

NEWS ITEMS ON CAG/ AUDIT REPORTS (07.10.2022)

1. CBI books joint DGFT for receiving Rs 1 crore bribe in 2018 fraud case ([business-standard.com](https://www.business-standard.com)) 06 Oct 2022

The CBI has booked a joint director general of foreign trade for allegedly receiving a bribe of Rs 1 crore from a businessman in 2018 in a fraud case of Rs 118 crore, officials said Thursday.

Following the registration of the FIR against Joint Director General of Foreign Trade (DGFT) Sambhaji A Chavan and Deputy DGFT Prakash S Kamble, 2008 and 2013-batch Indian Trade Service officers respectively, and businessman Ramesh Manohar Chavan, among others, the CBI conducted searches at nine locations in Delhi, Daman, Mumbai and Pune, they said.

"It is alleged that eight Export Promotion Credit Guarantee (EPCG) licenses were issued in the name Radha Madhav Corporation Ltd (RMCL) by Directorate General for Foreign Trade for import of 'capital machinery' and as per the scheme, RMCL had the obligation to export eight times the value of duty saved on the goods imported," the FIR alleged.

The Central Bureau of Investigation alleged that the total amount of duty saved on import by RMCL was Rs 16.81 crore against which the company was required to fulfil export obligations to the tune of Rs 135 crore.

"However, RMCL was found to have exported goods only worth Rs 17 crore, which was Rs 118 crore short of the obligation. The said obligation was overlooked at first but later when the matter was highlighted during CAG in the year 2017, only then further action was initiated by DGFT," the FIR alleged.

The company allegedly filed bogus shipping bills of a different company with "totally unrelated" export items with the DGFT to make them appear as "documents in support of the export obligations", the officials said.

Sambhaji Chavan and Kamble allegedly conspired with Ramesh Chavan and his chartered accountant to "overlook the requirements" pertaining to third-party exports and other requirements, they said.

"It is also alleged that bribe in cash for the above said illegal act was demanded and accepted by the public servant, Sambhaji Chavan, from the DGFT consultant, Ramesh Chavan, as disclosed before the Directorate of Revenue Intelligence (DRI) officials himself by Ramesh Chavan," the FIR alleged.

The agency has taken action against the officers after taking sanction from the Union Ministry of Commerce and Industry, they said. https://www.business-standard.com/article/pti-stories/cbi-books-joint-dgft-for-receiving-rs-1-crore-bribe-122100600677_1.html

STATES NEWS ITEMS

2. Audit Report Nails Gujarat Govt for Laxity in Controlling Environmental Pollution ([newsclick.in](https://www.newsclick.in)) 06 Oct 2022

A CAG audit has revealed the Gujarat government ignored the role of private industries, especially power plants, in contributing to pollution over the years.

Ahead of the Gujarat Assembly polls later this year, a government audit report has found that the Bharatiya Janata Party-led state government ignored the role of privately-owned industries in contributing to environmental pollution over the past few years.

As per the report tabled in the Gujarat Assembly on September 22 by the Comptroller & Auditor General (CAG) of India, the state government had ignored the role of thermal power plants while preparing pollution mitigation plans for Ahmedabad and Surat.

The report – Performance Audit of Air Pollution Control by Government of Gujarat – has also pointed out numerous instances where the BJP-led government reneged on its responsibility to regulate, monitor and penalise industries other than thermal plants for violating environmental norms.

In February 2019, the Gujarat Pollution Control Board (GPCB) had prepared Air Action Plans for the two cities under the directions of the National Green Tribunal. However, the GPCB had bypassed Torrent Group's 362 Mega Watt (MW) thermal power plant in Ahmedabad, which contributed as much as "66 per cent" to the total air pollution of the city. The role of thermal power plants operating around Surat was also ignored in its action plan for the city.

"In Ahmedabad city, Torrent Power Limited (TPL) operates a coal-based thermal power plant of 362 MW. However, while preparing the Air Action Plan for Ahmedabad city, emissions due to TPL which contributes significantly (66 per cent) to the total ambient air pollution was not considered by the GPCB. Similarly, fossil fuel based TPPs [thermal power plants] of a total 500 MW capacity were also operating in and around Surat but emission load due to these TPPs was not considered in the Air Action Plan of Surat," the CAG has stated in its report.

The Central Pollution Control Board (CPCB) approved the aforementioned reports in April 2019. However, the CAG was not convinced by the Gujarat government's justification for leaving out thermal power plants from the air action plans of the two cities.

The CAG was told, upon enquiry, in June 2021, the action plan for Ahmedabad was prepared only based on a Source Apportionment Study – a study that tracks down sources of environmental pollution – conducted by the Gujarat Energy Management Institute, a state government undertaking.

"Based on the outcome of the study [Source Apportionment Study], if required, emissions caused due to TPL will be included in the Plan," stated the audit report.

The Gujarat government also told the CAG in January 2022 that “TPPs are part of an action plan of the Ahmedabad and Surat cities as the industrial source and the format provided by CPCB for the preparation of the Air Action Plan of the city had not envisaged separate inclusion of TPPs as an individual entity.”

But the CAG’s perusal of the Source Apportionment Study revealed that the total emission load (including particulate matter and toxic oxides of Nitrogen and Sulphur) during the study period in 2018-19 was 69,123.17 kg per day; thermal power plants alone accounted for 45,794.66 kg emission per day. This amounted to 66% of the total emission load per day for Ahmedabad in 2018-19!

“No justification for non-inclusion of emission due to TPPs in the Air Action Plan of Ahmedabad was found on record. The non-inclusion of a major source of air pollution in the Air Action Plan may have an impact on designing mitigation measures,” the CAG has concluded in its report.

Gujarat has 47 units of fossil-fuel-based power plants across the state, contributing more than 10% to the country’s thermal power generation. The state government has been criticised for its handling of thermal power plants in areas other than Ahmedabad and Surat as well.

On the basis of satellite imageries captured by the US space research agency NASA and European Union’s Tropospheric Monitoring Instrument (TROPOMI), the CAG has arrived at the conclusion that the Mundra region of Gujarat is one of the worst hotspots of the country in terms of emissions of the toxic oxides of nitrogen and sulphur.

As many as 14 units of coal-based power plants with a total installed capacity of 8,620 MW were commissioned in the Mundra area between August 2009 and March 2013, which roughly corresponds to Modi’s third and fourth terms in power as Gujarat chief minister.

However, as per the CAG audit, the Gujarat government had no data or information regarding the compliance of these power plants with norms set by the CPCB to regulate emissions of toxic oxides of Sulphur and Nitrogen. Further, the audit also revealed that most of these plants had failed to adhere to norms set by the central government for the disposal and utilisation of fly ash, a toxic byproduct of coal combustion.

“Non-disposal of legacy stock of fly ash and non-compliance with norms on the utilisation of fly ash caused fugitive emission. There is a lack of emphasis by the various line departments on use of fly ash,” the audit report states.

Non-compliance with environmental norms in Gujarat is not limited to thermal power plants alone. As many as 67 of the 122 highly-polluting industries have failed to abide by the central government guidelines to install systems enabling real-time online monitoring of emissions.

