

NEWS ITEMS ON CAG/ AUDIT REPORTS (28.07.2022)

1. Judiciary and the Economy (indialegallive.com) July 28, 2022

A report commissioned by NITI Aayog, titled “Economic Impact of Select Decisions of the Supreme Court and National Green Tribunal”, has estimated that during the three years from mid-2018 to mid-2021 at least around 75,000 persons were adversely impacted and around 16,000 workers lost their jobs. The government did not receive revenue of around Rs 8,000 crore, which if received and invested as capital expenditure could have resulted in the economic impact of more than Rs 20,000 crore. The industry lost close to Rs 15,000 crore in revenue, and workers lost around Rs 500 crore of income during the same period. The economic impact owing to inability of relevant governments to make capital expenditure is estimated to be around Rs 18 crore per day. During this period, the impact on industry is estimated to be around Rs 13 crore per day.

In India, the importance and need for economic impact analysis in judicial decisions have been increasingly recognised over the past few years. Justices AK Sikri and AM Sapre in *Shivshakti Sugars Ltd vs Shree Renuka Sugar Ltd.*, (2017) 7 SCC 729 (Shivshakti case), on May 9, 2017, observed that economic evidence is crucial in environmental matters.

The study by the NITI Aayog attempted to understand the first-order direct economic impact of the selected five judicial decisions of the Supreme Court and the National Green Tribunal on the economy and stakeholders. These are:

1. The Goa Foundation vs M/s Sesa Sterlite Ltd & Ors (Goa mining case)

Iron ore has been a mineral of economic significance for Goa since the 1950s. However, around the late-2000s, concerns of environmental violations and illegal mining in Goa surfaced. Consequently, the government of Goa (GoG) suspended all mining operations on September 10, 2012, after the Justice MB Shah Commission tabled its report in Parliament on illegal mining in Goa.

On April 21, 2014, the Supreme Court, on a petition by Goa Foundation, a civil society group, ruled that all the mining leases had expired on November 20, 2007, and thus, all the mining operations since then were illegal. However, the mining activities were restarted in 2016, after the GOG granted second renewals to 88 mining leases, following an order by the Bombay High Court. These renewals were also set aside by the Supreme Court on February 7, 2018, and termed illegal, thus suspending the mining operations for the second time with effect from March 16, 2018. In the bargain, the mining suspension resulted in economic and job losses to the mining companies, dependents, service providers and the state exchequer.

The report concludes that with respect to the matter in its current form, both the iron ore mining suspensions in Goa were completely avoidable. The GoG failed to act judiciously in mitigating the environmental violations that were being reported in mid to late 2000s as well as granting of second renewals on time (before 2007). Although, the Supreme Court termed mining illegal from 2007 to 2011, but considering the significance of mining for Goa and livelihood concerns, the Court directed the state to issue fresh mining leases, as a matter of state policy.

“While quashing 88 mining leases, the SC could have directed GoG to restart mining operations within a stipulated time under the court’s supervision and facilitated by a committee of subject experts, including economists, environmentalists, etc. Such an approach could have been

informed by an ex ante impact analysis of the mining suspension, initiated and supervised by the SC itself. The analysis could have also explored the best possible environmental protection measures to keep the damage to the minimum. It could have mitigated or lessened the adverse impact on many key stakeholders, especially the livelihood of many mining dependents, ensured economic progress while preserving environmental and intergenerational equity. A balanced and informed approach to development, society and environment would ensure sustainable development, wherein public institutions such as the SC increasingly play a crucial role,” said the report.

2. Hanuman Laxman Aroskar vs Union of India (Mopa Airport case)

In 2015, GoG received Environmental Clearance (EC) from the Union ministry of environment towards the development of a second international airport in Mopa, Goa, as the existing Dabolim airport in Goa was saturated. In 2017, the EC was first challenged before the National Green Tribunal by Hanuman Laxman Aroskar and the Federation of Rainbow Warriors, which was upheld by the Tribunal in 2018. The petitioners then appealed to the Supreme Court against the Tribunal’s order. On March 29, 2019, the Supreme Court suspended the EC, thereby the construction of Mopa Airport, and ordered the Expert Appraisal Committee (EAC) to revisit the environmental concerns that were highlighted by the apex court.

The report concludes that the delay in the construction of the Mopa Airport and the suspension of EC was avoidable had GoG made all relevant and necessary disclosures in Form-1 as provided in Environmental Impact Assessment (EIA) Notification, 2006. Thus, it is imperative to fix accountability of agencies/officials involved in the EIA process. An accountable, transparent and effective governance structure would reduce such avoidable litigations.

During the EC appraisal process and judicial challenge, the EAC and NGT failed to discover the concealment of facts by GoG. The shortcomings/loopholes in the appraisal process had a cascading effect on the outcome, including wastage of time, resources and capital. Thus, EIA Notification 2006 must be implemented in letter and spirit and loopholes should be plugged.

“Similarly, it is important to review the role of EAC to ensure their ability to critically appraise environmental facets of the projects, while NGT must engage a critical review of merits. Projects such as the Mopa Airport involve numerous stakeholders and high capital with a potential of adverse economic impact. Thus, it is essential to record and address stakeholders’ concerns, if any, on the project in a time bound manner. Most importantly, SC must institutionalise a screening mechanism to prioritise listing of cases with economic significance to ensure expedited adjudication and pre-empt avoidable delays and economic losses, as in the Mopa airport case,” the report said.

3. The Tamil Nadu Pollution Control Board vs Sterlite Industries (I) Ltd (Sterlite Copper Plant case)

Ever since the establishment of the copper plant in 1994, its journey has been dogged by protests, public uproar, regulatory scrutiny, executive actions, and judicial interventions emanating from various claims against the copper plant flouting environmental norms and adversely impacting the health of the local inhabitants. After the biggest protest—which lasted for 100 days—which turned violent in May 2018, the Tamil Nadu Pollution Control Board (TNPCB) and the Tamil Nadu government ordered the permanent closure of the copper plant with immediate effect.

When the orders were challenged before the National Green Tribunal, in November 2018, the Tribunal ordered the reopening of the copper plant. However, the same was dismissed by the Supreme Court in 2019, stating that the Tribunal had no jurisdiction to entertain appeals against state government's orders. Consequently, the matter went before the Madras High Court, which in August 2020 confirmed the orders of the TNPCB and Tamil Nadu government.

In December 2020, the Supreme Court denied any interim relief to Sterlite. However, most recently in May 2021, during the peak of the second wave of the Covid-19 pandemic in India, the copper plant was allowed to reopen for the production of medical oxygen. More recently, a group of fishermen and a few villages have petitioned the state government, requesting to reopen the plant as it was a major source of their income and livelihood.

According to the report: "One of the biggest impacts because of the closure of the Copper Plant was (and continues to be) faced by the workers/employees of the Copper Plant. Various media reports highlighted that the net loss of employment (both direct and indirect) comes to almost 30,000 jobs. Moreover, the closure is estimated to have significantly impacted the incomes of the people who lost their jobs, reducing their monthly incomes by at least 50% while rendering many jobless".

In terms of the downstream businesses' dependent on the plant, various media articles reported that around 400 downstream businesses were associated with the copper plant, employing approximately 1,00,000 people. The net estimated impact on all the downstream businesses in terms of their cost of procurement stands at around Rs 491 crore since the closure, the reports says.

