has unearthed a scam worth Rs 182.46 crore related to an illegal construction of a multi-storeyed building on notified land and consequent unauthorised sale of commercial office spaces in Faridabad.

"The officials of MC, Faridabad (MCF), Urban Local Bodies Department, Forest Department and Revenue Department had facilitated such gross violations by the Developer," said the CAG.

During the examination of issues (November-December 2021), it came out that the developer — Godavari Shilpkala Pvt Ltd — had been granted permission for change in land use (CLU) on March 12, 1992, by the Chief Administrator-cum-Director, Town and Country Planning, Faridabad Complex Administration, for a stretch of 5.5 acre in the revenue estate of Lakkarpur village for development and use of the land as 'Recreational, Cultural and Hotel Complex'. The land has been categorised as non-cultivable hills (gair mumkin pahar). On the developer's request, the MCF allotted 3.93-acre more land in 1995 in Lakkarpur village, which was a PLPA notified land.

Two specific conditions were prescribed on the developer that the site would be used for recreational, cultural and hotel complex, while it was not to be sub-divided, as per the CLU agreement.

However, the developer planned five building blocks on the 5.5-acre stretch, of which four were interconnected towers. The fifth block was a separate building constructed later. The developer planned another multi-storey building having nine floors for commercial offices on the 3.93-acre stretch. Though, the use for commercial offices was prohibited, the MCF still approved building plans.

The developer was selling office space since December 2011. But the MCF got to know about it in 2020. The MCF Commissioner ordered (April 8, 2021) sealing of the premises of the Pinnacle Business Tower, but the audit (December 2, 2021) found that, it was not sealed.

In fact, all 10 sold out units, which were made out to be the ground for sealing the premises, were open and not sealed. Contrarily eight other units were found sealed with a white tape. It came out that some conveyance deeds of office spaces were registered without signatures of the Sub-Registrar, Faridabad. The sale deeds had been drafted to convey creation of third-party rights restricted to commercial offices and there was no reference to sub-division of land.

Despite being a part of the notified PLPA area, the MCF records do not refer to any consultation or NOC from the Forest Department before making allotment. The Forest Range Officer had issued an NOC in 2006 despite not being competent to do so and had facilitated non-forestry activities in contravention to the forest laws, the CAG said. https://www.tribuneindia.com/news/haryana/cag-unearths-184-cr-biz-tower-scam-in-faridabad-420852

16. From 2015-20, Transport Dept's revenue fell by Rs 148 crore: CAG *(tribuneindia.com)* 10 August 2022

Haryana: The performance audit of the state Transport Department revealed that the revenue decreased from Rs 1,254 crore to Rs 1,105.77 crore, a decline of over Rs 148 crore, in the period 2015-20.

Also during the same period, the shortage in actual receipts over the budget estimates increased from 14 to 45 per cent. The revenue from operations also decreased from Rs 1,152.96 crore to Rs 998.84 crore during 2015-20.

According to the CAG report, tabled in Vidhan Sabha, the average number of buses declined gradually from 4,210 in 2015-16 to 3,118 in 2019-20. Further, the number of buses, over eight years old, increased from 82 to 582 during the same period. As a consequence of the increased overage fleet, the number of breakdowns increased from 4,118 to 4,841 during the period despite a decrease in the average number of buses.

The department had to surrender an amount of Rs 542.97 crore against the budget provision of Rs 700.45 crore under the acquisition of fleet scheme on the purchase of the bus chassis and cost of fabrication of buses. Due to the indecisiveness and non-finalisation of technical specifications by the Transport Department or High Power Purchase Committee, it purchased only 450 ordinary bus chassis, 150 minibuses and 18 super luxury buses during 2015-20 against the target of the introduction of 995 new buses.

The profit from the operation of Volvo buses increased from Rs 2.27 crore to Rs 3.64 crore during 2015-18, but declined to Rs 1.42 crore in 2018-19 and turned to a loss of Rs 84 lakh in 2019-20. https://www.tribuneindia.com/news/haryana/from-2015-20-transport-depts-revenue-fell-by-148-crore-cag-420853

17. Odisha fails to monitor coastal space violation: CAG *(newindianexpress.com)* 11 August 2022

BHUBANESWAR: Odisha was one among the nine coastal states in the country that failed to implement the Coastal Regulation Zone (CRZ) properly and did not proactively monitor the violations in coastal space and irregular constructions in restricted CRZ zones, revealed a new CAG report.