Directions had been issued by the CPCB in February 2014 upon 17 categories of highly polluting industries to install these systems, which are known in technical parlance as online continuous emission monitoring system (OCEMS). Further, the

CPCB had also directed the Gujarat government in March 2015 to obtain bank guarantees equivalent to 100 per cent of the cost of these systems from targeted units in order to complete installation and ensure timely compliance. The targeted date for installing these systems was June 20, 2015. However, CAG's audit revealed that neither had the Gujarat government obtained bank guarantee in place of cost of the monitoring systems nor initiated any action against non-complying units even after six years of the order. There is no monitoring mechanism in Gujarat either to examine the efficacy of the monitoring systems that have been installed so far.

"GPCB conducts events such as rallies, exhibition, padyatras, essay competitions, paintings and drawing contests, seminars, workshops, etc., on Earth Day, World Environment Day, etc., to educate and raise awareness among stakeholders about the various requirements for environment protection and pollution control. However, GPCB has not been able to reach individual industrial units due to limited workforce," the CAG has noted.

The use of pet coke, a combustible by-product of the oil refining process with high calorific value, is not being monitored in Gujarat despite the restrictions put upon it for its high polluting potential. Pet coke importers into Gujarat did not furnish quarterly reports to the state government about its use.

However, as per data from the Gujarat Maritime Board, more than 72 lakh tonnes of polluting fuel were imported into the state between 2017 and 2021. The government was also lax in regulating pollution caused by smaller industrial units like hot mix plants, bricks kilns, stone crushers, sawmills and icemaking plants.

In a very startling revelation, the CAG has stated that the Gujarat government has not prepared any vision document, long-term plan, policy or time-bound measures for the regulation and control of air pollution in the state. They only have the Air Action Plans for Ahmedabad and Surat despite the presence of a large number of industries in other districts too.

A set of queries were emailed to senior officials of Gujarat State Pollution Control Board, as well as to the ministers in charge of forest and environment in the state, asking why no long-term policy measure to tackle air pollution has been formulated. Queries were also made as to why the pollution caused by thermal power plants was not taken into account in the formulation of air action plans for Ahmedabad and Surat. No responses had been received at the time of publishing this news article.

The CAG report was tabled in the Gujarat Assembly five days after Prime Minister Narendra Modi's highly-publicised 72nd birthday, on the occasion of which he had released eight Cheetahs – considered extinct in India for the past seven decades – into the Kuno National Park of Madhya Pradesh.

Notwithstanding Modi's display of his newfound commitment toward wildlife, the audit report has pulled up the Gujarat government for failing to keep a tab on air pollution caused by industries operating within the eco-sensitive zone of Thol Wildlife Sanctuary in Mehsana district.

Air quality in the eco-sensitive zone of the Thol Wildlife Sanctuary was not being monitored despite the presence of seven polluting industries in the region. From whatever data the CAG could lay its hands upon, it was found that compliance with norms about particulate matter and oxides of nitrogen and sulphur were much beyond permissible limits.

But, is the Gujarat government concerned about the health impacts of environmental pollution upon common people irrespective of the laxity it has displayed towards industries?

As per the audit report, Gandhinagar Municipal Corporation dumps municipal solid waste near the bank of river Sabarmati. The state pollution control board had observed the “pungent smell, burning of waste causing smoke, presence of stray animals, non-segregation of plastic waste, etc. at the dumping site.” Similarly, the CAG has found that unsegregated municipal solid waste occupies “84 acres of land in the form of three 75-foot high mounds” aggregating 95 lakh tonnes at Pirana in Ahmedabad, which the municipal body of the city has been using as a dumping ground for the past 40 years.

The CAG has further found that the Gujarat government does not conduct assessments of the impact of air pollution on the health of the general population in areas across the country identified as “critically polluted” by the CPCB on account of scoring low on a range of environmental parameters. In March 2011, the CPCB had issued instructions upon all states to conduct periodic health impact assessments in areas surrounding critically polluted industrial clusters through government-registered health institutions.

As per the CAG audit, a total number of 15 hospitals located in industrial areas of Ahmedabad, Vapi-Valsad and Ankleshwar reported 80,443 patients with asthma, bronchitis and acute respiratory infections in the period 2012-13 to 2016-17. “An increasing number of patients depicts the severity of the impact of air pollution on health ... Industries Association carried out health impact assessments in CPA [Critically Polluted Areas] with experts. However, GPCB has not undertaken any such assessment,” stated the report.

The Gujarat government also did not heed the directions issued by the CPCB in April 2016 for the installation of Continuous Ambient Air Quality Monitoring Stations (CAAQMS) in critically polluted areas. Till March 2021, only six systems were installed in Gujarat. These systems were not funded by the industries but were being operated by the Gujarat government through the state pollution control board. <https://www.newsclick.in/Audit-Report-Nails-Gujarat-Govt-Laxity-Controlling-Environmental-Pollution>

3. अहमदाबाद में 714 वाहन प्रति वर्ग किमी. है (jantaserishta.com) October 6, 2022

सितंबर 2022 तक गुजरात राज्य में प्रत्येक वर्ग किलोमीटर के लिए 151.4 वाहन हैं, मार्च 2019 से वाहन घनत्व में 22.8 या 17% की वृद्धि हुई है। सूरत जिले में सबसे अधिक वाहन घनत्व 956 है, इसके बाद अहमदाबाद जिले में 714 है।

इस वृद्धि को नियंत्रक एवं महालेखापरीक्षक ने अपनी रिपोर्ट 'गुजरात सरकार द्वारा वायु प्रदूषण नियंत्रण के निष्पादन लेखापरीक्षा-

2022' में हरी झंडी दिखाई थी। रिपोर्ट में कहा गया है कि मार्च 2001 को वाहन घनत्व सिर्फ 28.4 था। मार्च 2011 तक यह बढ़कर 73.5 हो गया, जो एक दशक में 45 या 158% की वृद्धि है।

वाहन 2011 से 2019 तक, वाहन घनत्व बढ़कर 128.5 हो गया, प्रति वर्ग किमी 55 वाहनों की वृद्धि या 75%। वाहन पंजीकरण के आंकड़े बताते हैं कि अगले 40 महीनों में यह आंकड़ा 22 (17%) बढ़ गया।

वृद्धि और अधिक होती, लेकिन कोविड की चपेट में आने के बाद वाहनों की बिक्री में भारी कमी आई और यह मुख्य रूप से दोपहिया खंड में था।

2000 और 2022 के बीच 22 वर्षों में, राज्य में पंजीकृत वाहनों की कुल संख्या 0.56 लाख से बढ़कर 2.97 करोड़ हो गई, जो 432% की वृद्धि है।

पिछले पांच साल में राज्य में जहां 68.3 लाख वाहनों का पंजीकरण हुआ, वहीं अकेले अहमदाबाद में यह संख्या करीब 20 लाख है. राज्य में सबसे अधिक वाहन अहमदाबाद जिले में पंजीकृत हैं।

परिवहन विभाग के एक अधिकारी ने कहा कि राज्य में उचित परिवहन बुनियादी ढांचे की कमी है और इसलिए निजी वाहन ही एकमात्र उपलब्ध विकल्प हैं और वाहन संख्या तेजी से बढ़ रही है।