The copper plant, contributing close to 40% of copper production in India and its closure, has amounted to significant losses in terms of foreign exchange, cutting down the country's net production by 46.1%. The consolidated loss to the economy owing to closure of the copper plant on all stakeholders is estimated to be around Rs 14,749 crore since its closure in May 2018.

4. National Green Tribunal Bar Association vs Ministry of Environment & Forests and Ors (sand mining case)

In 2012, the Supreme Court in Deepak Kumar vs State of Haryana mandated that leases of all minor minerals for an area with less than 05 ha will be granted only after environmental clearance by the Ministry of Environment, Forest and Climate Change (MoEFCC). Prior to this judgment, MoEFCC issued the Environment Impact Assessment Notification in 2006 according to which EC was required only for mining projects with lease area of 05 ha and above, irrespective of minor or major mineral, and not for mining projects with lesser areas.

Following the Supreme Court judgment in 2012, the NGT on August 5, 2013 ordered that "no person, company, or authority can carry out any mining activity or removal of sand from any riverbed anywhere in the country until an EC from MoEFCC/ State Environmental Impact Assessment Committee (SEIAA) and licence from competent authorities have been obtained".

The economic Impact was significant. The state of UP was deprived of Rs 477.93 crore in 2015-16 because of unauthorised mining operations according to Comptroller and Auditor General of India's (CAG) audit report of the revenue sector of the state. Moreover, it was also noted in the report that the government suffered a loss of Rs 179.57 crore owing to extraction of minerals without ECs. On top of all this, a penalty of Rs 282.22 crore was also not recovered

by the government against lessees extracting minerals without the renewal of a mining plan in addition to over-extraction beyond the approved quantity. The state government on an average suffered an estimated annual loss of Rs 3.68 crore in royalty earnings from sand mining in Gautam Buddha Nagar, adding up to an estimated total royalty loss of Rs 12.88 crore during the assessment period—from August 2013 to September 2017.

5. Vardhman Kaushik vs Union of India & Ors (NCR construction ban case)

In 2014, a PIL related to the toxic air of Delhi and its neighbouring region was filed before the NGT by a Supreme Court lawyer, as he felt that the increasing pollution can be a serious health hazard. The litigation originated from the problem of pollution in Delhi-NCR and the failure of the administrative authorities to keep a check on the construction activities that were in violation of the MOEF guidelines and causing pollution. For addressing the mentioned issue, an order was passed on April 7, 2015, by NGT directing the concerned authorities to stop construction activities on a two-kilometre stretch from NH-24 to Charmurti Chowk in Noida Extension and on Golf Course Road, Gurgaon.

It is stated in the report that the real estate sector is directly impacted by the stoppage of construction activities, which adversely impacts labourers working on the site as well as homebuyers who invest their hard-earned money.

“The ineffectiveness of procedures adopted by the judiciary and the executive in curbing pollution highlights the existence of loopholes in set procedures and systems owing to various reasons such as capacity and expertise constraints, paucity of resources, etc. Various authorities and departments, due to constraints faced and no clear division of responsibilities, have failed to ensure proper implementation and compliance of the guidelines and orders. Thus, the executive and the judiciary urgently need to come up with frameworks that would consist of effective measures and the proper system that would ensure the compliance of the guidelines and regulations passed,” the report reads. <https://www.indialegallive.com/cover-story-articles/il-feature-news/niti-aayog-impact-of-court-ngt-judgments-on-economy-stakeholders/>

2. 5G Auction: Can India Really Afford to Squander Hard-Earned Resources on BSNL? (thequint.com) SUBHASH CHANDRA GARG / 28 July 2022

On 27 July, the day the 5G spectrum sale was practically over, the government announced a ‘revival’ plan for BSNL.

The 5G electromagnetic spectrum is the most valuable natural resource today for the fast-emerging global digital economy and society. India cannot miss this bus any longer if it wants to be a significant economic power or wishes to have a serious crack at making itself a \$10-trillion economy.

The government, the custodian of common resources, is the owner of the 5G spectrum’s 700 MHz, 3 GHz and 26 GHz bands. But the government has to allocate it to businesses to build a 5G services network and deliver services thereon. Unsold spectrum is spectrum lost.

The government has not been able to get the monkey of 2G notional loss off its back for the last five years. It has been trying to sell the 5G spectrum at prices exceeding Rs 5 trillion since 2018, without any success. Finally, this time, with some reduction in spectrum prices and by

abolishing spectrum usage charges, the government could put up a 5G spectrum for sale on 15 June.

The Sorry State of India's Telecom Sector

But the government has succeeded only partly. In total, it will receive royalties in excess of Rs 1.5 trillion over the next 20 years. Over 60 countries across the world already have 5G services. Now, Indian businesses and people can also hope to use 5G in the next couple of years. Good for the Indian economy and people.

But ironically, on 27 July, the day 5G spectrum sale was practically over, the government also announced a 'revival' package of Rs 1.64 trillion for BSNL. In 2019, the government sanctioned a Rs 700-billion package. As part of that, BSNL was expected to launch 4G services. But that did not happen. The new package re-instates this hope.

The sale of the 5G spectrum partly and the announcement of yet another ill-fated rescue package for BSNL the same day speak volumes about the mess the telecom sector is in.

Government Gets It Partly Right This Time

The government offered a total of 72 GHz spectrum for sale in the auction. The sale concluded on 28 July. All bidders got the requisite spectrum in all 22 circles in the 26 GHz and 3 GHz bands. This spectrum was sold at the reserve price only. About a third of this spectrum remained unsold. One bidder bought spectrum in the 700 MHz band as well at a still-quite-steep reserve price. The government had failed to sell the 700 MHz spectrum in previous auctions. This time again, 60% of the 700 MHz spectrum remains unsold.

Some other spectrum bands were also on offer. Except in one or two circles for the 1800 MHz band, there was no competition. Some spectrum bands such as 600 MHz & 800 MHz saw no interest, and others such as 2100 MHz and 2300 MHz saw a highly muted demand.

The government will collect Rs 1.5 trillion in revenues from this spectrum sale. However, a considerable spectrum still remains unsold and will be wasted.

Spectrum Prices Have Been a Major Failure

India's policy affair with telecom licencing and spectrum sale has been torrid right from the beginning, ie, the 1990s. In the first phase lasting until 1998, the government wanted fixed prices. Chasing unknown dreams, the industry overbid. Within a few years, the system collapsed. The government had to rescue the sector by migrating telecom operators from a fixed price regime to a revenue-sharing regime.

This change and a rapidly growing economy made the pendulum swing to the other extreme. Telecom operators made a huge killing. The government allocated spectrum virtually free of cost on a first-come-first-serve basis. This phase lasted till 2010 and corrupted the system, culminating in a horrible 2G scam. The Comptroller and Auditor General (CAG) computed the notional loss at Rs 1.76 trillion. The Supreme Court cancelled licences, and the sector collapsed again. This fallout, accentuated by the AGR imbroglio, made India literally a two-horse telecom country.

