NEWS ITEMS ON CAG/ AUDIT REPORTS (01.09.2022)

1. CAG report on abysmal state of heritage conservation *(indianexpress.com)* Updated: September 1, 2022

The news from the Archaeological Survey of India (ASI) about Anang Tal in Mehrauli did not make big headlines. It was simply reported that on August 22, the Centre issued a notification to take steps to protect this site, after which Anang Tal would be declared a monument of national importance.

In response to this, a former Chairman of the National Monuments Authority (NMA) compared "the national monument stature for Anang Tal" with the "re-coronation of Anang Pal Singh Tomar in Delhi". If he had used this occasion to indulge in some sober reflection, the NMA chairman would have noted that the reservoir has been reduced to a pitiable state. The CAG's performance audit on Preservation and Conservation of Monuments and Antiquities that was tabled in Parliament a few weeks before the above-mentioned notification singled out Anang Tal as being "in the last stage of disappearance". Apart from recording its decrepit state with the aid of photographs, the auditing team's visit revealed that sewage from nearby areas "was being discharged into the reservoir".

The CAG reports on the state of India's heritage — ranging from those relating to museums in 2011 to its findings on the ASI in 2013 — are the most comprehensive public documents on the institutional malaise that dogs the conservation of our monuments and antiquities. Such documents are essential because after 2007, there has been no internal audit of the ASI conducted by the ministry. These excellent reports and those of Parliamentary Committees are what we have for understanding the state of Indian archaeology, monuments and museums. For this reason, some of the key observations of the 2022 report are worth highlighting.

The CAG report categorically notes that there is no national policy on archaeological exploration and excavation. The same is possibly true for antiquities. The ASI has estimated some 58 lakh plus antiquities all over India, but there is no database or inventory in its possession. The ASI budget for exploration and excavations is less than 1 per cent even though it informed the Public Accounts Committee (PAC) of its intention to raise the allocation to 5 per cent of the total budget. The failure to do so could well be because of the reduction in the ASI budget. Despite all the public talk of the importance of conserving our national heritage, the budget of the ASI, the primary institutional guardian of monuments, in 2021-2022 has been reduced by more than Rs 200 crore. For an organisation whose total budget is Rs 1,246.75 crore, this is a major reduction.

There is no synergy between the different agencies involved in heritage conservation. The National Culture Fund, established in November 1996, to rope in individuals and corporate groups to fund conservation, has utilised only 14 per cent of its funds because of the lack of coordination with the ASI. The National Monuments Authority, a statutory body for implementing heritage by-laws and site plans for each monument, has only finalised and notified 31 monuments, while those relating to the 210 more are in different stages of finalisation. This is a fraction of the 3,693 monuments on the list of Centrally Protected Monuments. One wonders if this snail's pace is a consequence of a sense that the Centre is proactively seeking to amend the act — drastically reducing the prohibited and regulatory area around monuments. By minimising the security net around monuments — a move that would endanger them — the government could make the exercise of creating heritage by-laws in their present form redundant.

The report reveals that the ASI, in many cases, has been working in violation of the provisions of the Monuments (AMASR) Act. At Humayun's tomb, a CAG inspection revealed commercial construction being undertaken in the prohibited area by an "agency other than the ASI". The NMA specifically communicated to the auditors that they had not received any application for the development of a museum and shopping complex within the prohibited area of the Humayun's Tomb complex.

Finally, the poor state of conservation at ASI-protected sites and the lack of follow-up are worth pointing out. The Buddhist stupa site of Kanaganahalli in Karnataka highlights this. In its 2013 audit, the CAG talked of glaring shortcomings in conservation and protection. The joint inspection carried out during the present audit also revealed that precious carved panels were still lying scattered in the open. The cement beds created at the open shed for placing artefacts had cracked. The site itself, spread over some 23 acres, was covered with thick vegetation and grass — it is a fire hazard when dry. The CCTV camera installed at the site was not functioning while the lighting was inadequate.

Reading the report's observations on this sad saga of monument conservation, I was left with the ironic thought that the modern keepers of ancient material can be as culpable for making Indian history bite the dust as the Muslim invaders whom the ruling establishment and its fellow travellers more routinely blame. https://indianexpress.com/article/opinion/columns/nayanjot-lahiri-writes-cag-report-abysmal-state-heritage-conservation-anang-tal-mehrauli-8123799/

STATES NEWS ITEMS

2. CAG flags 'irregularities worth crores' in IIM Rohtak's accounts, institute says nothing wrong *(theprint.in)* September 1, 2022

The Comptroller and Auditor General (CAG), in its audit of the Indian Institute of Management (IIM) at Rohtak, has found alleged financial irregularities worth crores in the business school's accounts, ThePrint has learnt.

The IIM, in a detailed response sent to ThePrint, has justified its finances.

The CAG's 'Audit and Inspection Report on the accounts of the Director IIM Rohtak for the year 2019-21' states that the institute received a tax exemption of Rs 48.90 crore for which it was not "eligible".

The report, accessed by ThePrint, says that according to Section 10 (23C) (iiiab) of the Income Tax Act, 1961, any income received by a person on behalf of any university or any educational institution existing solely for educational purposes and not for purposes of profit, and which is wholly or substantially financed by the government, is entitled to exemption. Further, going by the rules, only if the institution receives at least 50 per cent of grants from the government will it qualify for tax exemption.

This, however, is not the case with IIM Rohtak, it adds.

According to the audit report, grants from the government to IIM Rohtak have been below the 50 per cent threshold every year from the 2015-16 to the 2018-19 academic session.

"Maximum grant the institute received was 31.20 per cent of the total grant received in the year 2017-18. So, the institute is not substantially financed by the government as it receives grants below the 50 per cent threshold," reads the report.

Consequently, the institute is not entitled to claim exemption from payment of income tax amounting to Rs 48.90 crore in its surplus income of Rs 157.18 crore during financial years 2015-16 to 2020-21, it adds.

The report also states that the institute has "charged exorbitant fees" from students, which could have been "avoided".

"The fees structure is so designed that the receipts are two-three times the expenditure of the institute and that too is on an increasing trend year to year," the CAG report reads.

It adds: "Instead of being invested in growth of institute and utilised on conducting research work, the funds amounting to Rs 251,96,45,000 were deposited in fixed accounts (term deposits) in banks, on which interest amounting to Rs 17,68,22,281 was earned."

The increasing trend of revenue over expenditure year to year "forfeits the not-for-profit intent" of the institute, the report points out.

Replies submitted, under consideration, says IIM Rohtak

ThePrint sent a detailed questionnaire to IIM Rohtak asking for a response on the tax and fee issue.