शहर के एक यातायात विशेषज्ञ अमित खत्री ने कहा कि अहमदाबाद और सूरत दोनों में, नगरपालिका परिवहन की स्थिति भयानक है, और लोगों को निजी वाहनों पर निर्भर रहना पड़ता है।

"सूरत में घनत्व हीरे और कपड़ा इकाइयों के कारण अधिक है। इसकी परिधि पर औद्योगीकरण के परिणाम स्वरूप जनसंख्या में उछाल आया है। हीरा शहर भीड़भाड़ वाला है।

अहमदाबाद के बारे में उन्होंने कहा कि शहर इस प्रकार क्षैतिज रूप से बहुत आगे बढ़ रहा था लेकिन ऊर्ध्व विकास शुरू हो गया है और इसलिए वाहन घनत्व में वृद्धि होगी। खत्री ने कहा कि शहर को ट्राफिक जाम को कम करने के लिए सूरत की तर्ज पर अच्छे फ्लाईओवर की जरूरत है।

एसवीएनआईटी में सिविल इंजीनियरिंग विभाग के प्रमुख और परिवहन पर शोधकर्ता प्रोफेसर गौरांग जोशी ने कहा,

"सूरत में हमारे पास प्रभावी सार्वजनिक परिवहन नहीं है। हम सार्वजनिक परिवहन बुनियादी ढांचे में 20 साल देर से हैं, इसलिए मौजूदा सुविधाएं पर्याप्त नहीं हैं। हम युवा पीढ़ी के बीच सार्वजनिक परिवहन का उपयोग करने की आदत भी विकसित नहीं कर रहे हैं।" <https://jantaserishta.com/local/gujarat/ahmedabad-has-714-vehicles-per-sq-km-1633316>

4. CAG ने Gehlot सरकार को रिपोर्ट सौंपी, ये होने वाला है बड़ा खुलासा (atrika.com) October 6, 2022

भारत के नियंत्रक और महालेखा परीक्षक ने राजस्थान में दीनदयाल उपाध्याय ग्राम ज्योति योजना के कार्यान्वयन पर निष्पादन संबंधी 7वीं रिपोर्ट और पंचायती राज संस्थाओं से संबंधित रिपोर्ट पिछले दिनों राज्य सर

कार को सौंप दी है। अब ये रिपोर्ट विधानसभा के पटल पर रखी जायेगी। दीनदयाल उपाध्याय ग्राम ज्योति योजना के कार्यान्वयन पर निष्पादन संबंधी रिपोर्ट में वित्त वर्ष 2019-20 एवं पंचायती राज संस्थाओं से संबन्धित रिपोर्ट

में वित्त वर्ष 2020-21 से सम्बन्धित नियंत्रक महालेखा परीक्षक की टिप्पणियां और आक्षेप शामिल हैं। संविधान के अनुच्छेद 151 के अनुसार नियंत्रक और महालेखा परीक्षक को हर साल राज्य सरकार और उन के सार्वजनिक क्षेत्रों के उपक्रमों के लेखों के संबंध में अपनी रिपोर्ट सौंपनी होती है। यह लेखा परीक्षण संबंधित राज्य के महालेखाकार द्वारा नियंत्रक और महालेखा परीक्षक के निर्देशन में किया जाता है। राजस्थान विधानसभा का सत्र पिछले दिनों ही अनिश्चितकाल के लिए स्थगित किया गया था। अब तो गहलोट सरकार जनवरी में बजट सत्र बुलाएगी और उसी में सीएजी की ये रिपोर्ट पेश की जाएगी। <https://www.patrika.com/jaipur-news/cag-submitted-the-report-to-the-state-government-7807117/>

5. सीएजी ने राजस्थान सरकार को सौंपी रिपोर्ट (hindusthansamachar.in) October 6, 2022

भारत के नियंत्रक और महालेखा परीक्षक (सीएजी) ने राजस्थान में दीनदयाल उपाध्याय ग्राम ज्योति योजना के कार्यान्वयन पर निष्पादन संबंधी सातवीं रिपोर्ट और पंचायती राज संस्थाओं से संबन्धित रिपोर्ट 30 सितम्बर को राज्य सरकार को सौंप दी है। अब ये रिपोर्ट विधानसभा के पटल पर रखी जायेगी।

दीनदयाल उपाध्याय ग्राम ज्योति योजना के कार्यान्वयन पर निष्पादन संबंधी रिपोर्ट में वित्त वर्ष 2019-20 एवं पंचायती राज संस्थाओं से संबन्धित रिपोर्ट में वित्त वर्ष 2020-21 से संबन्धित नियंत्रक महालेखा परीक्षक की टिप्पणियां और आक्षेप शामिल हैं।

संविधान के अनुच्छेद 151 के अनुसार नियंत्रक और महालेखा परीक्षक को हर साल राज्य सरकार और उन के सार्वजनिक क्षेत्रों के उपक्रमों के लेखों के संबंध में अपनी रिपोर्ट सौंपनी होती है। यह लेखा परीक्षण संबंधित राज्य के महालेखाकार द्वारा नियंत्रक और महालेखा परीक्षक के निर्देशन में किया जाता है। <https://www.hindusthansamachar.in/Encyc/2022/10/6/CAG-submits-report-to-state-government.php>

6. ग्रीनपार्क अंतरराष्ट्रीय क्रिकेटर मैच मामला पहुंचा कैग: खेल विभाग और यूपीसीए के एमओयू में राजस्व हानि का आरोप, कैग से जांच कराने की मांग (baskar.com) October 7, 2022

कानपुर।

खेल विभाग और उत्तर प्रदेश क्रिकेट संघ (यूपीसीए) के बीच ग्रीनपार्क में हुए अंतरराष्ट्रीय क्रिकेट मैच का कोई रिकॉर्ड नहीं मिलने का मामला कैग पहुंचा है। आरटीआई एक्टिविस्ट अश्वनी कुमार शुक्ला के द्वारा शिकायत की गई है कि, अनुबंध में सरकार को राजस्व की चोट और अधिकारियों के गडबड़-घोटाले किया है। अब इस मामले की जांच महालेखाकार के द्वारा कराई जाये।

बता दें कि कानपुर के खेल विभाग के पास यूपीसीए द्वारा ग्रीन पार्क में कराये गये अंतरराष्ट्रीय क्रिकेट मैचों का कोई आंकड़ा नहीं है। जिसके चलते खेल विभाग में जमा होने वाली एक करोड़ से ज्यादा की राशि ज

मा नहीं होने का अंदेशा जाहिर किया जा रहा है। इस मामले में शिकायत पर जिलाधिकारी ने एक जांच कमेटी बनाई थी उसके बाद भी राजस्व की हुई हानि के आंकड़े सामने नहीं आ पाये है।

सात साल पहले हुआ था अनुबंध

खेल विभाग और यूपीसीए के बीच 7 साल पहले हुए अनुबंध के बाद से खेल विभाग के पास संघ की ओर से कराए गए अंतरराष्ट्रीय मैचों का कोई ब्योरा ही नहीं है। जिससे यूपीसीए ने कब और किस मैच की धन राशि खेल विभाग के पास जमा कराई, ये रहस्य बना हुआ है। एक आरटीआई में इन बातों का खुलासा हुआ जिसमें प्रदेश सरकार को लगभग एक करोड़ रुपए के आसपास के राजस्व के नुकसान का अनुमान लगाया गया है।