The collateral damage of this entire episode made the Telecom Regulatory Authority of India (TRAI), the regulator, and the government completely risk-averse. Spectrum reserve prices were fixed at levels that had no takers. The government wanted over Rs 5 trillion from the 5G

spectrum sale. But for the last three years, it has been repeatedly failing at selling the spectrum at such ridiculous prices.

The fact that 3 GHz and 26 GHz had no history to make their reserve price comparable to anything received in the past made the government a little more reasonable in fixing the reserve price thereof this time. However, the 700 MHz band, despite a 40% reduction from earlier levels, was still considered too costly.

The two operators left in the field, who are comforted by the fact that they will have pricing power, have bought the minimum necessary 5G spectrum at the reserve price. Still, a substantial part of the 5G spectrum has remained unsold. The reserve price is not the market price.

It will be advisable that the government rescues itself from this trap of over-fixing reserve prices, fix the right price and offer the remaining 5G spectrum for sale soon.

Time to Let BSNL and MTNL Go?

The two telecom companies are not offering 4G services. There is no likelihood of these ever offering 5G services. With less than 10% of India's telecom subscribers using BSNL/MTNL, that too for 2G services mostly, these companies serve little public purpose except employing thousands of people. In 2019, their employees' cost was about four-fifths of their revenues, whereas other telecom companies operated at 5% employees' cost. The government paid about Rs 30,000 crore in grants to pay for voluntary retirement costs of about 60,000 employees.

BSNL or MTNL don't pay for the spectrum. The government provides equity support to cover these costs and for establishing networks. In the new package, the government is converting all the revenue dues into equity as well. Soon, BSNL/MTNL will have equity capital of over Rs 1 lakh crore while generating only about Rs 15,000-Rs18,000 crore in annual gross revenues.

The government is underwriting all their debts. Most probably, in the next 'revival package', the government will be taking over all their debt, as it did with Air India.

The government cannot make BSNL 'profitable' via these phoney revival packages. It must let these two companies shut shop at the soonest. Let there be no more capital investment, including in setting up a 4G network.

Existing customers, towers and other assets (except land and building) can be sold off to other telecom players. Land and buildings should be transferred to the Land Management Corporation.

It is not in the national interest to squander away hard-earned revenue from spectrum sales towards keeping BSNL & MTNL artificially afloat. <https://www.thequint.com/voices/opinion/5g-auction-can-india-really-afford-to-squander-hard-earned-resources-on-bsnl#read-more>

3. India: Children without Aadhaar digital ID shut out of school ([khaleejtimes.com](https://www.khaleejtimes.com)) 29 July 2022

Nine-year-old Rakhi and her two siblings should be in school, but instead they spend afternoons watching cartoons on their father's phone at home in the north Indian city of Lucknow.

Since they moved last year from Hardoi to Lucknow (in Uttar Pradesh) — about 110 km away — the children have been denied admission at a local school, because they do not have Aadhaar, the biometric identity card issued by the Indian government. They are among tens of millions of poor children, who risk exclusion from school or benefits programmes, because they do not have this card.

"When we were in Hardoi, the children used to go to a private school in the neighbourhood. They did not ask for Aadhaar there," said their mother Sunita Saxena, 30, who sells snacks with her husband out of their shack by a highway.

"In the last year, we have run from pillar to post to get Aadhaar cards for the children, but we haven't been able to. We may have to send them back to Hardoi to live with their grandparents and go to school— they are losing precious time."

Vijay Kiran Anand, an official in the education department of Uttar Pradesh, said that "no student has been denied admission in state education facilities due to lack of Aadhaar".

India introduced Aadhaar in 2009 to streamline welfare payments and reduce wastage in public spending. Since then, it has become mandatory for everything— from accessing welfare benefits, to filing taxes.

The cards have a unique identification number, and also include a photo, fingerprint and iris scans. More than 1.2 billion Aadhaar IDs have been issued, according to government data.

Yet millions of Indians do not have Aadhaar, including large numbers of homeless, transgender and indigenous Adivasi people, who may not have a permanent address, or other documents needed for registration.

"Those who don't have Aadhaar are more likely to be from poorer, marginalised communities, who cannot push back against schools and welfare centres that demand [it]," said Dipa Sinha, an assistant professor at Ambedkar University, who researches Aadhaar.

Food access at risk

According to a 2014 Supreme Court ruling, Aadhaar was not to be a requirement for welfare programmes. In 2018, it reigned in a government push to make the Aadhaar compulsory for everything, from receiving pensions to registering mobile SIM cards.

"Even though the Supreme Court has observed that no one should be denied benefits because of the lack of Aadhaar, it continues to happen," said Sinha.

In a report in April, India's Comptroller and Auditor General (CAG) said that the Unique Identification Authority of India (UIDAI) that oversees Aadhaar, should review the issue of the IDs to children aged under five, and find other ways to establish their identity. The UIDAI has not commented on the report.

A government programme that provides free food to pregnant women and poor children up to the age of six, will soon start demanding Aadhaar from all its beneficiaries, according to investigative outlet The Reporters' Collective. In response, the women and child development ministry said in a tweet that a child's Aadhaar was "not mandatory", but their parents were required to have it.

Nearly 80 million children benefit from the food programme. Less than a quarter of children below the age of five have an Aadhaar ID, according to official data.

Making Aadhaar mandatory for food benefits would deprive millions of poor children and their families who are still suffering from the impact of the Covid-19 pandemic, Sinha explained.

The number of people who are poor in India - with incomes of \$2 (or less) a day - increased by 75 million in 2020, because of the impact of Covid-19, a study by Pew Research Center showed.

"People are much more dependent on these welfare schemes after the loss of livelihood due to the pandemic... Now is the time to get children back in school and to these centres. Not disrupt them again by insisting on Aadhaar," Sinha added.

Data concerns

More than 1 billion people globally have no way of proving their identity, according to the World Bank.

While governments across the world are adopting digital ID systems for better governance, the UN special rapporteur on human rights, said that these systems excluded marginalised groups, and were not to be a prerequisite for accessing social protection schemes.

In India, human rights activists and technology experts have also raised concerns about the privacy and safety of the data, chances of biometrics failure, and the misuse of data for surveillance.

The UIDAI has stated it has a "robust security system" which is designed to "ensure data security and privacy".

Meanwhile, requirements for the ID mean that Indians without Aadhaar are being deprived of their rights— from medication to schooling, say campaigners and human rights groups.

The landmark Right to Education Act of 2009 provided the right to free and compulsory education for all children from 6 to 14 years, while a national food security law in 2013 ensured subsidised food for those in need.

Insisting on Aadhaar "puts the onus on the citizen, and makes it much harder for them to access these rights... They will try a few times, then they will simply give up, and the child is denied an education, and ceases to exist in the eyes of the state," Sinha pointed out.

In Lucknow, Shifa, aged 11, has been barred from going to the sixth grade in her school because she does not have an Aadhaar card.

"She misses school, and practises her reading and writing with the newspaper every day," said her mother Tarannum Khan, 31, who has tried several times to apply for the ID.

"Without Aadhaar, we have no other option," she concluded, sadly. <https://www.khaleejtimes.com/asia/india-children-without-aadhaar-digital-id-shut-out-of-school>

4. Loss Rs 5.32 cr: AG's audit finds fault in Calicut University's investment decision (english.mathrubhumi.com) 29 July 2022

The Accountant General's (AG) audit has found that Calicut University has suffered a loss of Rs 5.32 crore from 2019 to 2021 due to poor investment decision.