The Auditor General observed illegal construction of a jail complex in CRZ 1A area at Bangar in Puri district. The construction was inside Balukhand-Konark wildlife sanctuary, which also has Olive Ridley Turtle nesting sites on the beach.

The CAG audit also found that the State Coastal Zone Management Authority (SCZMA) of the coastal states including Odisha did not have sufficient manpower to perform their mandate. They also lacked representation from relevant stakeholder bodies.

"The SCZMAs in most of the coastal states did not have sufficient manpower. In Odisha, Andhra Pradesh, Karnataka, Goa, Tamil Nadu, and West Bengal, the functions of SCZMAs were carried out by the officials of the state department of environment or the state pollution control boards," the CAG stated. It added that in Odisha, the SCZMA functioned with one junior scientist and technical assistant without any secretarial manpower.

It further stated that the district-level committees (DLCs) having coastline were to be established to assist SCZMAs in the enforcement of the CRZ notification which was also delayed. "Both the SCZMAs and DLCs did not proactively monitor the violations in coastal space. SCZMAs did not take proactive action against the CRZ violations and in the instances where they acted upon, follow-up action was ineffective," the CAG underlined. https://www.newindianexpress.com/states/odisha/2022/aug/11/odisha-failsto-monitor-coastal-space-violation-cag-2486413.html

18. NCSC seeks CAG probe into scholarship disbursal in Punjab *(economictimes.indiatimes.com)* Updated: Aug 11, 2022

The National Commission for Scheduled Castes (NCSC) has sought a probe by Comptroller and Auditor General (CAG) into alleged irregularities in disbursal of postmatric scholarships for Scheduled Caste students in Punjab.

NCSC has written to CAG recommending a probe into what the commission has termed as a "multicrore scholarship scam". Speaking to ET, NCSC chairman Vijay Sampla said, "We have written to CAG to investigate this scam which allegedly involves crores of central government's money meant for meritorious SC students being siphoned off.

According to our estimates about 2 lakh SC college students in Punjab have dropped out over the last two years due to non-payment of scholarship amount by the state government." Sampla said there were close to 3 lakh SC students who benefitted from the post matric scholarship scheme in Punjab in 2017 but this number has dwindled to 1-1.25 lakh in 2020.

The alleged irregularities in the disbursal of post matric scholarships had come to light in 2020 when Punjab additional chief secretary (social justice) Kirpa Shankar Saroj had given a damning report against the then minister Sadhu Singh Dharamsot, who was in Capain Amarinder Singh's Cabinet.

Saroj had pointed out that the department had gone against set government policies to benefit certain educational institutions and siphoned of money meant to be disbursed to SC students. The report had red-flagged payments made through cheques instead of RTGS, flouting of high court order which had directed stopping payment to an institution and payment to private technical colleges when they had crores of dues pending causing a loss to the Exchequer.

The report had pointed out that records pertaining to '39 crore were missing. Congress government had ordered a probe by chief secretary Vini Mahajan in the post matric scholarship scam. However, Mahajan did not find any wrongdoing on part of Dharamsot, who is currently in judicial custody on charges of illegal felling of trees. The siphoning off of funds had become a major election issue in the run up to the Assembly polls earlier this year.

Sampla said, "We have sought a reply from the Punjab government also. But we have now recommended a thorough probe by CAG." https://economictimes.indiatimes.com/news/india/ncsc-seeks-cag-probe-into-scholarship-disbursal-in-punjab/articleshow/93486860.cms

19. E-coli bacteria ratio has risen to 1.5 lakh per 100 ML of dam water: PMC *(hindustantimes.com)* Aug 10, 2022

As the population around dam catchment areas has risen, dam water has started getting mixed with contaminated water due to which the ratio of e-coli (Escherichia Coli) bacteria has increased from 900 to 1.5 lakh per 100 ML, according to the Pune Municipal Corporation (PMC).

Mandar Deshpande, a chemist working with the PMC water department, on Tuesday said, "The CAG (Comptroller and Auditor-General of India) report of 2022 appreciated the water quality of the Pune Municipal Corporation. It is the only corporation in Maharashtra which follows more than 45 parameters to treat the water."

"Though our water quality is the best and PMC is taking all necessary precautions, our concern is about the water getting contaminated at the dam level. As the population has been increasing around dams and untreated water is coming directly to the dams, our concerns have increased," Deshpande said.