कई मैचों का रिकॉर्ड ही नहीं

यही नहीं, प्रदेश के खेल विभाग के अधिकारी और कर्मचारियों के पास कई अंतरराष्ट्रीय मैचों का कोई रिकॉर्ड ही नहीं है। ये जानकारी एक जनसूचना शिकायती पत्र के जवाब में स्वयं खेल विभाग के जनसूचना अधिकारी ने दी है। बता दें कि यूपीसीए और प्रदेश की अखिलेश सरकार के बीच साल 2015 के अप्रैल में ग्रीनपार्क को लीज में लेने के लिए अनुबंध किया गया था। शिकायती पत्र में बताया गया है, कि ग्रीनपार्क में एमओयू के बाद साल 2015 के अक्टूबर में ही दक्षिण अफ्रीका के बीच एक दिवसीय मैच आयोजित किया गया। इसके बाद कई टेस्ट और एक टी-

20 मैच के अलावा चार आईपीएल के मैच आयोजित किए गए। जो कि बीसीसीआई और यूपीसीए के रिकॉर्ड में दर्ज हैं।

नहीं जमा कराई गई धनराशि

खेल विभाग और यूपीसीए के बीच साल 2015 में हुए अनुबंध हुआ था। जिसमें टेस्ट और एक दिवसीय समेत टी-20 मैचों के लिए 15-

15 लाख की धनराशि खेल विभाग के खाते में जमा होनी थी। जबकि आईपीएल मैचों के लिए 25 लाख की धनराशि तय की गई थी। खेल विभाग के पास 2015 से 2022 तक ग्रीनपार्क में आयोजित अंतरराष्ट्रीय मैचों का रिकॉर्ड ही नहीं है। तो ऐसे में यूपीसीए द्वारा खेल विभाग को दी जाने वाली राशि का विवरण मांगा गया है।

ऑडिट कराने की उठाई है मांग

बताते चलें कि साल 15 से अब तक ग्रीनपार्क में चार आईपीएल, एक अंतरराष्ट्रीय टी-

20, दो एक दिवसीय समेत दो टेस्ट मैच भी आयोजित किए जा चुके हैं। आरटीआई एक्टिविस्ट अश्वनी कुमार शुक्ला ने महालेखाकार से मांग की है, कि जब ये सारे कार्य सरकारी पैसों के गबन आर्थिक अपराध की श्रेणी में आते हैं। साथ ही याचिकाकर्ता ने पत्र के माध्यम से कैग से प्रदेश सरकार के हित में इस सरकारी धन के गबन का अपने विभाग से ऑडिट कराने के लिए अधिकारी व कर्मचारी को नियुक्त करने की मांग की है। <https://www.bhaskar.com/local/uttar-pradesh/kanpur/news/allegation-of-loss-of-revenue-in-mou-of-sports-department-and-upca-demand-for-investigation-by-cagkanpur-130406756.html>

7. Bihar: Govt Hospital Doctors Protest Mandatory Biometric Attendance ([newsclick.in](https://www.newsclick.in)) October 6, 2022

Amid a shortage of staff, overworked doctors are opposed to linking biometric attendance with their salary.

Patna: Hundreds of doctors of government-run hospitals and other health facilities in Bihar went on strike on Thursday to protest against mandatory biometric attendance and support their eleven-point demands, including a non-practising allowance and implementation of the old pension scheme.

The strike has paralysed out-patient departments in government-run hospitals across the state, but doctors say they will still attend to emergency patients in critical conditions.

The government doctors have been protesting under the call given by Bihar Health Services Association (BHSA). "All the government doctors have been boycotting the OPD services to protest against the state government decision to make biometric attendance mandatory along with their other demands," Dr Ranjeet Kumar, general secretary of BHSA, told News Click.

Kumar said doctors will attend to critical patients in emergency. "We were forced to protest because the government failed to revoke its decision to link biometric attendance with their salary. We are against mandatory biometric attendance," he said.

According to BHSA members, the health department is facing a shortage of doctors in government-run hospitals. This has put an extra burden on the doctors who have been working for long hours. In such a situation, the doctors say mandatory biometric attendance is a poor decision. The government had assured them to revoke the decision of compulsory biometric attendance. However, to date, no decision has been taken in this matter.

The BHSA threatened that the government doctors will go on indefinite strike if their demands were not fulfilled.

As per reports, OPD services have been badly hit by the doctors' strikes in nine government-run medical colleges and hospitals, main district hospitals and block-level hospitals.

The peaceful strike by doctors at the Patna Medical College and Hospital, and Nalanda Medical College Hospital (NMCH) in Patna disrupted health services. Similar situations were seen in Darbhanga Medical College Hospital, Sri Krishna Medical College Hospital in Muzaffarpur, Jawaharlal Nehru Medical College Hospital in Bhagalpur, and Anugrah Narayan Magadh Medical College in Gaya.

In Patna, mostly the poor patients have been facing problems primarily at the OPD in PMCH where they were referred to consult from different hospitals across the state.

The state health department has directed officials of medical colleges and hospitals as well as concerned district officials to manage the situation amid the strike.

Despite government claims, health infrastructure remains poor in Bihar; thousands of patients, primarily poor and marginalised, visit OPDs at different hospitals and return without treatment due to the unavailability of doctors, defunct ultrasound, x-ray machines, etc. This year's latest report by the Comptroller and Auditor General of India (CAG) revealed the alarming healthcare situation.

The report stated that the government-run hospitals, mainly the district hospitals, suffered from a severe lack of resources, workforce and plans for the growing population. It also clarified that the number of doctors, nurses and other paramedic staff was significantly less.

"There was a persistent shortage of doctors, nurses, paramedical staffs, and technicians in Bihar from 2014 till 2020, but the department did not publish the total vacancies to get them filled," the report said.

As per the report, there is a shortfall of beds, ranging from 52% to 92%. Actual bed strength was not raised to the sanctioned level even as a decade had passed.

According to the CAG report, the district government-run hospitals could hardly provide patients with basic health facilities. The situation was noticed during the audit of the functioning of hospitals in five districts - Biharsharif, Hajipur, Jehanabad, Madhepura, and Patna - for the period 2014-15 to 2019-20. <https://www.newsclick.in/Bihar-Govt-Hospital-Doctors-Protest-Mandatory-Biometric-Attendance>

SELECTED NEWS ITEMS/ARTICLES FOR READING

8. Expenditure under Centrally Sponsored Schemes up by 72.1% till FY22 ([business-standard.com](https://www.business-standard.com)) October 7, 2022

Expenditure under central schemes up 72% in 6 years

11 states, UTs spent more than allocated share in FY21; but in FY23, Centre expects to save ₹80,000 cr

ANUSHKA SAWHNEY & SAMREEN WANI
New Delhi, 6 October

Although the government has been overshooting its Budget targets for Centrally Sponsored Schemes (CSS) over the past two financial years, it may end up saving ₹80,000 crore this year. This is because of underutilisation of funds and tardy spending by states, according to media reports.

Over the last six financial years, the Budget allocation under CSS has increased by 90.9 per cent — from ₹2.31 trillion in FY17 to ₹4.4 trillion in FY23.