According to AG's audit report, the university made investment with SBI at low interest rate repayment than the government treasury.

The interest rate offered by SBI was 4.9 per cent, while the interest offered by government treasury was 8.5 per cent. In spite of that, the university invested in 47 funds of SBI, including provident fund, development fund and endowment fund, from December 2019 to April 2021.

The mandates to be adhered by the university clearly states that investment should be done with entities offering high interest rates. The mandate has been in place since 1975 and the same was enforced in a stringent manner from 2012.

Meanwhile, it is not the first time that AG has called out the university's investment decision. Earlier, the university which received compensation as part of national highway development project, took the allocation in the government treasury instead of its own account. Later, the university had to approach state government for funding its development projects. It had evoked debate on the autonomy of the institution under the state government.

The latest audit report justifies the allegation that authorities are increasing fees of students to overcome financial crisis. <https://english.mathrubhumi.com/news/kerala/loss-rs-5-32-cr-ag-s-audit-finds-fault-in-calicut-university-s-investment-decision-1.7738579>

5. AG caught the act of State Child Rights Protection Commission: Embezzlement of 11.14 lakhs received from UNICEF for children, case filed against former chairman Rupalakshmi Munda (granthshala.in) 29 July, 2022

Jharkhand: Rs 11.14 lakh received from UNICEF and the state government for the welfare of children has been embezzled by former chairman of Jharkhand State Commission for Protection of Child Rights (SCPCR) Rupalakshmi Munda, former member Sanjay Kumar Mishra and former member Sunil Kumar. This discrepancy has been caught by the Principal Accountant General (AG) during the audit. After the disclosure, the assistant branch officer of the commission, Mr. Shakeel Ahmed has lodged an FIR against the three at Dhurva police station on July 25. A case has been registered against the three under section 406 for criminal breach of trust, section 420 for cheating and section 34 of criminal act.

It is noteworthy that the AG said in its report that this financial irregularity was committed between the year 2012-13 to the year 2015-16. Also, this information was given to the Department of Women and Child Development and Social Security in the year 2016-17. After this, the department ordered the three including Rupalakshmi Munda to deposit the embezzled amount by correspondence several times, but the accused remained silent. Ultimately, the commission has registered an FIR and asked to take action against the three accused. Inspector Narayan Soren has been made the research officer to investigate the matter.

Department will provide necessary documents to the police in research

After the matter came to the notice, the Principal Secretary, Women and Child Development and Department took this matter very seriously. Also ordered to register a case of financial irregularities against former chairman of the commission, Rupalakshmi Munda, former member Sanjay Kumar Mishra and former member Sunil Kumar. It has also been said in the FIR that whatever other necessary documents will be asked for during the investigation of the case, it will be made available by the department.

This is the whole matter – money was given for the welfare of children, transferred to personal account

The amount was given to the Jharkhand State Child Rights Protection Commission on behalf of UNICEF and the state government to organize the program for the children. Under this, dialogues and other welfare programs were to be organized for the children. The then chairperson of the commission, Rupalakshmi Munda, then members Sanjay Kumar Mishra and Sunil Kumar transferred a total of Rs 11,97,595 from UNICEF to Canara Bank's Namkum branch in account number 267010107683 during the year 2012-13 to 2015-16.

Out of this, Rs 11,14,400 was paid to private individuals. The AG in its audit also found that the passbook relating to this bank account is not available in the Commission's office. The AG has said in its report that the above three accused opened an illegal account and operated it without informing the office.

The accused gave clarification

We had given the account to the department: Rupalakshmi Munda

The former chairperson of the commission, Rupalakshmi Munda said that the amount given by UNICEF was spent on the children's program itself. The account of expenditure was given to the Department of Women and Child Development. There has been no mistake on our part.

Former member of the commission Sunil Kumar said that whatever allegation of misappropriation of funds has been leveled against us, it is wrong. Whatever amount came, it was spent by the chairman. We have not received any notice from the department for any recovery. Whatever money came, it was spent on the children. <https://granthshala.in/ag-caught-the-act-of-state-child-rights-protection-commission-embezzlement-of-11-14-lakhs-received-from-unicef-for-children-case-filed-against-former-chairman-rupalakshmi-munda/>

6. Delhi HC issues notice to Centre on plea for anti-rabies vaccination and birth control of animals (*theprint.in*, latest) 29 July, 2022

The Delhi High Court on Thursday issued notice to the Central government and its authorities on seeking direction for anti-rabies vaccination, birth control of animals and supervision of animals' health and public safety in accordance with Supreme Court direction passed earlier.

The Bench of Chief Justice Satish Chandra Sharma and Justice Subramonium Prasad on Thursday sought a response from the Ministry of Home Affairs, Animal Welfare Board of India

(AWBI) and other authorities while posting the matter for November 9, 2022, for a detailed hearing.

The petitioner Sangeeta Dogra, a wildlife activist alleged that AWBI has wilfully and deliberately failed to study the dog population and relevant anthropological aspects that serves to establish background information for the planning and the implementation of Dog Population management schemes and/or of control of zoonotic diseases transmitted between humans and dogs.

The plea further stated that AWBI's claims of establishing the State Animal Welfare Board don't go very well without the data which is required for the implementation of the programs, in terms of cost and benefit estimate, the information needed for making plans for, and judging the feasibility of, particular control operations a questionnaire survey, medical and surgical supply.

It also alleges that AWBI has failed to control measures consisting of the application of Drugs or vaccines or of surgical sterilization, treated individuals being visually marked or data maintained.

AWBI despite having 3000+ NGOs and their representatives has failed to innovate parameters and techniques for Dog Abundance, Dog Population Structure, Rate of Reproduction, Dog keeping Practice and useful service renders of Habitat Structure of Dogs near Human Population, owned dogs population, reasons for keeping dogs, Dog keeping practice, health disease mortality rates.

The plea also seeks issuance of directions be passed to AWBI to issue directions to NGOs recognized by them to create a dog population database Street to Street and Registration of Dogs with local/Civic bodies.

The plea also seeks direction from the Comptroller and Auditor General of India (CAG) to conduct a Special Audit of Funds sanctioned as grants and tender issued to NGOs/State Animal Welfare Board(s) for the Animal Birth Control and Anti Rabies Vaccination program sanctioned to AWBI and its 3000+ NGOs from 2009-2022. <https://theprint.in/india/delhi-hc-issues-notice-to-centre-on-plea-for-anti-rabies-vaccination-and-birth-control-of-animals/1059772/>

7. CAG Report: More than 27 thousand crore rupees donated to NGOs before the 2018 elections, CAG report will be presented by the opposition. State Government gives over Rs 27 thousand crore to NGOs before assembly election, says CAG Report ([newsjani.com](https://www.newsjani.com)) Updated: Jul 29, 2022

CAG Report: According to the CAG report, the West Bengal government has given a total of 27 thousand 48 crores of financial assistance to various NGOs in the financial year 2020-21. In their previous financial year which was 23 thousand 244 crores.