In the last 15 years, the ratio of e-coli bacteria in untreated water has increased. PMC laboratory officers said, "Fifteen years' ago, the e-coli bacteria ratio was just 900 per 100 ML water but now, it has reached up to 1.5 lakh. There is no doubt that we are treating the water well but there is a need to take necessary steps to ensure cleanliness of water at dam level and that no drainage is added to it."

PMC water department head Aniruddha Pawaskar said, "Our water quality is the best in Maharashtra and also in the country. We can challenge that no filters are needed in houses. But if boring or other water gets mixed in the society or bungalow water tank, we cannot claim best quality water. However, we are for sure providing the best quality potable water up to the water storage of the residents' homes. Later, citizens need to take precautions."

PMC officials said, "Many warkaris were demanding water from the PMC during the wari. Some people were even distributing water from the PMC in rural areas and the warkaris were demanding it."

PMC officers from the Parvati water treatment plant said, "The CAG follows strict norms. If they are appreciating Pune's water quality, that is a certificate for our efforts."

Pune city receives water mainly from the Khadakwasla, Panshet, Temghar and Varasgaon dams. The eastern parts get water from the Bhama Askhed dam. https://www.hindustantimes.com/cities/pune-news/ecoli-bacteria-ratio-has-risen-to-1-5-lakh-per-100-ml-of-dam-water-pmc-101660151008768.html

20. AAP calls for high level probe into suspicion of funds misappropriation *(dailyexcelsior.com)* Aug 11, 2022

Jammu: Aam Aadmi Party has expressed its serious concern over dismal performance of Jammu and Kashmir after a fresh report of Comptroller and Auditor General of India made strong observation over suspicious utilisation of over ten thousand crore rupees.

Addressing a press conference, here today, AAP leader and DDC member, Taranjit Singh Tony said that the observation made by CAG in its report is shocking and enough to show level of misgovernance in Jammu and Kashmir UT and dismal performance of Government run by LG administration.

" CAG observation is a serious issue and there is every possibility that this amount or some portion of it has been misappropriated for which there is a need of establishing a high level enquiry commission which should be judicial in nature and its entire matter should be probed," AAP leader said asking Jammu and Kashmir LG administration to come in public domain and issue a statement on the matter and to tell the people why the Government in UT of Jammu and Kashmir has failed to tell CAG about utilization of this huge amount.

"BJP claims big and even makes castles in air on the name of development in Jammu and Kashmir for which its leaders often address press conferences but now those leaders are missing on screen. They should come before public and tell everyone about this huge amount that has come under suspicion during their rule, "Tony said.

The AAP leader said that J&K Government has failed to provide Utilisation Certificates (UCs) of thousands of works since 2018 and these works have value of over ten thousand crores on which CAG has made an observation adding that many department are in list for failure to furnish UCs and utilisation of funds in a manner which is under suspicion now with Education Department tops the list.

AAP termed this all as dismal performance of Jammu and Kashmir Government adding that on one hand Government has no money no pay daily wagers, retired employees but on other hand a huge amount of over 10,000 crores is under suspicion.

Party further demanded action against all those concerned heads in bureaucratic system as well as in Government who have failed to submit UCs creating this mess.

A similar press conference over the issue was addressed by AAP leader Dr Nawab in Kashmir today. https://www.dailyexcelsior.com/aap-calls-for-high-level-probe-into-suspicion-of-funds-misappropriation/

21. प्रदेश सरकार विफल, कैग की रिपोर्ट में खुलासा *(jantaserishta.com)* 10 Aug 2022

कैग की रिपोट में कहा गया है कि 30 सितंबर 2019 तक भुगतान किए गए 10076.58 करोड़ रुपये के अनुदानों के लिए 31 मार्च 2021 तक उपयोगिता प्रमाण पत्र लंबित थे। रिपोर्ट में यह भी कहा गया है कि चार विभागों में 83.90 फीसदी यूसी लंबित हैं।

जम्मू-कश्मीर सरकार केंद्र की ओर से मिले 10 हजार करोड़ रुपये से अधिक के अनुदान के उपयोगिता प्रमाणपत्र (यूसी) देने में नाकाम रही है। यह खुलासा भारत के नियंत्रक एवं महा लेखापरीक्षक (कैग) की ओर से जारी रिपोर्ट में हुआ है। रिपोर्ट के अनुसार मार्च 2021 तक यह प्रमाणपत्र उपलब्ध नहीं कराया गया था। कैग का कहना है कि प्रमाणपत्र जमा नहीं करने का मतलब है कि अधिकारी यह बताने में विफ ल रहे हैं कि पिछले वर्षों में केंद्र शासित प्रदेश में राशि किस तरह खर्च की गई।