The institute, in a reply for the exorbitant fees mentioned in the CAG audit, said: "The annual fee is dependent on several factors, including annual student intake, yearly institute expenditure, future expansion plans, fee of peer institutes, etc. and many others. For the last five years, the institute has only been increasing fees on the basis of inflation each year and the institute did not increase fees in 2021 due to the COVID situation."

"Also, it may be safe to conclude that the total fee charged by IIM Rohtak is the lowest fees among the 20 IIMs that exist today," it added.

On the point of being ineligible for tax exemption, it said: "IIM Rohtak is exempted under Income Tax Act, 1961, as per provisions of Section 10(23C)(iiiab) for the financial year 2019-2020 and Section 10(23C)(vi) for the financial year 2020-2021."

It added that "the CAG report is a draft report on which replies have been submitted formally and are under consideration".

However, in the copy of the report accessed by ThePrint, the auditor has mentioned all the replies given by the institute and expressed its remarks. https://theprint.in/education-2/cag-flags-irregularities-worth-crores-in-iim-rohtaks-accounts-institute-says-nothing-wrong/1110157/

3. Who's afraid of the Noida twin tower demolition? *(deccanherald.com)* September 1, 2022

In terms of optics, you could scarcely beat Sunday's demolition of the Supertech twin towers in Noida in the National Capital Region. There was news television's breathless, blanket coverage of the event, counting down to the moment when the "waterfall implosion" made the buildings collapse upon themselves and send up a monster dust cloud billowing in the air. There was the stern, almost Biblical symbolism of the demolition itself — that terrible destruction befalls those who commit wrongful acts (in this case, corrupt builders who, in cahoots with corrupt local authorities, flouted the norms and constructed the towers). And there was the consequent public celebration of the spectacle, the gawking and the hooting — not unlike the way crowds would gather once upon a time to cheer the hanging or beheading of a nefarious criminal.

That said, it was certainly a victory — and a just one — for the residents of the adjacent housing complex, who had been fighting a legal battle since 2012 to have the offending towers demolished. And the demolition, which was in compliance with last year's Supreme Court order, does indeed send out a strong warning that unscrupulous builders cannot get away with violating the rules because they have the urban authorities in their pocket.

The question is, will the dramatic act of blasting two illegal structures taller than the Qutub Minar do anything for the thousands of home buyers whose life's savings are tied up in stalled housing projects? Will it do anything to fix the problem of real estate developers who have reneged on the terms of their contracts, defrauded their customers and landed up in jail or been declared insolvent under the National Company Law Tribunal (NCLT)? For the fact is that when the law catches up with realtors who commit graft on a gargantuan scale, it is the home buyers who are wrung dry, as they have to continue to pay both their rent and the EMIs for the flats which, even after several years, may not even have got off the ground. And they have to wait interminably for the insolvency process to be resolved, which is when they might finally get a refund of their money or get delivery of their flats.

The Real Estate (Regulation and Development) Act (RERA), which came into force in 2016, was hailed as a landmark legislation as it was meant to regulate the real estate sector and protect the interests of home buyers. And indeed, it has brought in a fair degree of order and transparency to the sector, making builders more accountable, and creating an ecosystem wherein buyers can take them to a RERA court and file for compensation if they fail to complete the project on time and hand over the apartments.

But talk to home buyers, and they will tell you that despite RERA, builders are continuing to find ways to bend the rules. For example, the Act stipulates that the builder has to sell flats on the basis of the "carpet area", and not the "super area". However, in practice, many builders are continuing to sell their units based on the "super area", which is an excellent way to create confusion and hoodwink buyers into believing that their floor area is much more than it actually is.

Again, even though RERA lays down that the adjudication of a dispute must be completed within 60 days, there are instances where a RERA court has adjourned hearings again and again. Another person says that despite having made the payment for her flat in an under-construction project in NCR, she is yet to receive a formal builder-buyer agreement, apparently because some key RERA approval for the project has not come through. But if that be the case, is it legal to pre-sell the units? And how is it that the authorities are unaware of what is going on?

Such regulatory jiggery pokery points to a systemic malaise. In fact, the collusion between real estate companies and pliant urban authorities, especially in the NCR, lies at the heart of builders being able to spirit away thousands of crores of public money, resulting in projects that have been lying unfinished for years. Whether it is Amrapali, Jaypee Infratech or Unitech, despite the Supreme Court's intervention, and despite the promoters of these real estate companies shut up in jail, their insolvency proceedings grind on at a glacial pace, leaving buyers in a sorry plight. Many of them have lost hope that they will ever get the flat that they have paid for.

A report by the Comptroller and Auditor General (CAG) in December last year stated that between 2005 and 2018, three real estate developers — Logix, Wave and 3C — were allotted 79.8 per cent of all commercial land in Noida. Plots for housing projects were also given to little-known builders, often at absurdly low reserve prices. After making the initial payments to the Noida Authority, many developers started defaulting on the payments, while continuing to take money from home buyers and siphoning it off elsewhere.

Today, even those who have got possession of their apartments in projects that are only partially complete, are unable to get them registered because the developers owe thousands of crores to the Noida Authority. In many cases, more than a year after they were commissioned, the few completed towers do not have an electricity connection as yet and rely on diesel generator sets for power.

RERA has certainly put in some curbs on the ease with which realtors have managed to pull off this monstrous abuse of public money. But much more needs to be done in terms of enforcing the law rigorously. Tackling corruption in the local administrative bodies must be a priority as well, since, without their connivance, these grand scams would scarcely have been possible. Unless there are systemic changes on the ground, a big-bang demolition, for all its shock-and-awe value, will do little to root out the culture of malpractices in the real estate sector. https://www.deccanherald.com/opinion/whos-afraid-of-the-noida-twin-tower-demolition-1140922.html

4. Cong demands CAG audit of S'garh DMF funds *(dailypioneer.com)* 01 September 2022

Since the inception of JP Hospital, it is in the thick of controversy for many reasons. Similarly, since last 2-3 years it has been alleged that there is huge bungling of mineral fund pertaining to favour shown to JP Hospital. The Rourkela District Congress has alleged that a huge amount was paid to the JP Hospital from DMF fund towards the treatment of Covid patients, twisting rules.

Citing the figures supplied by the Health Minister in the State Assembly, former Rourkela DCC president Biren Senapati said more than Rs 105 crore has been given to JP Hospital from DMF fund for treatment of Covid patients. Very interestingly, whereas the State Government has paid to the SUM Medical College and Hospital, Bhubaneswar, Rs 1,24,672 and Rs 98, 273 to KIMS Medical College and Hospital for treatment of each Covid patient, JP Hospital has got Rs 5, 18, 969 per Covid patient from the Sundargarh DMF fund. "One can easily understand the difference and volume of corruption in it," said Senapati. Senapati questioned as to whose interest this type of favour to JP Hospital has been shown. Besides, he alleged that though the treatment of Covid patients was completely free but in many cases the hospital has claimed money from the relatives of the patients.