Calcutta: Arrest of Partha Chatterjee. Around Tk 50 crore recovered from two flats of Arpita Mukherjee, close to Perth. While state politics is abuzz over this, a report by the Comptroller and Auditor General (CAG) has sparked renewed controversy. The CAG report released in March this year said that the state government had given financial assistance of over Rs 27,000

crore to non-governmental organizations (NGOs) ahead of the Ekush assembly elections. After the arrest of Parthar, the opposition has moved with that report. The BJP alleged that the financial assistance was given to NGOs during the polls.

What does the CAG report say?

According to the CAG report, the West Bengal government has given a total of 27 thousand 48 crores of financial assistance to various NGOs in the financial year 2020-21. In their previous financial year which was 23 thousand 244 crores. In the last five years more than one lakh crore rupees has been given to NGOs. According to the report, Tk 10,859 crore has been given to 'others' in the financial year 2020-2021. The CAG report also expressed concern about the financial assistance given to those who cannot audit the money spent by the government.

Amidst the uproar over Partha Chatterjee, the opposition has again moved with the CAG report. Slamming the state government, state BJP spokesperson Shamik Bhattacharya said, "This is also a big corruption. NGOs have been manipulated during polls by providing financial support." BJP claims that if there is an investigation, big corruption will come to light. The left has also moved with this CAG report.

Politicians say that in the case of Partha Chatterjee, the ruling party has tried to abdicate its responsibility very easily. After removing Partha Chatterjee from the ministry, Chief Minister Mamata Banerjee also said today, "Our party is a very strict party." Abhishek Banerjee also made a similar statement saying, "We do not compromise with corruption." But, politicians feel that it will not be easy to deal with the CAG report if the opposition takes to the streets. Because, financial aid has gone directly from the government treasury. It remains to be seen how far the CAG report will go after the Partha-episode. <https://newsjani.com/cag-report-more-than-27-thousand-crore-rupees-donated-to-ngos-before-the-2018-elections-cag-report-will-be-presented-by-the-opposition-state-government-gives-over-rs-27-thousand-crore-to-ngos-befo/>

8. पंजाब में बढ़ी पानी की समस्या, मुख्यमंत्री भगवंत मान की इजराइली कंपनी के प्रतिनिधियों से खास मुलाकात (naidunia.com) Updated: Jul 28, 2022

पंजाब के मुख्यमंत्री भगवंत मान ने राज्य में हो रही पानी की समस्या को लेकर इजराइल की कंपनी #mekorot के प्रतिनिधियों के साथ खास मुलाकात की। उक्त जानकारी खुद मुख्यमंत्री ने देश के अपने सोशल मीडिया प्लेटफॉर्म, कू ऐप के अपने हैंडल के जरिए दी। इससे पहले मंगलवार को मान ने जल शक्ति मंत्री गजेंद्र सिंह शेखावत से भी मुलाकात कर प्रदेश में दूषित पेयजल के मुद्दे पर चर्चा की। मुख्यमंत्री ने कू पोस्ट करते हुए कहा है:

इस पोस्ट से साफ जाहिर है कि पंजाब में पीने वाले पानी की गंभीर समस्या हैं। उन्होंने कहा कि पंजाब की धरती के लोगों को साफ पानी ना मिलना बहुत बड़ी त्रासदी है। इजराइल कंपनी #mekorot के प्रतिनिधियों के साथ मुलाकात कर कंपनी के साथ मिलकर नए प्रोजेक्ट शुरू किए जाएंगे। पंजाबियों को साफ पानी मुहैया करवाने के लिए मेरी सरकार वचनबद्ध हैं।

ग्रामीण पेयजल की स्थिति

यू तो पंजाब एक विकसित राज्य माना जाता है, लेकिन ग्रामीण अंचलों में गरीबों का एक वर्ग कुपोषण की चपेट में है। कुपोषण की स्थिति जल प्रदूषण के प्रभाव के चलते और अधिक जटिल बन गई है। जनवरी 2020 में 'विश्व बैंक' ने एक अध्ययन रिपोर्ट सार्वजनिक की थी, जिसमें कहा गया था, "पंजाब में कई परिवार मकान परिसर में ही निजी कुएं बना रहे हैं। ग्रामीण पंजाब में कई दशकों से बड़ी मात्रा में भूजल का दोहन होता रहा है। वहीं, यहां मुफ्त बिजली की दीर्घकालिक नीति रही है। यही वजह है कि यहां घर-घर निजी उथले बोरवेल होते हैं। लेकिन, ये बोरवेल रासायनिक प्रदूषण युक्त पानी की चपेट में हैं।"

कैंग की रिपोर्ट के मुताबिक पंजाब के 23 जिलों में से 16 फ्लोराइड-युक्त, 19 नाइट्रेट-युक्त, 6 आर्सेनिक-युक्त और 9 आयरन-युक्त पानी की समस्या से जूझ रहे हैं। दरअसल, हरित क्रांति ने भारत के अनाज उत्पादन को बढ़ाने में मदद की, लेकिन इसके अधिक हानिकारक प्रभावों का खामियाजा पंजाब, हरियाणा और कुछ अन्य क्षेत्रों को भुगतना पड़ा है। पंजाब देश में सबसे तेज गति से जमीन से पानी निकाल रहा है।

वहीं, विश्व बैंक ने जनवरी 2020 में एक रिपोर्ट तैयार की, जिसके मुताबिक करीब 16,000 कुओं में से, 38 प्रतिशत में उच्च फ्लोराइड, 8 प्रतिशत में उच्च से बहुत अधिक, जबकि 30 प्रतिशत निम्न से मध्यम स्तर का फ्लोराइड था। इनमें मनसा और पटियाला जिलों की स्थिति सबसे खराब है।

जल शक्ति मंत्री से भी की मुलाकात

पंजाब के मुख्यमंत्री ने इससे पहले मंगलवार को प्रदेश में दूषित पेयजल के मुद्दे पर जल शक्ति मंत्री गजेंद्र सिंह शेखावत से मुलाकात कर इसके उपायों पर चर्चा की। <https://www.naidunia.com/national-water-problem-increased-in-punjab-chief-minister-bhagwant-mann-special-meeting-with-representatives-of-israeli-company-7704461>

SELECTED NEWS ITEMS/ARTICLES FOR READING

9. Input tax credit system needs automation (thehindubusinessline.com) Updated: Jul 28, 2022

A seamless, system-driven structure that does not rely on human intervention will usher in a fraud-free and future-ready GST

The input tax credit (ITC) system, considered the soul of the Goods and Services Tax regime, needs an urgent overhaul. An ITC system based on invoice matching will reduce working capital blockage for 14 million GST registered firms, end fraud, and increase tax collection.

The GST used the concept of ITC to end the tax-on-tax problem faced by firms in the pre-GST era. For example, a shopkeeper selling a shirt had to pay VAT on the price of the shirt and also on the central excise duty already paid on it.

The GST solved the tax-on-tax problem by allowing credit for the taxes paid in the previous transaction stages. Firms could use such credit, called ITC, to pay the tax for the next step. An example of three firms in the apparel business will help.