कैग ने मार्च 2021 में समाप्त वर्ष के लिए जम्मू-कश्मीर की ताजा वित्तीय रिपोर्ट सोमवार को जारी की। कैग की रिपोट में कहा गया है कि 30 सितंबर 2019 तक भुगतान किए गए 10076.58 करोड़ रुपये के अनुदानों के लिए 31 मार्च 2021 तक उपयोगिता प्रमाण पत्र लंबित थे। रिपोर्ट में यह भी कहा गया है कि चार विभागों में 83.90 फीसदी यूसी लंबित हैं। इनमें शिक्षा विभाग में सर्वाधिक 57.07 प्रतिशत उपयोगिता प्रमाणपत्र जमा नहीं किया गया है।

इन वर्षों में नहीं दी गई यूसी

वर्ष राशि (करोड़ रुपये) लंबित यूसी

2018-19 5725.99 1461

2019-20 1248.21 345

2020-21 3102 3215

जिम्मेदार लोगों पर कार्रवाई की सिफारिश

कैग ने रिपोर्ट में सरकार से तय समय सीमा में यूसी जमा करने में विफ ल रहे जिम्मेदार लोगों को जवाबदेह ठहराने की भी सिफारिश की गई है।कहा गया है कि उपयोगिता प्रमाणपत्र के नहीं जमा करने से फंड के दुरुपयोग की आशंका है। इसलिए सरकार को इस पर गंभीरतापूर्वक विचार करते हुए पैनी नजर रखनी चाहिए। https://jantaserishta.com/local/jammu-and-kashmir/state-government-failed-cag-report-disclosed-1461728

SELECTED NEWS ITEMS/ARTICLES FOR READING

22. Centre doubles August devolution to Rs 1.17 trillion to aid states' capex *(financialexpress.com)* August 11, 2022

The Centre has released two installments of tax devolution to state governments amounting to Rs 1,16,666 crore for August, against the normal monthly devolution of Rs 58,333 crore, to arrest a decline in their capital expenditure.

"This is in line with the commitment of the government of India to strengthen the hands of states to accelerate their capital and developmental expenditure," the finance ministry said in a statement.

The combined capex of twenty states whose finances were reviewed by FE was down 9% on year to Rs 55,057 crore in the June quarter. These states, which represent roughly 80% of the country's gross domestic product (GDP), had reported a whopping 118% capex growth in Q1FY22, partly aided by a favourable base.

The states have regulated capital spending, bucking the trend of acceleration in recent years because of concerns over revenues after the cessation of the goods and services tax (GST) compensation. Also, market borrowings of many states have been impacted as the Centre's approvals got delayed.

As per the Finance Commission's devolution formula, Uttar Pradesh got Rs 20,929 crore in August, followed by Rs 11,734 crore for Bihar, Rs 9,158 crore for Madhya Pradesh and Rs 8,777 crore for West Bengal.

Presuming that the amount devolved in July 2022 was half of the August 2022 figure, as the latter has been pegged as two monthly installments, implies that a total of Rs 3.18 trillion has been devolved in the first five months of FY23, which is equivalent to 39% of the budget estimate (BE) of Rs 8.17 trillion.

"We anticipate that central tax devolution will need to be as large as Rs 9.3 trillion in FY23, overshooting the BE, led by an expected upside in non-excise tax revenues. The assessed amount released so far works out to 34% of our estimate for tax devolution for FY2023, and a sizeable growth of 49% over the corresponding period of FY22," rating agency Icra chief economist Aditi Nayar said.

Central tax devolution will overshoot the FY23BE, warranting an early reassessment of the monthly amounts being shared with the states to enable them to boost their capital spending, given the lead time required to plan and execute capital projects, Nayar said. In FY22, a large part of the upside in tax devolution was back-ended to Q4, which ended up reducing state government borrowings in that quarter but did not translate to higher spending.