He further said 108-ambulance service is basically meant to take patients to Government hospitals, but on many occasions, 108 ambulances are seen in JP Hospital premises. So, there is every possibility of a nexus between certain doctors of the Government hospitals and JP management, he charged.

Besides, there is misuse of the BSKY scheme, Senapati said and urged a CAG audit of Sundargarh DMF fund as it is not properly spent as per the guidelines and a Vigilance inquiry into all irregularities in JP Hospital. He warned that his party will take to the streets if his demands were not fulfilled. https://www.dailypioneer.com/2022/state-editions/-cong-demands-cag-audit-of-s---garh-dmf-funds.html

SELECTED NEWS ITEMS/ARTICLES FOR READING

5. GST collections stay above ₹1.40-lakh crore for sixth month in a row *(thehindubusinessline.com)* September 1, 2022

Collections from the Goods & Services (GST) in August has crossed ₹1.43 lakh crore, the Finance Ministry reported on Thursday. This is the sixth successive month of collections crossing ₹1.40 lakh crore.

Though the August number is less than ₹1.49 lakh crore of July, still it is 28 per cent higher than the GST revenues in the same month last year of ₹1.12 lakh crore. During the month, revenues from import of goods were 57 per cent higher and the revenues from the domestic transactions (including import of services) are 19 per cent higher than the revenues from these sources during the same month last year. Collections in August mean consumption and availing goods and services respectively in July.

The gross GST revenue collected in August comprised ₹24,710 crore of CGST, ₹30,951 crore of SGST, ₹77,782 crore (including ₹42,067 crore collected on import of goods) of IGST. The collection for cess was ₹10,168 crore (including ₹1,018 crore collected on import of goods).

The government has settled ₹29,524 crore to CGST and ₹25,119 crore to SGST from IGST. The total revenue of the Centre and the States in August after a regular settlement is ₹54,234 crore for CGST and ₹56,070 crore for the SGST.

Finance Ministry said that the growth in GST revenue till August over the same period last year is 33 per cent, continuing to display very high buoyancy. “This is a clear impact of various measures taken by the Council in the past to ensure better compliance. Better reporting coupled with economic recovery has been having positive impact on the GST revenues on a consistent basis,” it said. In July, about 7.6 crore e-way bills were generated, marginally higher than 7.4 crore in June and 19 per cent higher than 6.4 crore in June 2021.

On Wednesday, while commenting on GDP number for April June quarter, the Finance Ministry had said the growth in collections were supported by robust growth in economic activity along with various measures undertaken to prevent anti-evasion activities and encourage better compliance. “The sustained growth in GST collections indicates that the growth momentum of the Indian economy has sustained even beyond Q1 of 2022-23,” it said.

Although, government does not release data separately for goods and services, but it appears services sector contributed more in overall collections as contact-based services and other sub sectors are showing good growth. This can be also be gauged based on the number of people flying and higher occupancy rates in hotels. https://www.thehindubusinessline.com/economy/gst-collections-stay-above-140-lakh-crore-for-sixth-month-in-a-row/article65835232.ece

6. Centre reports fiscal surplus in July, first in over two years *(financialexpress.com)* September 1, 2022

Buoyant tax revenues and curbs on revenue spending helps contain fiscal deficit in April-July at 20.5% of the full-year target

After a gap of over two years, the Centre has reported a fiscal surplus of Rs 11,040 crore and a revenue surplus of Rs 42,509 crore in July thanks to buoyancy in tax collections and reining of revenue expenditure even as capex continued the robust momentum. The last time India had a fiscal surplus was in March 2020.

The fiscal deficit in April-July of the current fiscal came at 20.5% of the budget estimate (BE) for FY23, down from 21.3% of the corresponding target a year ago, aided by higher net tax revenues and moderation in revenue spending as the Centre tightened fund releases by linking it to actual progress in spending of previous releases.

The Centre, which has put a thrust on capex to boost economic growth, continued the momentum by almost doubling the spending on year in July to Rs 33,606 crore while it invested 62% more on year in April-July at Rs 2.09 trillion.

About a 14% decline in revenue expenditure, led to about a 2% on-year dip in total expenditure in July 2022. However, in the April-July period of the current fiscal, revenue spending rose by 5% on the year.

In April-July of FY23, net tax revenue growth remained strong at 26% as against the budgeted growth of 6% to achieve the full-year target of Rs 19.35 trillion. In the first four months of FY23 net tax revenue was 34.4% of the budget estimate for the year. According to a FE analysis, the Centre’s net tax revenue could exceed BE by about Rs 1.6-1.7 trillion (including windfall taxes on petroleum products).

“The final revenue outcome will be better than the budget proposals due to low revenue buoyancy assumed in the budget and pessimistic nominal GDP growth assumption. Despite higher expenditure outgo due to higher fertiliser subsidy and low excise duty collection due to cut in excise duty of petroleum products, the government is likely to achieve its FY23 fiscal deficit target comfortably,” said India Ratings economists Sunil Kumar Sinha and Paras Jasrai. https://www.financialexpress.com/economy/centre-reports-fiscal-surplus-in-july-first-in-over-two-years/2651054/

7. Disappointing numbers *(financialexpress.com)* September 1, 2022

At 13.5% year-on-year (y-o-y), the GDP growth for Q1FY23 has been disappointing despite a favourable base. Indeed, the output of Rs 36.85 trillion has got a boost from the 4.5% y-o-y growth in agriculture, suggesting the economy might take a little longer to pick up pace than anticipated. Nowhere is the muted momentum as clearly reflected as in the private final consumption expenditure (PFCE), the biggest piece of the economy. The actual spend, at Rs 22 trillion, is only about 10% bigger than the spend in Q1FY20, which in itself was a poor quarter. The pent-up demand appears to have been over-estimated, though it is possible the opening up of contact-intensive sectors will boost spending in the months ahead. However, sectors such as manufacturing need to up their contribution, especially to the job market, to boost consumption. Indeed, manufacturing grew at just 4.8% in the June quarter, with the absolute value falling sequentially to Rs 6 trillion.

That is a worrying trend even if one takes into account seasonal effects. While the gross fixed capital formation (GFCF) during Q1FY23 came in at a satisfactory Rs 12.7 trillion, the highest in a few quarters, much more investment would be needed to drive growth. However, the progress on the ground isn't encouraging. An analysis by Nomura reveals that central government capex has moderated in the current fiscal so far, rising just 5% y-o-y (ex-roads), while the trend in the states has been equally disappointing. For 11 key states, which account for 65% of the aggregate capex, Q1FY23 saw a fall of 3.2% y-o-y.