The finance ministry is expected to begin its estimations on the Revised Budget for the current financial year this month.

In some cases, the delay in spending by states is due to the new Single Nodal Agency system, which designates a single nodal account with a bank for each such scheme for the disbursement of funds from the Centre.

Centrally Sponsored Schemes are 49 major and other schemes funded by the Centre but implemented by the states. These include the Mahatma Gandhi National Rural Employment Guarantee Scheme, Jal Jeevan Mission, Pradhan Mantri Awas Yojana, National Health Mission, National Rural Livelihood Mission, and Swachh Bharat Mission, among others.

A *Business Standard* analysis of the Reserve Bank of India's (RBI's) data on state finances found that in FY21 (the last year for which this data is available), 11 out of the 31 states and Union Territories (UTs) spent more than their allocated share of funds under CSS. In FY20 and FY19, only three states had exceeded the Budget allocation. FY20 and FY19 were also the ones when the expenditure under CSS was less than the Budget allocation.

However, there are some variations in the performance of the states.

In FY21, Arunachal Pradesh and Delhi spent 59.3 per cent and 51.3 per cent more than their Budget

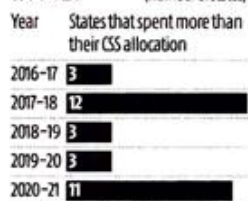


REPORT CARD

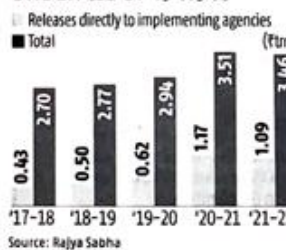
HOW CSS EXPENDITURE HAS MOVED IN 6 YEARS



11 STATES HAD HIGHER EXPENDITURE THAN THEIR CSS BUDGET IN FY21



FUNDS RELEASED TO IMPLEMENTING AGENCIES UNDER CSS UP 154.5%



allocation, respectively. In the previous financial year, Karnataka (20.9 per cent) and Himachal Pradesh (12.9 per cent) had overshoot their Budget allocation. In FY19, Tamil Nadu and West Bengal spent 12.2 per cent and 8.1 per cent more than their allocated Budget, respectively.

The analysis also found that the amount of funds released to the implementation agencies has dou-

bled as a share of the total CSS allocation from 15.9 per cent in FY18 to 31.5 per cent in FY22.

The implementation agencies received ₹1.09 trillion in FY22. However, agencies in Bihar, Maharashtra and Tamil Nadu saw a decline in the funds released in FY22 from the previous financial year. Maharashtra recorded the sharpest decline — from ₹0.33 trillion in FY21 to ₹0.04 trillion in FY22.

https://www.business-standard.com/article/economy-policy/expenditure-under-centrally-sponsored-schemes-up-by-72-1-till-fy22-122100600835_1.html

9. Government identifying PSUs with land bank but little business for selloff ([business-standard.com](https://www.business-standard.com)) October 7, 2022

With an aim to collect surplus land, the government is identifying the Public Sector Undertakings (PSUs) that have land bank but little to no use as the business isn't productive anymore, The Times of India reported. For this, the government has established a special purpose vehicle (SPV) called the National Land Monetization Corporation (NLMC), a wholly-owned organisation.

Hemisphere Properties, the listed firm, for example, established to take over the land of the former VSNL (now Tata Communications), is one of the businesses that is thought to have a sizable land bank.

The PSU, which is administratively governed by the housing and urban affairs ministry, even advertised the sale of farmhouses in South Delhi that were priced at upward of Rs 25 crore each.

Sources stated that although a final decision on the company's fate has not been made as a result of reservations by some ministries. There are numerous similar companies that are sitting on land and are seen as suitable candidates to be taken up for privatisation or sale after transferring the land to the recently established SPV.

The action is being undertaken at a time when the Center is eager to continue its asset monetisation programme, which has slowed down recently, especially as a result of railways choosing to take on a number of projects like modernising railway stations via the EPC route or giving up the process of enlisting private players to operate trains.

After collecting Rs 96,000 crore last year, against a target of Rs 88,000 crore, the government is aiming for Rs 1.6 lakh crore in asset monetisation in the current fiscal. As things have not advanced past the company's incorporation, the Center is perceived as being hesitant to move on monetising the enormous land bank that is available with NLMC. https://www.business-standard.com/article/economy-policy/government-identifying-psus-with-land-bank-but-little-business-for-selloff-122100700330_1.html

10. World Bank downgrades India's economic growth forecast to 6.5 pc for FY23 ([indianexpress.com](https://www.indianexpress.com)) October 6, 2022

The World Bank on Thursday projected a growth rate of 6.5 per cent for the Indian economy for the fiscal year 2022-23, a drop of one per cent from its previous June 2022 projections, citing deteriorating international environment.

In its latest South Asia Economic Focus released ahead of the annual meeting of the International Monetary Fund and the World Bank, the Bank, however, noted that India is recovering stronger than the rest of the world.

The Indian economy grew by 8.7 per cent in the previous year.

“The Indian economy has done well compared to the other countries in South Asia, with relatively strong growth performance... bounced back from the sharp contraction

during the first phase of COVID,” Hans Timmer, World Bank Chief Economist for South Asia, told PTI in an interview.

India, he said, has done relatively well with the advantage that it doesn't have a large external debt, there are no problems coming from that side, and that there is prudent monetary policy, he observed.

The Indian economy has done especially well in the services sector and especially service exports.

“But we have downgraded the forecast for the fiscal year that just started and that is largely because the international environment is deteriorating for India and for all countries. We see kind of an inflection point in the middle of this year, and first signs of slowing across the world,” he said.

The second half of the calendar year is weak in many countries and will be relatively weak also in India, he said.

Timmer said that's mainly because of two factors. One is the slowing of growth in the real economy of high-income countries.

The other one is the global tightening of monetary policy that tightens financial markets and not just that it leads to capital outflows in many developing countries, but it also increases interest rates and uncertainty in developing countries which has a negative impact on investment.

“So, it (India) has done relatively well. It is not as vulnerable as some of the other countries. But it's still in tough weather. It (India) has to navigate the higher commodity prices and there are more headwinds at the moment,” he said in response to a question.

India is doing better than the rest of the world, he said, adding that there are more buffers in India, especially large reserves at the central bank. That's very helpful. “Then the government has very actively reacted to the COVID crisis,” he said.

The Indian government has set an example for the rest of the world, like expanding social safety nets, using digital ideas. “I think it's almost up to a million people that they are reaching at the moment. It's a good response also,” he said.

At the same time, he said that he does not agree with all the policies of the Indian government.

“Especially their reaction to the high commodity prices might seem logical in the short run, but might backfire in the long run. For example, the export ban on wheat and the export ban or the very high tariffs on rice exports,” he said.

They seem logical to create food security domestically, but ultimately that creates more problems in the rest of the region and the rest of the world.

“So not all policies are optimal, but a strong reaction to the crisis in terms of relief efforts, strong monetary policies, and in general a trend towards a more business friendly environment,” Timmer said.

Responding to a question, he said since India needs to address some of the key concerning issues.