An illustration

Firm A sells fabric to Firm B, which makes and sells shirts to firm C, the retailer. Assume GST on both fabric and shirt is 10 per cent. Firm A charges ₹110 from Firm B — ₹100 for fabric and ₹10 for GST. Firm A pays ₹10 as GST to government. Firm B will claim an ITC of an equal amount. Next, Firm B sells the shirts to a retailer at ₹275 — ₹250 as the price of a shirt and ₹25 as GST.

Firm B has to pay ₹25 GST to government. He pays ₹15 in cash (or ITC earned from other transactions) and uses the ITC of ₹10 available from the previous transaction. Finally, Firm C sells the shirts to the final consumer. Firms A, B, and C get ITC for all taxes, and the end-consumer pays all taxes.

A firm can claim correct ITC only when the buyer and seller invoice records for a particular transaction match. The GST law prescribes invoice matching by requiring firms to file three GST Returns (GSTR) monthly. But this system has not been implemented.

The modified system requires taxpayers to file details of outward supplies (GSTR-1) and a summary of transactions and taxes paid (a new form GSTR-3B). The lack of complete reconciliation led many firms to misuse the system. Here is how a fraud firm operates.

Fraudulent firms

The firm generates invoices through the GST system and mentions an enormous ITC value in its account. This is ITC created out of thin air. There is no corresponding tax paid or goods/services transferred. The firm then transfers the ITC via a series of shell firms located in different States. At the end of the chain, the firm uses the fake ITC to pay tax on its genuine transactions. A fraud firm may also transfer the ITC to an exporter who may use the ITC to pay IGST on his exports and claim cash refunds. If a firm inflates the export value, the government loses money by way of more refunds. The money involved is enormous.

Till October last year, the government had blocked ITC of ₹14,000 crore, affecting 66,000 taxpayers. Just one man had issued fake invoices of value exceeding ₹4,500 crore to over 600 firms. The genuine business person finds it difficult to ensure if the ITC claimed by him is true.

To check misuse, the government has introduced new rules and more safeguards since January. Now, a buyer can claim ITC only after the supplier files GSTR-1 (details of sales) and GSTR-3B (consolidated details of inward and outward supplies, ITC, and tax payment).

Buyers can view details of these documents through the auto-generated mirror documents. GSTR-2A mirrors GSTR-1, and GSTR-2B reflects GSTR-3B information. But even this approach is not foolproof.

Through the GSTR-2A, the buyer can merely know if the supplier has filed the GSTR-3B. It does not give the details of transaction-level tax payments. Buyers will never know if suppliers' GSTR-3B does not include details of buyers' transactions. Also, the reconciliation is not systems but taxpayer driven.

The buyer bears the burnt if the supplier is fake. Detecting fake bills is complex when many suppliers link through a long chain. Officers usually scrutinise only 5 per cent of cases. Their access to other cities' data is restricted even if all data resides on GSTN.

The current system works through many checks and balances. But a buyer is at the mercy of the supplier.

Automating the system

ITC should be seamless, system-driven, and must not rely on human intervention. The government may invite proposals for modifying the GSTN design. The new system may contain a new GSTN utility called the Invoice Generation System (IGS). Firms would use IGS for uploading business invoices and GST payment/ITC details.

Invoices would contain the HS Code of the product and the GST number of the buyer. The IGS will fetch the GST rate from the system and details of the buyer from GST registration records to populate the invoice.

The GSTN will match the details of sales and purchase invoices. The buyer can check from the government record if the seller has paid tax to government on his transaction. GSTN will allow ITC after verifying payment of that corresponding tax. This will take seconds. Each taxpayer will have a national ITC account.

Total tax paid must equal full ITC. Individual firms' ITC amounts will change as they transact business. GSTN will be responsible for the integrity of the system.

GST-paid goods and services generated 60 per cent of India's GDP last year. A seamless, fraud-free ITC system, as mandated in the GST law, will be the best gift to the tax-paying firms. <https://www.thehindubusinessline.com/opinion/input-tax-credit-system-needs-automation/article65695096.ece>

10. Is rescuing an uncompetitive, loss-making BSNL a good use of public funds? ([indianexpress.com](https://www.indianexpress.com)) July 29, 2022

On Wednesday, the Union cabinet approved yet another revival package for the beleaguered public sector telecom operator, BSNL. The package is structured around a combination of direct financial support and viability gap funding, the allocation of spectrum and a restructuring of its obligations. Its total size has been pegged at Rs 1.64 lakh crore, of which Rs 43,964 crore is a cash component, with the balance non-cash component spread over four years. The government has given a three-fold rationale for the package. One, to ease the stress on BSNL's balance sheet. Two, to help improve its services, and three, to support the expansion of its fibre optics network across the country. However, for a government that has repeatedly espoused the view that "the government has no business to be in business", it must first ask itself: What public purpose is being served by continuing to infuse public funds in an uncompetitive loss-making entity?

Is improving access to telephony or increasing its affordability the reason for persisting with BSNL? On both counts, the justification does not hold. At the end of March 2022, the total telephone subscriber base (both wireless and wireline) in India stood at 1.1 billion. In urban areas, the teledensity stood at 135 per cent, while in rural areas it was 58 per cent. In comparison, of BSNL's 121.25 million subscribers, only 38 million are located in rural areas. Its market share of rural subscribers is a mere 7.39 per cent. Its private sector counterparts hold a commanding market share in rural areas as well. And moreover, on the issue of affordability, India has one of the lowest tariff rates in the world.

Turning around the PSU will require a dramatic rise in subscribers, an increase in revenues, and a reduction in costs. In the current environment of cut-throat competition, this seems difficult to envisage. While BSNL's losses have dipped — in 2020-21, losses fell to Rs 7,441 crore, down from Rs 15,500 crore in 2019-20 — its revenues have remained flat. Though the government is making administrative allocation of spectrum to the telco for launch of 4G services — in terms of internet subscribers, BSNL has only 30 million subscribers out of a total subscriber base of 824.89 million or 3.65 per cent share — private sector operators are currently in bidding for securing 5G spectrum. Considering that the government has recently sold off its stake in the loss-making Air India — another sector where viable competitive private alternatives exist — its insistence to continue spending scarce public resources to bail out PSUs is yet another instance of throwing good money after bad. <https://indianexpress.com/article/opinion/editorials/is-rescuing-an-uncompetitive-loss-making-bsnl-a-good-use-of-public-funds-8057728/>

11. Much needed bailout: On the ₹1.64-lakh-crore lifeline to BSNL ([thehindu.com](https://www.thehindu.com)) July 29, 2022

Bharat Sanchar Nigam Ltd. needs state help to fulfil its social role in rural areas and in disaster relief

The Cabinet's decision to provide a ₹1.64 lakh crore lifeline to Bharat Sanchar Nigam Ltd. comes as a badly needed shot in the arm for the loss-making public sector telecommunications provider. Almost three years since the Government last announced a plan to revive BSNL and its smaller peer Mahanagar Telephone Nigam Ltd. (MTNL), the Government seems to have belatedly realised that any further delay in adequately funding the main public sector telco in the "strategic sector" risks compromising its goals of bridging the digital divide and ensuring the evolution of an inclusive knowledge society. Nothing highlights the urgency of providing the crucial capital support to address the multiple financial, technology and spectrum needs confronting the erstwhile monopoly provider of telecommunication services than the accelerated erosion in its subscriber base in the 31 months since October 2019, when the earlier revival plan was approved. For a company that held the commanding heights of landline (wireline) connections until the opening up of the sector to private players and entry of wireless telephony in the 1990s, BSNL's share of wireline connections fell sharply to 28.7% at the end of May 2022, from 46.6% in October 2019. Over the same period, the total number of wireline connections grew 17.6% to 2.52 crore. On the significantly larger wireless front, BSNL's already small share slid marginally to 9.85% as on May 31, with the number of subscribers declining by 45 lakh to 11.28 crore. The only consolation was that the number of its rural wireless subscribers shrank by just 11.4 lakh, reflecting both the ubiquitousness of its network in the hinterland and far-flung outposts in key border areas, and the relatively greater loyalty it commands in the countryside.