The Centre's gross tax revenue rose 22% on year to Rs 6.5 trillion in Q1FY23 against a required growth rate of 1.8% to achieve the budget target of Rs 27.58 trillion for the full year. https://www.financialexpress.com/economy/centre-doubles-august-devolution-to-rs-1-17-trillion-to-aid-states-capex/2624875/

23. Power politics *(financialexpress.com)* August 11, 2022

The Electricity (Amendment) Bill 2022, which has been referred to the parliamentary standing committee immediately after being tabled in the Lok Sabha, has kicked up a political storm—a familiar occurrence in recent years because of the broader perception of the Union government's bid to encroach into the states' turf. Since electricity is in the concurrent list, the fears have come to the fore once again. One can certainly fault the Centre for once again rushing a Bill to Parliament before doing adequate background work of trying to allay the concerns of states, specially the Opposition-ruled ones. In fact, the central government representatives have been presumptuous by saying that nearly all states were on board with the government's intention to open up the power distribution sector to competition through the Bill. This is far from reality as the fierce opposition to the Bill has shown. But the nature of the objections raised by some of the states gives an impression that logic is a big casualty when politicking becomes the primary motivating force. Beyond the arbitrary charge of the Bill being "dangerous" and will "benefit a few power distribution companies", most states have nothing specific to object to the provisions of the Bill.

The 2003 version of the Act brought about major changes in the power sector, including delicensing of generation, open access in distribution, and independent regulators. But certain provisions needed to be amended to plug loopholes in the system. For example, the Bill proposes to enable competition in retail distribution of power by offering customers the option to choose electricity suppliers, just like they can choose telephone or internet service providers. The amendments are designed to facilitate the use of distribution networks by all licensees and the network of a distribution licensee under provisions of non-discriminatory open access. Thus a big gap in the implementation of the 2003 law is sought to be removed, as in practice, open access was limited to industrial units and cross-subsidies given by states depended on using industrial consumers to subsidise households and farmers.

Besides, the Bill also has a provision for graded and timely tariff revisions that will help provide state power utilities enough cash to be able to make timely payments to power producers. This weakens the states' arguments, as enough time is being given to adapt to the new system. The provision for "mandatory" fixing of minimum as well as maximum tariff ceilings by the "appropriate commission" to avoid predatory pricing by power distribution companies and to protect consumers is once again a move whose time had come.

The point is that power distribution continues to be the weakest link in the supply chain of the power sector. Most distribution utilities are making major losses as a consequence of expensive long-term power purchase agreements, poor infrastructure, and inefficient operations, among others. These losses, in turn, prevent them from making the investments required to improve the quality of the power supply and to prepare for the wider penetration of renewable energy. The distribution utilities' inability to pay power generators endangers their and the lenders' financial health, causing a negative domino effect on the economy. In India, this transition is all the more challenging because of the poor operational and financial condition of the distribution sector. Instead of empty rhetoric, the Centre and states should agree to abide by the recommendations of the parliamentary panel. https://www.financialexpress.com/opinion/power-politics-2/2625406/

24. India's annual green finance is just one-fourth of its requirements: Report *(livemint.com)* Updated: 11 Aug 2022

India's 'first-ever effort' to track green investment flows has been released by an analysis and advisory organisation Climate Policy Initiative which has claimed that 'the tracked green finance in 2019-2020 was ₹309,000 crore (nearly $44 billion) per annum, which is less than a fourth of India's needs'.

The report, titled 'Landscape of Green Finance in India', shows the tracked green finance are falling far short of the country's current need for its ambitious climate targets.

According to the US-based organisation report, India requires approximately ₹162.5 lakh crore ($2.5 trillion) from 2015 to 2030 or roughly ₹11 lakh crore ($170 billion) per year to achieve its Nationally Determined Contributions (NDCs) under the Paris agreement.

The organisation said further said that the evaluation of finance flows has been estimated for key real economy sectors like clean energy, clean transport and energy efficiency.

"The study tracks both public and private sources of capital -- domestic as well as international -- and builds a framework to track the flow of finance right from the source to the end beneficiaries through different instruments with an emphasis on bottom up approaches based on actual flows rather than commitments, providing the most accurate analysis to date of where India's climate finance stands, the finance gaps it faces, and the opportunities that lie ahead," the organisation statement said.

The report also provides a first-of-its-kind evaluation of adaptation financing for select sectors for this year.

"The report shows increased flows to renewable energy sectors. This indicates the positive role policy support has had on the renewable sector. We would also in the future hope to see a similar role being played in other sub-sectors like distributed renewable energy - rooftop solar and clean mobility," Climate Policy Initiative-India project manager and lead author Neha Khanna said. https://www.livemint.com/news/india/indias-annual-green-finance-is-just-one-fourth-of-its-requirements-report-11660177154996.html