“Although we look at a relatively favorable growth rate, it is growth that is supported by only a small part of the economy. It sounds good, but if it is not coming from a much broader base, then that growth rate of a relatively small part of the economy doesn’t translate into significant growth of income for all the households,” he said.

Timmer pointed out that only 20 per cent of the women are participating in the labor market.

“That is a problem that has to be addressed. You don’t solve that just by extending your social security system. That’s important. Ultimately, the people should be given the tools to generate income themselves,” he said.

“What we have seen in the region and to some extent in India also is that the government was not really prepared to absorb all those shocks that we are seeing in the region. The COVID shock, the war in Ukraine and the commodity prices are once in a lifetime shocks and they come one after the other and then the environmental disasters also,” he said.

Both the government and the people are not prepared to cope with that. And that is because just too few people are fully participating in the economy, he argued, adding that that’s a high priority for India to make progress there.

“In India, the focus is on the existing big firms. Focus is on FDI. And that’s all very good. The focus is on social safety nets. That’s also very good. But it’s not enough. You need to integrate more people in the economy,” Timmer said. <https://indianexpress.com/article/business/economy/world-bank-downgrades-indias-economic-growth-forecast-to-6-5-pc-for-fy23-8193852/>

11. An economic storm ([thehindubusinessline.com](https://www.thehindubusinessline.com)) October 06, 2022

The Covid pandemic’s sudden and severe outbreak gave very little time to both monetary and fiscal authorities to deliberate on the appropriate doses and combination of two sets of public policies. Both monetary and fiscal policies were ultra-accommodative to deal with the catastrophe.

Besides fiscal deficit, the balance sheet size of the US Fed alone went up from less than \$4 trillion to nearly \$9 trillion during the pandemic. The policy profligacy on most parts of the world arrested the contraction of GDP, but asset/commodity prices quickly flared up globally.

As against the target of about 2 per cent, retail inflation in most developed countries is currently approaching double-digit. Central banks were behind the curve for a while as they misread the current inflation as transitory. Although originated from severe

supply disruptions following the pandemic, retail inflation has been generalised, at least partly due to policy excesses and post-pandemic revival of demand. Despite low-capacity utilisation, supply response has been generally inadequate. The demand-supply mismatch has widened as the post-pandemic recovery has faltered.

The public policy responses to high inflation and low growth are difficult. Nevertheless, most developed countries' central banks have realised that inflation control is a must, even at the cost of growth, to prevent macroeconomic imbalances from aggravating further.

Recession fears

The probability of recession, at least in developed countries, has been accentuated due to the rapid reversal of monetary policy. Can they really sail through the choppy growth scenario ahead and return to a positive real policy rate? Can they achieve price stability if they abort early as pressure to support growth would emerge sooner than later?

The prolonged Russian-Ukraine war added a new dimension to supply disruption. Globally, commodity prices, especially crude oil and gas prices have been ruling high despite the global growth slowdown. Monetary policy in most emerging market economies (EMEs) is also in tightening mode due to inflationary pressures. Is it due to the second-round effect, inadequate supply response vis-à-vis sustained demand or imported inflation due to high crude oil prices?

The US monetary policy has unnerved the rest of the world. The global meltdown of asset prices following successive large Fed rate hikes has begun. Despite the US GDP contraction during the first two quarters of 2022, capital has been flowing unidirectionally toward the US due to the dollar's appreciation.

Trying to sail cautiously in the periphery, the EMEs are facing headwinds on multiple fronts - currency depreciation, capital outflows, export slowdown, imported inflation and above all growth slowdowns.

Among EMEs, India may escape the current global storm with less damage to its economy. India did not go for fiscal excesses during the pandemic. Cash outgo from the Budget was need-based to help the most vulnerable sections of society, combined with several structural reforms to make the economy resilient and self-sufficient. The repo rate was retained well above its peers, which helped RBI to hike the repo rate not more than 50 basis points at a time, compared to 75 bps by the Fed Reserve consecutively three times so far in 2022.

The excess liquidity has been almost clawed back mainly through forex market interventions. The rupee's depreciation against the dollar is much less compared to many currencies.

As the fastest-growing major economy, India would continue to attract global investment notwithstanding uncertainty about portfolio flows. India's external debt-to-GDP at 20 per cent is modest; hence, there is no cause for concern in servicing external debt despite rising global interest

rates. <https://www.thehindubusinessline.com/opinion/an-economic-storm/article65976882.ece>

12. World currency reserves shrink by \$1 trillion in record drawdown ([financialexpress.com](https://www.financialexpress.com)) October 6, 2022

India's stockpile, for example, has tumbled \$96 billion this year to \$538 billion. The country's central bank said asset valuation changes account for 67% of the decline in reserves during the fiscal year from April, implying the rest came from intervention to prop up the currency.

Global foreign-currency reserves are falling at the fastest pace on record, as central banks from India to the Czech Republic intervene to support their currencies. Reserves have declined by about \$1 trillion, or 7.8%, this year to \$12 trillion, the biggest drop since Bloomberg started to compile the data in 2003. Part of the slump is simply due to valuation changes. As the dollar jumped to two-decade highs against other reserve currencies, like the euro and yen, it reduced the dollar value of the holdings of these currencies. But the dwindling reserves also reflect the stress in the currency market that is forcing a growing number of central banks to dip into their war chests to fend off the depreciation.

India's stockpile, for example, has tumbled \$96 billion this year to \$538 billion. The country's central bank said asset valuation changes account for 67% of the decline in reserves during the fiscal year from April, implying the rest came from intervention to prop up the currency. The rupee has lost about 9% against the dollar this year and hit a record low last month. Japan spent about \$20 billion in September to slow the yen's slide in its first intervention to support the currency since 1998. That would account for about 19% of the loss of reserves this year. A currency intervention in the Czech Republic helped drive down reserves there by 19% since February.

"This is all part of the catalog of symptoms of the canary in the coal mine," said Axel Merk, chief investment officer at Merk Investments, of the declining reserves. "Cracks are showing up. And those red flags will come at an increasing pace." While the magnitude of the decline is extraordinary, the practice of using reserves to defend currencies isn't anything new. Central banks buy dollars and build up their stockpiles to slow currency appreciation when foreign capital floods in. In bad times, they draw on the reserves to soften the blow from capital flight. "Some countries, notably in Asia, can go both ways, smoothing weakness, and pockets of strength," said Alan Ruskin, chief international strategist at Deutsche Bank AG.

Most central banks still have enough firepower to keep interventions going, if they chose to. Foreign reserves in India are still 49% higher than 2017 levels, and enough to pay for nine months of imports. Central banks including those from Indonesia, Malaysia, China and Thailand will be releasing their latest foreign reserves data on Friday. But for others, they are quickly depleting. After declining 42% this year, Pakistan's \$14 billion of reserves aren't enough to cover three months of imports, data compiled by Bloomberg show. <https://www.financialexpress.com/economy/world-currency-reserves-shrink-by-1-trillion-in-record-drawdown/2702007/>

13. 56 mn Indians may have turned poor in 2020 due to pandemic: World Bank ([business-standard.com](https://www.business-standard.com)) October 6, 2022

About 56 million Indians may have plunged into extreme poverty in 2020 as a result of the pandemic, increasing the global tally by 71 million and making it the worst year for poverty reduction since World War II, according to fresh estimates by the World Bank.