Indeed, with the base effect starting to fade and the many headwinds on the horizon—rising interest rates, tighter liquidity, elevated inflation, slower global growth and trade—it would be difficult for the economy to clock a growth of 7%-plus without substantial investment. Data from the banking sector shows that aggregate project approvals in FY22 jumped 90% versus a dull FY21, but remained below trends. However, there are signs of a pick-up in the number of projects compared with the numbers three years back, and given that corporate balance sheets are in good shape and the government is rolling out several schemes to boost manufacturing, it is possible that the capex cycle could take a big upturn. The biggest positive both for companies and consumers has been the softening in the prices of commodities although crude oil prices continue to rule above $100 per barrel.

There is, however, one very big concern in the exports sector. As Pranjul Bhandari, chief economist, HSBC India has observed, the growth in real exports is slowing. After rising by an average 8.7% y-o-y in April-July, 2019-2021, it has fallen to 4.9% in the April-July period of 2022. She believes if this softening continues in the rest of the year the contribution of the exports sector to GDP growth will be only a quarter of what it was last year. In the June quarter, exports accounted for 23% of GDP. With growth not gaining the required pace, the Reserve Bank of India (RBI) may need to slow the pace of rate hikes though the central bank has said it is now focused on tackling inflation. As the worst of inflation appears to be behind us, it would be interesting to see whether the GDP outcome will alter RBI's rate hike path. Also, some depreciation of the rupee would certainly help make exports more competitive. https://www.financialexpress.com/opinion/disappointing-numbers/2651246/

8. The GDP mirage *(livemint.com)* September 1, 2022

India's gross domestic product (GDP) rose 13.5% from a year earlier in the April-June 2022 quarter, according to government data. This is the strongest reading in a year, and a doubledigit expansion is celebration-worthy in any economy. Yet, we must remember that our first-quarter readings since covid struck have been warped by the base effect. In 2021-22, the first three months saw GDP grow at about 20%, but it wasn't enough to make up for the 24%-plus contraction of 2020-21. The net result is that real output (in constant 2011-12 prices) is still only modestly above the figure three years ago. Also, we have undershot the Reserve Bank of India's forecast of 16.2% for the quarter ended June, with our central bank projecting a slowing pace for the rest of this fiscal year. Nevertheless, the economy is clearly in recovery mode, as various other indicators show. Much will depend on how we negotiate the challenges that our path ahead is strewn with. The Ukraine war's adverse impact persists, even as global financial conditions tighten amid outbreaks of inflation. All of this has made macro management harder by vexing efforts to keep domestic price levels and external balances stable. https://www.livemint.com/opinion/quick-edit/the-gdp-mirage-11661967679441.html

9. Moody's slashes India's economic growth forecast to 7.7% for 2022 *(business-standard.com)* September 1, 2022

Moody's Investors Service on Thursday slashed India's economic growth projection for 2022 to 7.7 per cent, saying that rising interest rates, uneven monsoon, and slowing global growth will dampen economic momentum on a sequential basis.

Moody's had in May projected India's GDP to expand by 8.8 per cent this year. The economy grew by 8.3 per cent in 2021 and contracted by 6.7 per cent in 2020, the year when the pandemic struck the country.

In its update to Global Macro Outlook 2022-23, Moody's said India's central bank is likely to remain hawkish this year and maintain a reasonably tight policy stance in 2023 to prevent domestic inflationary pressures from building further.

Our expectation that India's real GDP growth will slow from 8.3 per cent in 2021 to 7.7 per cent in 2022 and to decelerate further to 5.2 per cent in 2023 assumes that rising interest rates, uneven distribution of monsoons, and slowing global growth will dampen economic momentum on a sequential basis, Moody's said.

It expects inflationary pressures to weaken in the second half (July-December) of the year and further in 2023.

A quicker let-up in global commodity prices would provide significant upside to growth. In addition, economic growth would be stronger than we are projecting in 2023 if the private-sector capex cycle were to gain steam, it added.

Moody's said high-frequency data for the Indian economy shows strong and broad-based underlying momentum in the first four months of fiscal year 2022-23 (April-July).

As per official GDP estimates, the Indian economy expanded 13.5 per cent in April-June 2022-23, higher than 4.10 per cent growth clocked in previous March quarter.

Moody's said services and manufacturing sectors have seen robust upswings in economic activity, according to hard and survey data, such as PMI, capacity utilization, mobility, tax filing and collection, business earnings and credit indicators.

However, inflation remains a challenge with the RBI having to balance growth and inflation, while also containing the impact of imported inflation from the year-to-date depreciation of the Indian rupee against the US dollar of around 7 per cent.

India's economic growth before the COVID-19 shock had materially slowed because of the impact of corporate-sector deleveraging on business investment.

"With the deleveraging complete, corporate-sector investment is showing early signs of a pickup, which could provide support to a continued business cycle expansion through several quarters, supported by investment-friendly government policies and the rapid digitization of the economy, Moody's added.

With regard to inflation, Moody's said although inflation eased slightly to 6.7 per cent in July, it remains above the central bank's target range of 2-6 per cent for the seventh straight month.

The RBI forecasts that the inflation will remain high into 2023 and has hiked rates three times this year to 5.4 per cent to tame inflation.

The central bank is likely to remain hawkish this year and maintain a reasonably tight policy stance in 2023 to prevent domestic inflationary pressures from building further, it added. https://www.business-standard.com/article/economy-policy/moody-s-slashes-india-s-economic-growth-forecast-to-7-7-for-2022-122090100335_1.html

10. 'Poorly-directed freebies' may adversely affect state finances & country's economy, say experts *(financialexpress.com)*

Poorly-directed freebies may wreak havoc with state finances and have adverse consequences on the economy as in the case of Sri Lanka, experts say while noting it is important to define a freebie and how it is different from welfare expenditure. Recently, the Supreme Court said freebies at the cost of taxpayers' money may push the country towards imminent bankruptcy.

Economic think tank ICRIER Chairman Pramod Bhasin said, "Most freebies (unless at a time of huge urgency such as COVID) which are often poorly directed are a fiscal mistake with significant adverse consequences. And these exist in most states and under most forms of governments." Bhasin noted that "political compulsions" cause most politicians to announce freebies as their way of capturing votes. "If there was a way to limit these within each state and also centrally that would be a welcome move—but that is also for the elected representative to decide," he said, adding that there is a need to define a freebie and how it is different from welfare expenditure.