The intervening period has also seen BSNL shrink its workforce, making it a far lighter ship and better placed to navigate the shoals of a competitive, and technologically rapidly evolving marketplace. From an employee base that exceeded 1.65 lakh, and consumed about 75% of its total income, the public sector enterprise had whittled down the number of regular employees on its rolls to 64,536 as on March 31, 2021, with the proportion of employee benefit expenses to total income more than halving to 36%. BSNL's net loss also narrowed appreciably to ₹7,453 crore at the end of the fiscal year ended March 2021. Acknowledging the public sector telco's "crucial role in expansion of telecom services in rural areas, development of indigenous technology and disaster relief", the Government has earmarked welcome funds for each of the

chosen focus areas including allocating spectrum, helping the provider upgrade its services and critically de-stressing its balance sheet. The coming months will test the commitment and resolve of the Government and the BSNL management in marshalling the resources in a timely manner given how crucial the state-owned company is to the overall health of the industry as a ‘market balancer’. <https://www.thehindu.com/opinion/editorial/much-needed-bailout-the-hindu-editorial-on-the-164-lakh-crore-lifeline-to-bharat-sanchar-nigam-ltd/article65694723.ece>

12. Why tariff revisions are key to discoms’ revival ([financialexpress.com](https://www.financialexpress.com)) July 29, 2022

Several schemes have been run — and are currently being implemented — to make discoms financially viable and operationally competent. But, these haven’t yielded the desired outcomes. At the core of the issue is high user subsidies and delayed payments to the discoms by the states, creating a chain of payment defaults. Deepa Jainani examines the long-standing issue in the wake of a Tamil Nadu utility’s proposal for 10-35% hike in tariffs, after a decade.

What plagues the discoms?

Discoms suffer massive losses due to power theft (high aggregate technical & commercial or AT&C losses), meter tampering, inaccurate billing and above all, inadequate tariff hikes. They bear part onus of the subsidies as these are not released on time.

What has been done to restore the financial health of the discoms?

The Centre has, over the last two decades, implemented a series of revival packages, including the Financial Restructuring Plan in 2013, Ujwal Discom Assurance Yojana I in 2017 and II in 2020.

What are the current schemes?

A liquidity infusion scheme, extra borrowings of 0.5% GSDP linked to power-sector reforms, stricter rules for lending by PFC-REC, the revamped distribution sector scheme (RDSS) and letter of credit for payment security under power purchase pacts. RDSS has a budgetary outlay of `3.03 trillion for five years. It aims to bring down AT&C losses to 12-15% and align supply costs and revenue realised, by FY25.

How is the RDSS different from earlier packages?

Like earlier schemes, the RDSS too offers financial incentives linked to the achievement of milestones and are linked to reforms. What distinguishes RDSS is its focus on compulsory smart metering infrastructure to improve collection inefficiency. The scheme mandates the installation of 250 million smart prepaid meters over the next four years.

Why are timely and adequate tariff revisions important?

Discoms require to revise tariffs incrementally and frequently to factor in fuel, O&M and salary costs, and to facilitate capital expenditure necessary to strengthen the distribution system. Absence of rational tariff revisions results in discoms incurring losses and being caught in a debt trap. However, several state electricity regulators haven’t exactly been functioning as

independent watchdogs. They go by the state government's policies, many of which offer power to large sections of non-industrial consumers at highly concessional rates.

How does inadequate tariff revision reflect on operations?

As per the government's UDAY portal, for every unit of electricity sold, the discoms are currently losing 36 paise. The UDAY target was to eliminate this gap by FY19-end. <https://www.financialexpress.com/economy/explainer-why-tariff-revisions-are-key-to-discoms-revival/2610302/>

13. Modi govt achieves record capex in April-June despite economic woes but states struggle (theprint.in) 29 July, 2022

At a time when capital spending by state governments has slowed, the Union government's capital expenditure has seen a jump of almost 50 per cent in the April-June quarter of the current fiscal to around Rs 1.65 lakh crore, compared to the same period in the previous year, ThePrint has learnt.

The Modi government has budgeted Rs 7.5 lakh crore for capital expenditure in 2022-23, an increase of 27 per cent from the previous fiscal. Of this, around Rs 1 lakh crore would be given to states as 50-year, interest-free loans to push them to spend on creating capital.

"We are quite satisfied with the pace of the capital expenditure in the first quarter. We have completed a quarter (25 per cent) of the target in the first quarter (April-June) itself. The pace of capital expenditure has been quite strong," a top government official told ThePrint on condition of anonymity.

The Union government's push on capital spending comes amid rising retail inflation (at 7.01 per cent in June) and increasing global interest rates, which have pushed the Reserve Bank of India (RBI) to raise interest rates in order to suppress demand.

"Government capex, particularly by the states, would remain crucial to support private capex recovery, which remains nascent at this juncture," Aditi Nayar, chief economist at credit ratings agency ICRA, said in a report released earlier this week.

Data with the Controller General of Accounts shows that the ministries of road transport and highways, railways, and defence have witnessed healthy growth in capital spending in April-May.

Capital expenditure by the Ministry of Road Transport and Highways nearly doubled to Rs 40,361 crore in April-May from Rs 22,590 crore in the same period in the previous year. Similarly, spending by the Ministry of Railways is up 68 per cent, while spending on defence services is up by 50 per cent, according to data from the Controller General of Accounts .

When compared with pre-Covid levels in the first two months of the fiscal year 2019-20, while capital spending by the ministries of railways as well as road transport and highways was significantly higher in April-May, for defence services, there was a sharp decline of 29 per cent.

States' capital spending tepid in April-May

The government official quoted earlier said that while states' capital spending has slowed in the first quarter when compared to the previous year, the Centre will ensure that states have enough funds by the way of transfers to spend on infrastructure projects.

He further said that out of the Rs 1 lakh crore that has been kept aside for states in the current fiscal as interest-free loans, a large portion has been approved based on the projects that states have shown interest in.

“States will have enough funds this year despite no GST compensation to the states beyond June 2022. The disbursement of the interest-free loans will begin soon,” he added.

According to the ICRA report, the aggregate capital spending of 23 states declined by 10.3 per cent in the first two months of the current fiscal when compared to last year, while also remaining lower than what was seen in the pre-Covid period.

The report said that this contraction may be related to the changes in the net borrowing ceiling (NBC) set for state governments for 2022-23, which resulted in a delay in several states getting the Centre's consent for borrowing for the current fiscal. Accordingly, several states did not participate in the weekly auctions of state development loans until late May 2022.