“The global goal of ending extreme poverty by 2030 is likely to be missed: By then, about 600 million people will remain in abject poverty. A major course correction is needed,” Indermit Gill, chief economist at the World Bank, tweeted.

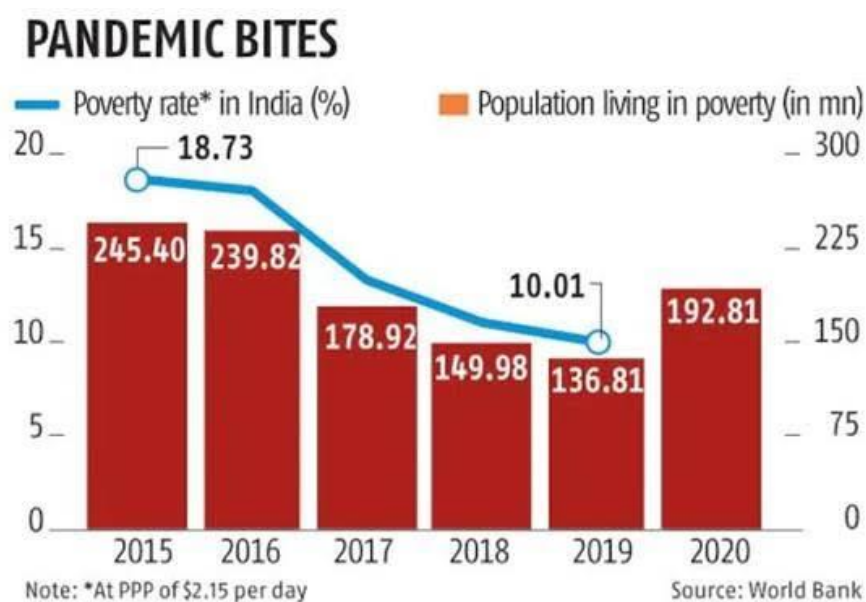
The World Bank in its latest “Poverty and Shared Prosperity” made fresh estimates of poverty using a new extreme poverty line based on the purchasing power parity (PPP) of \$2.15, the earlier one being at \$1.9.

The multilateral lending institution used data from the Consumer Pyramids Household Survey (CPHS), conducted by the Centre for Monitoring Indian Economy (CMIE), to estimate poverty for India in the absence of Household Consumer Expenditure Survey data from the government since 2011-12.

The report, however, contended that poverty had declined in India since 2011, driven by a larger poverty reduction in rural areas.

“Even though overall poverty has declined, it is by less than what earlier estimates used for global poverty measurement would suggest. Previous estimates suggested a poverty headcount rate at the \$1.90 poverty line of 10.4 per cent in 2017. The latest estimate shows that poverty at the \$1.90 poverty line was 13.6 per cent in 2017,” the report said.

At the new poverty line of \$2.15, extreme poverty in India declined to 10.01 per cent in 2019 from 11.09 per cent in 2018 before the pandemic came. For 2020, the World Bank said it was yet to estimate the poverty rate.



N C Saxena, who was member of the erstwhile Planning Commission, said the World Bank underestimated poverty in India by measuring it at the purchasing power parity value of the dollar, which is around Rs20 only.

“Many estimates by independent economists have suggested that 275-300 million people fell into extreme poverty during the pandemic. Even the NITI Aayog’s own multidimensional poverty index identifies 25 per cent people as poor,” he added.

The latest estimates do not take into account the impact of the Russia-Ukraine war.

“The war in Ukraine and higher food and energy prices have made matters worse. A total of 685 million people could be living in extreme poverty by the end of this year—nearly 90 million more than would have been the case if the pre-COVID pace of poverty reduction had continued,” the report said.

The World Bank said the pandemic’s impact on poverty in 2020 would have been worse without the fiscal responses of countries in the form of cash-transfer programmes, wage subsidies, unemployment benefits, etc.

India launched a free food grains programme under the Pradhan Mantri Garib Kalyan Yojana to provide food security to the poor.

Suggesting fiscal policy measures to repair the damage, the World Bank said programmes like targeted cash transfers were far more likely to reach poor and vulnerable groups.

“More than 60 per cent of spending on cash transfers goes to the bottom 40 per cent. There is growing evidence that they offer beneficial impacts in the long run, allowing families, for example, make crucial investments such as in the education of children,” it added. https://www.business-standard.com/article/economy-policy/56-mn-indians-may-have-turned-poor-in-2020-due-to-pandemic-world-bank-122100601068_1.html

14. Is the Indian Navy ready for Seabed Warfare? ([financialexpress.com](https://www.financialexpress.com)) October 6, 2022

The Ministry of Defence (MoD) initiated a preliminary procedure to acquire autonomous underwater vehicles (AUVs) or underwater drones with dual observation and strike capabilities in June 2022. The Defence Research and Development Organisation (DRDO) is also attempting to “improve submarine situational awareness” and real-time imagery.

In recent years, there has been a surge in interest in activities aimed at exploiting the economic resources of the seabed, as well as the vulnerabilities resulting from states’ increasing reliance on seabed infrastructure, most notably undersea cables, which are estimated to carry 95 percent of all international digital data. At the landing points along the shore, cables originating from various regions of the globe link to India. India has a total of five landing sites at present. One may find these in Mumbai, Cochin, Trivandrum, Tuticorin, and Chennai. These landing stations also provide connection to landing stations inside the country and landing stations in neighbouring nations.

The significance of the underwater cable network for civilian and military communications cannot be overstated, yet this network is still susceptible. During peacetime, undersea cables are guarded by several international agreements. In times of armed conflict, however, combatants can weaken, damage, or cut underwater cables and exploit them to conduct cyber attacks. However, network sabotage may have third-order repercussions that extend beyond belligerents and influence neutral states.

Seabed operations and deep-diving underwater capabilities which the US, the UK, France, China and Russia have been building can potentially stabilize or endanger such infrastructure for the world. The Nord Stream pipeline sabotage is a perfect example of the potential. The US, Russia and the European nations are equal suspects in the attack.

Indian Navy lacks seabed and underwater capabilities

In response to China's escalating incursions into the Indian Ocean Region (IOR), the Indian Navy announced in 2021 its intent to purchase many unmanned aerial and undersea systems to considerably increase its observation capacity. The procurement will be made as part of a roadmap plan for unmanned platforms, which was finalized at a recent senior navy commanders meet where the necessity to acquire new-age platforms was topping the agenda. The Navy had also stated that it would prioritize domestic procurement of unmanned systems. However, the Navy doesn't seem to have many projects for unmanned underwater platforms.

Although some have been used to identify practice torpedoes and monitor missiles without warheads, this would be the Navy's first time using underwater sensors. Oil corporations such as ONGC and Reliance use AUVs to monitor and repair underwater pipelines.

The Ministry of Defence (MoD) initiated a preliminary procedure to acquire autonomous underwater vehicles (AUVs) or underwater drones with dual observation and strike capabilities in June 2022. The Defence Research and Development Organisation (DRDO) is also attempting to "improve submarine situational awareness" and real-time imagery.