Echoing similar views, Institute for Studies in Industrial Development (ISID) Director Nagesh Kumar said state governments need to be responsible in terms of fiscal management unless they wish to get into an unsustainable situation. "Basically, freebies given by state governments can wreak havoc with state finances. As demonstrated in Sri Lanka's case, fiscal profligacy always leads to disaster," Kumar said. Vice Chancellor of BR Ambedkar School of Economics, N R Bhanumurthy said any policy intervention that does not ensure net addition to production and productivity in the medium term to long term may be treated as a 'freebie'. " …it is important to define what is a freebie and how it is different from welfare expenditures. Such policies (freebies), if introduced, could only accentuate the already worsening public debt situation in many states and create perverse incentives as well as intergenerational friction," Bhanumurthy said.

On India's current macroeconomic situation, Bhasin said amid a fear of recession all over the globe, India seems relatively far better placed, calmer and far more stable. "Of course, India faces its own share of downside risks. With spiralling energy prices and the forecast of lower GDP growth at 6.1 per cent (for 2023 as per IMF), we will of course see an impact," he said, adding that relative to the rest of the world, India is in a much better position to weather this storm. According to Bhasin, there has been an outflow of investments from India as well, but against that the Indian rupee has depreciated only moderately compared to other G20 countries, sometimes by half the amount versus Europe and the UK.

Noting that India's foreign exchange reserves are more than adequate in terms of sound macroeconomic perspective, he said, "In fact India has done remarkably well to manage through these times at a time when we would be considered very vulnerable to global shocks." Bhanumurthy opined that India is absolutely in a better position than many of the advanced economies and has zero probability of getting into recession. "Our outlook suggests that India should continue to be one of the fastest growing large economies with growth between 6.5 to 7 per cent in the current year," he said, adding that in terms of downside risks, clearly there are no domestic factors. He said it is only the external factors that could pose some downside pressures on the Indian economy. "However, the domestic fundamentals are strong enough to cope with such external risks, " Bhanumurthy opined.

According to Kumar, with its robust macro fundamentals, acceleration of industrial growth (IIP) in the past few months, and prospects of a good or normal monsoon, the Indian economy is expected to grow at 7-7.5 per cent in 2022-23, which will make it the fastest growing major economy in the world. "Key risks to the growth outlook are posed by possible volatility of oil prices against the backdrop of the Ukraine-Russia war, and further worsening of the pandemic requiring lockdowns," he said. Kumar said another headwind for India is arising from the hardening interest rates in the US as the Fed is unwinding the easy money policy rather aggressively. "Yet I do not think that a repeat of the 2013-14 type of situation (taper-tantrum) is likely, given the sizable forex reserves of around USD 570 billion," he asserted. https://www.financialexpress.com/economy/poorly-directed-freebies-may-adversely-affect-state-finances-countrys-economy-say-experts/2650301/

11. If India Is To Fight Corruption, the Focus Must Be on Dam Projects *(thewire.in)* August 31, 2022

In his eighth Independence Day speech from the ramparts of the Red Fort on August 15, 2022, Indian Prime Minister Narendra Modi underlined the need to fight against corruption and nepotism. Highlighting the steps his government has taken to check corruption, Modi said:

"In the last eight years, we have been successful in working for the betterment of the country by saving two lakh crore rupees which used to go into the wrong hands, using all the modern systems like Direct Benefit Transfer, Aadhaar and Mobile. Those who fled the country after looting banks during the tenure of previous government, we have seized their property and are trying to get them back. Some have been forced to go behind the bars. We are trying to ensure that those who looted the country are compelled to return. Brothers and sisters, the corrupt are eating away the country like termites. I have to fight against it, intensify the fight and have to take it to a decisive point."

However, during the speech, the prime minister did not speak about one sphere that remains dogged by corruption and scams – dams and hydroelectricity projects.

There are many examples to cite, but a recent case of corruption, which jeopardised the lives of people, is from the Bhartiya Janata Party (BJP)-ruled Madhya Pradesh. In August, the lives of over 10,000 people from 18 villages in the Dhar district of Madhya Pradesh were put in danger after a dam built on the Karam river could not withstand the massive rain in the region. Reacting to the development, the Shivraj Singh Chouhan government blacklisted two firms – Delhi-based ANS Construction and Gwalior's Sarthi construction – for not completing the construction of the dam.

But why was the project given to ANS Construction, whose license was suspended and cancelled by the Madhya Pradesh government in 2016-17 because of indulging in corrupt means? The work on the dam was allotted to ANS at Rs 113 crore. The firm in turn hired Sarthi as a sub-contractor, at less than Rs 100 crore, to complete the work. This project was planned to provide water for irrigation and drinking to 52 villages, mostly inhabited by tribal communities. The dam has a catchment area of 342.50 square kilometres.

The Rs 113 crore dam is part of a larger irrigation plan whose total cost is Rs 304 crore.

Even before this instance, the Karam dam project was rife with accusations of corruption and scams. In 2021, the state government informed the assembly that the dam was one of the projects under investigation by the Economic Offence Wing because of corruption charges in the e-tender process.

A Congress party leader alleged that Sarthi construction is owned by a friend of a senior leader from the BJP. The Communist Party of India (Marxist) leader Jaswinder Singh alleged that after a scam was identified in the tender process, the Enforcement Directorate accused the company of paying Rs 93 crore as bribe money.

Water projects have been at the centre of corruption in India. Decades ago, in Bihar, the irrigation mafia was "nourished and institutionalised" mainly under Jagannath Mishra's tenure as the chief minister of the state. The situation was such that, Jagdanand, the irrigation minister of Bihar during Lalu Prasad Yadav's first term as CM, once said, "The waters of Kosi used to provide petrol for the 200-car-strong cavalcade of Mishra."

It is estimated that during those times, the Bihar government used to spend between Rs 250 and 300 crore annually on construction and repair work. Of the total, 60% was pocketed by the politician-contractor-engineer nexus. After doling out the fixed percentages of money, contractors took around 25% of the sanctioned amount. So there is little surprise that 30 years later, nothing much has changed. People still live in fear of annual floods, which affect around 8 million people in Bihar.

In 2020-21, Bihar allocated Rs 440 crore towards flood control programmes and Rs 1,353 crore for various irrigation projects. It remains to be seen if the situation will improve in the coming years.

In Maharashtra, some activists who were fighting corruption in dam projects, revealed flaws in the tendering process in 2012. They found that costs were spiked manifold in the case of four dams: Kondhane (from initial Rs 56 crore to Rs 328 crore), Balganga (from Rs 420 crore to Rs 1,320 crore), Kalu (from Rs 640 crore to Rs 1400 crore) and Shai (from Rs 410 crore to Rs 1,139 crore). Then, in 2014, in a letter to the then chief minister of Maharashtra, Devendra Fadnavis, a Pune-based contractor revealed that almost 22% of dam costs are paid as bribes. Everyone – from a clerk to a politician – has a share in the bribe.