Through a notification in April, the Centre has mandated that off-budget borrowings by states or borrowings by state-run entities, special purpose vehicles (SPVs) and equivalent instruments, where the principal and interest amounts have to be serviced from state budgets, will be considered part of state debt.

According to data with the Comptroller and Auditor General of India, the combined capital outlay of 26 states is budgeted to expand by 36 per cent to Rs 6.8 lakh crore in 2022-23 from last year, when the capex stood at Rs 5 lakh crore. However, the ICRA report said that analysis of past years suggests that some states tend to over-budget their capex.

The majority of the budgeted capital spending by states is concentrated in three sectors — transport, irrigation and water supply, sanitation, and urban development. <https://theprint.in/economy/modi-govt-achieves-record-capex-in-april-june-despite-economic-woes-but-states-struggle/1060240/>

14. Number of Beneficiaries Under Most Minority Schemes Has Declined Over Last 3 Years: Govt Data (thewire.in) 28 July 2022

The number of beneficiaries under most schemes launched by the Ministry of Minority Affairs has declined since 2019-20, Union minister Smriti Irani said in a written reply to a question in the Lok Sabha.

While allocation for some schemes increased between 2019-20 and 2021-22, the number of beneficiaries under them declined, she added.

Irani was responding to an unstarred question by All India United Democratic Front MP from Assam, M. Badruddin Ajmal. He had asked for the quantum of funds allocated, utilised, and

the number of beneficiaries under the central schemes implemented for the educational and socio-economic empowerment of minorities.

There are six centrally notified minority communities, namely, Christians, Sikhs, Buddhists, Muslims, Parsis and Jains.

The details under the category “physical and financial achievement for various schemes” showed that the number of beneficiaries and allocations has declined over the last three years.

In 2020-21, the decline in the number of beneficiaries and allocations could be attributed to COVID-19. However, data for 2019-20 and 2021-22 showed that in many cases the allocations and beneficiaries remained low even after two years.

Number of beneficiaries fell in several scholarship, coaching schemes

The number of beneficiaries for the post-matric scholarship came down from 7.43 lakh in 2019-20 to 7.14 lakh in 2021-22. The funds released or sanctioned also reduced from Rs 482.65 crore to Rs 465.73 crore during the period.

Under this scheme, the Union government provides scholarships to minority students from class 9 to Ph.D. To be eligible for this scheme, the beneficiary’s family income should not be more than Rs 2 lakh per annum. Separately, 30% scholarships under this scheme are earmarked for girl students.

The number of beneficiaries under the Maulana Azad National Fellowship Scheme also declined from 1,251 in 2019-20 to 1,075 in 2021-22. The funds released or sanctioned under this scheme dropped from Rs 100 crore to Rs 74 crore during the two-year period.

The fellowship is provided to minority students who clear the UGC-NET or Joint CSIR UGC-NET examination. Their family income is not more than Rs 6 lakh per annum.

In the ‘Naya Savera’ fellowship scheme, the number of beneficiaries reduced from 9,580 in 2019-20 to 5,140 in 2021-22.

Under this scheme, free coaching is provided to students belonging to minority communities whose family income is not more than Rs 6 lakh per annum. This scheme helps them prepare for various competitive entrance examinations.

Under the Begum Hazrat Mahal National Scholarship scheme – which is meant for only girl students belonging to minority communities from classes 9 to 12 – the allocation of funds fell from Rs 165.20 crore to Rs 91.60 crore over the last two years. The scholarship is given to students whose family income is not more than Rs 2 lakh per annum.

The number of beneficiaries under this scheme dropped sharply from 2.95 lakh in 2019-20 to 1.65 lakh in 2021-22.

Number of beneficiaries declined in employment schemes

According to the minister's response, five employment schemes, namely 'Seekho aur Kamao,' USTTAD, 'Hamari Dharohar,' 'Nai Roshni' and 'Nai Manzil,' were merged into a single scheme called the 'Pradhan Mantri Virasat Ka Samvardhan' (PM VIKAS) in 2022-23.

Under the 'Nai Manzil' scheme, the number of beneficiaries has declined sharply from 22,359 in 2019-20 to 5,312 in 2021-22.

In some schemes beneficiaries rose, but funds were cut

In some of the schemes for minorities, while the number of beneficiaries increased, the funds released or sanctioned declined between 2019-20 and 2021-22, data showed.

For instance, under the pre-matric scholarship scheme – which is also provided to minority students from class 9 to Ph.D. – the funds were cut from Rs 1,424.56 crore in 2019-20 to Rs 1,329.17 crore in 2021-22.

However, the number of beneficiaries in this scheme rose from 55.68 lakh in 2019-20 to 57.10 lakh in 2021-22.

Similarly, in the 'Nai Udaan' scheme that supports minority students appearing for UPSC, SSC and PSC examination, the funds released or sanctioned dropped from Rs 8.01 crore in 2019-20 to Rs 7.97 crore in 2021-22. The number of beneficiaries, however, rose from 1,539 to 1,641 during the same period. <https://thewire.in/government/number-of-beneficiaries-under-most-minority-schemes-has-declined-over-last-3-years-govt-data>

15. India's power deficit slips from 2 pc in April to 0.6 pc in June ([financialexpress.com](https://www.financialexpress.com)) July 28, 2022

Power deficit came down from 2 per cent in April to 0.4 per cent in May and 0.6 per cent in June despite significant rise in demand of electricity, Parliament was informed on Thursday.

In a written reply to the Lok Sabha, Power Minister R K Singh said electricity supplied grew 12.8 per cent in April 2022, as compared to the year-ago month, across India.

Power requirement, on the other hand grew 14.7 per cent in April on all-India basis, resulting in a deficit of 2 per cent.

“The gap between energy requirement and energy supplied had been reduced considerably...to 0.4 per cent and 0.6 per cent during the months of May 2022 and June 2022 respectively, despite the significant increase in energy requirement during these months as compared to the corresponding months of May 2021 and June 2021,” he said.

The gap between energy demand and supply is generally on account of factors other than inadequacy of power availability in the country e.g. constraints in distribution network, financial constraints, commercial reasons, forced outage of generating units etc, he explained.

He said the coal stock available at the power plants monitored by the Central Electricity Authority (CEA) on daily basis was about 25.6 Million Tonnes (MT) as on March 31, 2022.

The stock depleted to 21.9 MT as on April 30, 2022 but increased during May and June and has now reached 28.7 MT as on July 21, 2022, which is sufficient for an average of 10 days at a requirement of 85 per cent Plant Load Factor (PLF), he added.

In another reply, the minister said the cumulative inter regional transmission capacity of the National Grid as on June 30, 2022 is 1,12,250 MW, which is likely to get enhanced to 1,18,050 MW by the end of 2023.

In another reply, he said the industrial consumers consume the maximum electricity at 41.16 per cent followed by domestic consumer (25.77 per cent), agriculture consumers (17.67 per cent) and commercial 8.29 per cent.

Singh also told the House that the power supply hours in urban areas and rural areas as on July 8, 2022, was 23.78 hours and 21.48 hours, respectively. <https://www.financialexpress.com/economy/indias-power-deficit-slips-from-2-pc-in-april-to-0-6-pc-in-june/2609657/>