A grim situation across the world

Not only in India but across the world, dam building is dogged by corruption. In a paper, Benjamin K. Sovacool and Gotz Walter found that in Lesotho, Indonesia, Thailand and Kenya, dam builders used "corrupt practices" to capture reservoir sites preserved for indigenous people. The authors have also given some other examples where corrupt means have been used to swindle millions.

First, in China, government officials reportedly stole around $50 million of resettlement funds appropriated for the Three Gorges Dam. Second, costs for the Yacyretá Dam between Argentina and Paraguay increased by $2.7 billion, largely because of paid bribes and misappropriation of funds. Finally, in 2013, in Malaysia, a Norwegian company, Sarawak Energy, was accused of granting $220 million worth of hydropower contracts to companies controlled by the family of the chief minister of Sarawak, Taib Mahmud. He is considered by many as one of the most corrupt politicians in Asia.

To conclude, measures to tap corrupt means in awarding tenders, checking the raw materials used for building structures, and strict vigilance on misappropriating of funds allocated for resettlement and other works hugely depend on the political will of the government. https://thewire.in/politics/if-india-is-to-fight-corruption-the-focus-must-be-on-dam-projects

12. Mining ban in Goa, Sterlite copper plant closure cost ₹8,000 cr to exchequer: CUTS *(fortuneindia.com)* Sep 1, 2022

A study that analysed the economic impact of the decisions of the Supreme Court and the National Green Tribunal (NGT) of India in five specific cases during the 2018-21 period – including a ban on iron ore mining in Goa and the closure of a copper plant of Sterlite Industries in Tamil Nadu – suggests the government lost about ₹8,000 crore in revenues, industry another ₹15,000 crore, apart from 16,000 job losses, and an adverse impact on another 75,000 persons.

The 'synthesis report', prepared by Jaipur-based Consumer Unity & Trust Society (CUTS) with financial support from government think tank NITI Aayog, found that if the projects had taken off without any delay, and the government utilised the ₹8,000 crore revenues as capital expenditure, it would have added another ₹20,000 crore to the economy.

The study, which attempted to understand the first-order direct economic impact of the select judicial decisions of the SC and NGT on the economy and stakeholders, covered The Goa Foundation vs. Sesa Sterlite Ltd. & Ors. (Goa Mining Case), the Hanuman Laxman Aroskar vs. Union of India (Mopa Airport Case), the Tamil Nadu Pollution Control Board vs. Sterlite Industries (I) Ltd (Sterlite Copper Plant Case), the National Green Tribunal Bar Association vs. Ministry of Environment & Forests and Ors. (Sand Mining Case) and the Vardhman Kaushik vs. Union of India & Ors. (NCR Construction Ban Case).

The report says its consolidated findings are constrained by the limited data availability of the covered cases as enough data was available only in the case of Goa iron ore and Sterlite Copper plant cases. It concluded that when both these orders were in force, the economic impact owing to the inability of relevant governments to make capital expenditure is estimated to be around ₹18 crore per day. During this period, the impact on the industry was estimated to be around ₹13 crore per day. Around 75,000 persons were adversely impacted during this period.

The authors qualified the study as a purely academic exercise and stated that it "is nowhere intended to interfere with the decision-making process of the judiciary". Explaining the methodology adopted to conduct the study, CUTS says it followed a mixed research method with an evidence-based and bottom-up approach using primary and secondary data. "An extensive review of existing literature related to the respective cases was conducted, followed by field visits and in-depth interviews with key stakeholders who might have been impacted. Specific focus was accorded to understanding the impact of decisions on revenues of industry, state/ government, employment, and salaries of workers. The understanding of the impact on different stakeholders was utilised to ascertain the impact on the economy," it says. https://www.fortuneindia.com/macro/mining-ban-in-goa-sterlite-copper-plant-closure-cost-8000-cr-to-exchequer-cuts/109495

13. How the war in Ukraine has forced India to step up its defence indigenisation programme *(indiatoday.in)* August 31, 2022

As a solution to the Indian military's requirement for spares amidst the protracted Russia-Ukraine war, the Narendra Modi government is turning towards the domestic industry to meet the supply gaps. Defence minister Rajnath Singh has given the go-ahead for domestic procurement of 780 critical components and sub-systems used in fighter jets, helicopters, transport planes, armoured tanks and submarines. This means all this military hardware will come under a phased import ban between December 2023 and December 2028.

The new Positive Indigenisation List includes critical spares and sub-systems for India's frontline fighter jet Sukhoi-30, Jaguar, LCA Tejas and Dornier-228 planes. Some spares for the Indian Navy's operational Kilo-class submarines as well as equipment for the Indian Army's T-90 and Arjun tanks are also part of the list. With this list, the government aims to further reduce imports by DPSUs (defence public sector undertakings).

India is the world's second biggest importer of arms, accounting for 9.2 per cent of the total global arms imports. Next comes Saudi Arabia. There has, however, been a push by the Modi government for self-reliance in defence. About 80 per cent of the country's domestic defence industry is owned by the government.

The ministry of defence (MoD) has set a target of Rs 1.75 lakh crore worth of indigenous defence production by 2025, including exports to the tune of Rs 35,000 crore. DPSUs will have to play a major role in achieving this goal.

The MoD says the new Positive Indigenisation List is in continuation of two such lists for sub-systems, assemblies and components issued in December 2021 and March 2022. The first two lists together contain 2,500 items that are already indigenised and 458 which will be indigenised within the given timelines. Indigenous development of these sub-systems and components will give a boost to the DPSUs and reduce dependence on imports.

The war in Ukraine has adversely impacted several upcoming projects of the Indian military. India uses more than 70 Russian military platforms. More than 80 per cent of the products made by India's ordnance factories are Russian-based and the units continue to depend on Russia for critical spares. A majority of fighter jets of the Indian Air Force (IAF) are Russian, including the 272 Su-30MKIs and over 100 MiG 21 'Bison'. The IAF also operates the Russian-made Mi-17 and Mi-8 helicopters.

Military observers say the Russia-Ukraine conflict has cast a shadow on critical defence equipment supplies from both nations. Besides new purchases, existing platforms of the Indian military—fighter planes, air defence missiles, artillery guns, tanks—are heavily dependent on Russia and Ukraine for critical spares. The impact is showing on key projects, such as the upgrade of IAF's Antonov AN-32 fleet, supply of critical R-27 air-to-air missiles for Sukhoi Su-30MKI and MiG-29, upgrades of existing artillery and air defence systems, and sourcing of engines for four guided-missile frigates of the navy. https://www.indiatoday.in/india-today-insight/story/how-the-war-in-ukraine-has-forced-india-to-step-up-its-defence-indigenisation-programme-1994851-2022-08-31

14. Tejas Mark-2 project reportedly approved by the Cabinet Committee on Security *(businessinsider.in)* SEP 1, 2022

The Narendra Modi-led Cabinet Committee on Security (CCS) has reportedly approved the Tejas Mark-2 project to boost India's push for indigenous fighter aircraft.

According to a report by The Times of India, the CCS on Wednesday approved the Tejas Mark-2 project at a cost of over ₹6,500 crore. The government had already sanctioned ₹2,500 crore for the project. The ₹6,500 crore will reportedly be used for prototypes, flight testing and certification.

Tejas is an indigenously developed light multi-role fighter aircraft developed by the Aeronautical Development Agency (ADA) and Hindustan Aeronautics Limited (HAL). India has already ordered 40 Tejas Mark-1 aircrafts, 10 Mark-1 trainers and 73 Tejas Mark-1A aircrafts.

While the Tejas Mark-1 is a lightweight aircraft, the Tejas Mark-2 will be a medium-weight aircraft and has been designed to be used for offensive operations in enemy territories.

"Lightweight Tejas Mark-1 is primarily meant for air defence. Medium-weight Mark-2 fighter, with its heavy standoff weapons, will be for offensive operations into enemy territory. Its critical design review is complete," a source familiar with the matter told The Times of India.

The Tejas Mark-1, which weighs around 13.5 tonnes, was designed to replace the MiG-21s, and the Tejas Mark-2, which is expected to weigh around 17.5 tonnes, is expected to replace the Mirage and the Mig-29

The Tejas Mark-2's first flight test will reportedly be conducted in the next two to three years and the production is expected to begin around 2030.

In addition to the Tejas Mark-2, the government is also planning on approving the fifth-generation advanced medium combat aircraft (AMCA) with stealth features and supercruise capabilities. The CCS is expected to approve ₹15,000 crore for the AMCA project.

The Tejas Mark-2 will be equipped with the GE-414 engines in the 98 Kilonewton thrust class and offer a longer combat range and an increased weapon carrying capacity compared to the Tejas Mark-1.

The Tejas Mark-2 will be an important part of the country's armed forces. "Fly-by-wire, avionics, composites and other technologies have already been proven in Tejas Mark-1. The new project will upscale those into bigger and more powerful fighters. IAF is likely to induct at least six squadrons (110-120) of Tejas Mark-2," the source added. https://www.businessinsider.in/defense/news/tejas-mark-2-project-reportedly-approved-by-the-cabinet-committee-on-security/articleshow/93920034.cms

15. IAF's Chinook helicopter fleet operating as usual amid reports over 'fuel leaks' *(newindianexpress.com)* 31 August 2022

The Chinook helicopters of the Indian Air Force (IAF) are operating as usual notwithstanding the US Army grounding the entire fleet of the heavy-lift choppers over fuel leaks that caused a "small number" of engine fires.

People familiar with the development said on Wednesday the IAF headquarters has sent a communication to Boeing India following reports of the grounding of the Chinook CH-47 helicopters by the United States Army.

It is learnt that Boeing India has communicated to the IAF that the Chinook CH-47F(I) helicopters being operated by the force are not at all impacted by the problem that has hit the US Army fleet.

The IAF is operating 15 Chinooks at present.

"The Chinook fleet of the IAF is operating as usual," said one of the people cited above.

There was no comment on the matter by either the IAF or Boeing India.

An US Army spokesperson said the force grounded the entire fleet of its Chinook helicopters after a small number of engine fires were reported due to a fuel leak, according to a media report.

The US Army operates around 400 Chinooks.

According to reports, the US Army has identified the underlying cause of fuel leaks that caused the engine fires on the CH-47 helicopters.

The IAF has been extensively using its Chinook fleet in a variety of missions, including in Ladakh.

In April, a Chinook chopper set a record for the longest non-stop helicopter sortie by flying for seven-and-a-half hours from Chandigarh to Jorhat in Assam.

The Chinook is a multi-role, vertical-lift platform, which is used for transporting troops, artillery, equipment and fuel.

It is also used for humanitarian and disaster relief operations and in missions such as transportation of relief supplies and mass evacuation of refugees.

India had finalised a contract in September 2015 to procure 22 Apache helicopters and 15 Chinook choppers from the US at a cost of around USD 3 billion. https://www.newindianexpress.com/nation/2022/aug/31/iafs-chinook-helicopter-fleet-operating-as-usual-amid-reports-overfuel-leaks-2493484.html

16. Positive Indigenisation Lists and the Truth about India's Self-Reliance in Defence Equipment *(thewire.in)* 31 Aug 2022

The ministry of defence (MoD) would have us believe that its Atmanirbharta Abhiyan – or relentless campaign for self-reliance in defence equipment – is on an unstoppable roll, as evidenced by a continuing series of 'positive indigenisation lists' (PILs) it issued to prohibit the import of diverse military platforms and related kit.

Collectively, these mystifying listings encompass 1,548 items that are included in six lists issued periodically since August 2020, till the most recent one on August 28.

Three of them enumerate 310 major platforms – like lightweight tanks, field artillery, cadet training ships, helicopters, combat aircraft, assault rifles, missiles, and assorted ammunition and accessories, amongst others – that are to be developed and manufactured domestically.

A corresponding number of three additional lists, enumerate 1,238 miscellaneous items, mainly components, which were earlier imported by the Defence Public Sector Undertakings (DPSUs), but would now be gradually indigenised, while a sub-list enumerates 2,500 items which had already been indigenised when the first list was issued in December last year.

The latest PIL in the latter category was issued on August 28 which proscribed the import of 780 'strategically important' line replacement units (LRUs), sub-systems and components. The staggered ban on their import comes into effect in phases, stretching progressively over five years, from end-2023 to December 2028.

Two similar lists – notified in December 2021 and March 2022 – had likewise banned the import of another 458 items by the DPSUs, of which MoD now claims to have indigenised 167, obviating their purchase from abroad. It is acutely embarrassing that the DPSUs were importing these items, given that these could so easily have been manufactured locally.

The August 28 list is of a piece with the previous ones, especially the above-mentioned sub-list of 2,500 already indigenised items that included assorted nuts, bolts, screws, bushes, washers, gaskets, pins, hoses, sealing rings, rivets, clamps, plugs, valves, nozzles, pipes, and jets.

In many instances, different sizes of the same item were listed separately in a bid to seemingly inflate the MoD's list and render it more striking and achievement-oriented. But far from being embarrassed over these trifling claims, the MoD projected it as a notable achievement of its Atmnanirbharta Abhiyan.

Continuing in the same vein, MoD has packed the August 28 list with similar seemingly low-technology and easily indigenisable items. There are, for instance, four types of lamp indicator assemblies, eight different pipe-bleed air systems, five flexible shafts and backlit panels, and 11 types of slide and swivel joints, apart from several run-of-the-mill items like speed indicators, compressors, cam and metal bushes, watertight lamps, cooling and lubrication systems, wiper blades, safety valves and digital intercom handsets.

What tops these exaggerated claims is the impending indigenisation of a clock for the Dornier Do- 228 twin-turboprop short-take-off-and-landing aircraft, which has been licence-built by Hindustan Aeronautics Limited since 1983. Another 'banned' item that sticks out like a sore thumb is the 'industrial grade laptop' which, considering India's advanced computer manufacturing and software development skills, should not have posed any difficulty in indigenising earlier.

Be that as it may, the proscribed LRUs, sub-systems and components do not, for the most part, seem to be hi-tech products and in no way beyond the design and development capability of either the Indian industry or many DPSUs which have been licence building advanced platforms like fighter aircraft since the late 1960s, and designing combat and transport helicopters, alongside series producing a host of varied missiles, sundry other equipment and ordnance.

It makes little commercial sense to indigenise run-of-the-mill items needed in limited quantities. Had it been cost-effective, there was little or no reason for the DPSUs not to strive to indigenise all of them which, under MoD pressure, are now being localised to fast-track atamnirbhata and somehow highlight self-reliance.

Besides, available evidence also indicates that 'forced indigenisation' of the type the three PILs seek to promote in limited numbers, only inflates the indigenised items' overall cost. It can also pose financial and operational challenges relating to the trial and testing of the hurriedly indigenised items which, in turn, could also disrupt the manufacturing schedule of the principal equipment or system on which the concerned item is to be integrated.

Such unmindful indigenisation can also beggar Indian companies, mostly micro and small manufacturing enterprises (MSMEs), if there is no recurring demand for these items, or alternatively, a multiplicity of companies end up making the same product. These drawbacks are critical to the limited business and employment opportunities which the indigenisation of nuts and bolts may create. https://thewire.in/government/positive-indigenisation-lists-india-self-reliance-defence-equipment-truth

17. Railways records 38 per cent rise in accidents in 2021, shows NCRB data *(newindianexpress.com)* 1 Sep 2022

The world's fourth largest railway network, the Indian Railways, has also registered a big increase of around 38.2% in accidents in 2021 compared to the previous year. Most such accidents were reported from Maharashtra, accounting for 19.4% of the reported 17,993 accidents. "Maharashtra reported 3,488 railway accidents," according to the National Crime Records Bureau (NCRB).

The bulk of accidents come amid claims of adopting all safety measures across the railways to reduce accidents that involve negligence or trespassing of the tracks, falling off running trains and others.
The National Crime Records Bureau's 69th edition in its latest data said: "The 17,993 railway accidents caused injuries to 1,852 people and caused deaths to 16,431 people during 2021. In 2019, 24,619 railway accidents were reported, including 1,762 accidents from railway crossings," the NCRB data shows.

After Maharashtra, West Bengal accounted for 13.5% of total reported cases of accidents in railways in 2021. West Bengal added a total of 2,425 cases of accidents in the total count from across the railways.

The National Crime Records Bureau report shows that Maharashtra reported 2,535 deaths out of the total 3,488 rail accidents while West Bengal figures stood at 2,282 out of 2,424 cases of accidents in 2021. The striking feature is that 957 people out of a total 1,852 injured in accidents were reported from across Maharashtra alone in 2021.

"October 2021 was a cruel month as it reported 1,729 cases of railway accidents, which contributes around 9.6% of total railway accidents," said a railway official quoting the NRCB data. According to data, a total of 11,036 persons lost their lives due to either falling off trains or collisions at railway tracks.

Other factors that added to the accidents were the fault of drivers, sabotage, signalman's error and mechanical failures. Uttar Pradesh reported a maximum number of 575 railway crossing accidents, followed by Madhya Pradesh with 196 and West Bengal 164 accidents.

TRACK RECORD

Most accidents reported from Maharashtra, accounting for 19.4% of the reported 17,993 accidents

W. Bengal accounted for 13.5% of total reported cases

11,036 persons lost their lives due to either falling off trains or collisions at railway tracks

Uttar Pradesh reported a maximum number of 575 railway crossing accidents

The 17,993 railway accidents caused injuries to 1,852 people and caused deaths to 16,431 people during
2021

Maharashtra reported 3,488 railway accidents

Oct. 2021 was a cruel month as it reported 1,729 cases.
https://www.newindianexpress.com/nation/2022/sep/01/railways-records-38-per-centrise-in-accidents-in-2021-shows-ncrb-data-2493613.html

18. Loss-making MTNL fails to pay Rs 35.15 crore interest to Union Bank of India *(newindianexpress.com)* 31 August 2022

Loss-making state-owned telecom firm MTNL has defaulted on an interest payment of Rs 35.15 crore to Union Bank of India, which was due to be paid in July, the company said in a regulatory filing.

The company is reeling under a total debt of Rs 27,330 crore.

"MTNL has defaulted in the payment of Interest to Union Bank of India," the filing said.

The company shared a chart that shows it has defaulted Rs 35.15 crore interest payment on July 31, 2022.

MTNL has a total outstanding loan of 5,849.71 crore to be paid to Union Bank of India (UBI).

The loan was raised from Union Bank of India, Andhra Bank and Corporation Bank.

Andhra Bank and Corporation Bank have now merged with UBI.

The company owes a total of Rs 16,930 crore to other banks and financial institutions.

MTNL has reported a narrowing of consolidated loss to Rs 653 crore in the June 2022 quarter.

It had posted a loss of Rs 688.69 crore in the same period a year ago.

The consolidated revenue from operations of MTNL fell by about 17 per cent to Rs 250.72 crore in the first quarter of the current fiscal.

In the year-ago period, the same stood at Rs 301.15 crore.

In a note, auditors of MTNL said the company's net worth has been fully eroded.

The note said the Department of Public Enterprises has declared the company as an incipient sick Central Public Sector Enterprise and the same has been confirmed by the Department of Telecom.

In July 2022, the Union Cabinet approved the raising of sovereign guarantee bonds for MTNL for an amount of Rs 17,571 crore for the next two financial years. https://www.newindianexpress.com/business/2022/aug/31/loss-making-mtnl-fails-to-pay-rs-3515-crore-interest-to-union-bank-of-india-2493533.html