According to sources the Indian Navy is open to both indigenous and foreign AUVs, but top officials are aware that it would take "a long time" for indigenous underwater drones to be ready for military use. The Indian UAV sector, which is still in its infancy, has already taken the first steps toward achieving the Navy's goals.

Chinese assets

China's deep seabed survey activities aim to extract natural resources and gather oceanographic data in support of the Chinese Communist Party's strategic objective of extending the geographical extent and lethality of the PLA Navy's blue-water submarine fleet.

Deep bed surveys supply the PLA Navy with oceanographic data on the bottom contours, water temperature, salinity, and other parameters of what the Chinese refer to as the “ocean battlespace environment.”

China has several UUVs which have mapped the deep waters worldwide. UUVs are also used in subsea warfare. For instance, the HSU001 vehicle is designed for seabed warfare capabilities, allowing it to remain undetected on the ocean below for lengthy periods. The US and China have the highest budget for deep sea activities.

Lack of indigenous underwater drones

Under the DRDO’s Technology Development Fund programme, Larsen & Toubro (L&T) has inked a MoU with Bengaluru-based New Space Research & Technologies to design and manufacture “underwater launched UAVs.” The L&T-New Space Research & Technologies underwater drone, whose construction would take at least “a couple of years,” will initially be used “exclusively for surveillance reasons,” according to reports in the public domain. The UUV is named Amogh.

The Mazgaon Dock Limited (MDL) has launched a program to develop an eXtra Large Unmanned Underwater Vehicle (XLUUV). XLUUV is meant to perform tasks such as periodic communication, payload deployment, pre-programmed mission execution, and return to base. The internal and exterior cargo capacities are meant to be reconfigurable depending on mission-specific requirements.

The Indian Navy has certain assets that can be used for underwater activities like the INS Nireekshak for diving support. In addition, it has Deep Sea Submergence Vehicles (DSSVs) for submarine rescue (deep-submergence rescue vehicle (DSRV)), which may also be utilized for specific purposes other than submarine rescue.

Then there is the Hydrographic Survey ship INS Sarvekshak meant for the undersea survey.

INS Sagardhwani has a DRDO developed system for launching AUVs, but there are no details on the AUVs it will launch. DRDO did make an AUV prototype in 2015, which has remained a research project.

For the underwater offensive capabilities, the Indian Navy has submarines, but the arm is the weakest link, as it has just 3-4 modern submarines other than submarines from the 1980s vintage.

India’s maritime security and economic prosperity need a strong UUV capacity in the evolving regional marine security landscape. Therefore, the Naval Unmanned Roadmap will give a roadmap for the future and function as a spur for all stakeholders to coordinate their efforts in establishing the ecosystem for constructing and operating these platforms. Until indigenous capabilities are established, foreign-made underwater drones will likely be deployed. <https://www.financialexpress.com/defence/is-the-indian-navy-ready-for-seabed-warfare/2702303/>

15. How silos can cut foodgrain procurement costs by 6% ([thehindubusinessline.com](https://www.thehindubusinessline.com)) Updated: 06 Oct 2022

Such purchases can help Indian government save ₹20,000 crore annually

With the Centre setting an ambitious target to create 11.11 million tonnes (mt) capacities of steel silos at 249 locations over the next 4-5 years, its integration with the official procurement system could help save up to ₹20,000 crore annually. However, the consent of State governments is required to allow the procurement through silos, independently.

In the economic costs of rice estimated at ₹3,597.17/quintal and wheat at ₹2,499.69/quintal (for 2022-23), the share of procurement incidentals is over 13 per cent. The is the same as last year.

Unavoidable costs

According to the Food Corporation of India (FCI), the cost of gunny bags (highest among procurement incidentals) and some other expenses could not be avoided even after shifting the purchases through silos. But those costs which can be avoided by FCI are — mandi /statutory charges, commission to arthiya and societies, mandi labour, forwarding charges, internal movement and interest on storage. These put together can be nearly 7 per cent of the economic costs. If silos can manage by charging about 1 per cent of MSP, the government can save at least 6 per cent of economic costs, an expert said.

“The cost will be less than 1 per cent (of MSP) in case silos are used to procure wheat,” said Sanjay Gupta, Managing Director and CEO of National Commodities Management Services Limited (NCML). Currently, the Centre bears about 6.5 per cent (of MSP) in Haryana and about 8.5 per cent in Punjab to procure wheat and rice on account of market fees, rural development cess and arthiya commission.

“Though at some places in Haryana wheat procurement was done this year through silos, still, FCI had to pay market fees, cess and arthiya commission despite no role of mandi or commission agents in it,” said an official involved in procurement. These charges have to be completely done away with when farmers bring their grains directly to silos, the official said.

Recently, the Union Food Secretary Sudhanshu Pandey said the Centre had sent two clear messages to the State governments on the procurement of foodgrains. One, it would provide up to 2 per cent incidental expenses (all inclusive) on the procurement undertaken by them. Secondly, the private sector would be roped in to buy foodgrains for the Central pool.

NCML’s Gupta said, “If the government wants to privatise the procurement system, it needs to work closely with them and make policy framework conducive for private participation. It is a challenge since the ticket size of every transaction is very small, but technology can be of help, particularly after rapid progress that has been made since it was tried more than 10 years ago.” NCML would like to participate in this process whenever it is opened up, Gupta said.

However, some industry officials said the Centre has to make the regulatory process simple and an enabling environment has to be created along with State governments. The government has to clarify if it wants private participation in procurement only through silos, which is easy and efficient, or with the conventional system of opening procurement centres, the official said. <https://www.thehindubusinessline.com/economy/agri-business/how-silos-can-cut-foodgrain-procurement-costs-by-6/article65975854.ece>

16. Railways plans to achieve net-zero carbon emission by 2030 ([livemint.com](https://www.livemint.com)) Updated: 07 Oct 2022

The Indian Railways plans to achieve net-zero carbon emission by 2030 and also focus on increasing network capacity, the Ministry of Railways said in a statement on Friday.

“Indian Railways has planned to gradually reduce its carbon footprint and become Net Zero Carbon Emitter by 2030,” the ministry said.

The country’s railway network is being electrified to reduce pollution and carry on transportation in an environment-friendly way, it said.

The Railways will attempt to reduce its carbon footprint primarily through sourcing of its energy requirements from renewable energy sources, the ministry said. Other strategies include taking a multi-pronged approach of electrification of its routes, shifting from diesel to electric traction, promotion of energy efficiency, construction of dedicated freight corridors, green certification of railway establishments etc.

By 2029-30, expected requirement of installation of renewable capacity would be about 30 GW. Indian Railways has installed 142 MW solar rooftop capacity and 103.4 MW of Wind energy till August, 2022, it added.

The railways has electrified 52,508 RKM out of total BG network of 65,141 RKM (80.61%), the ministry said.

With 100% electrification, the demand for electricity will go up to about 72 BUs by 2029-30 from 21 BUs in 2019-20.

Carbon emission by 2029-30 as per Business As Usual (BAU) mode is estimated to be 60 million tons which would be offset by various measures planned by Indian Railways, it said. <https://www.livemint.com/news/india/railways-plans-to-achieve-net-zero-carbon-emission-by-2030-11665127038028.html>

17. Why India must be wary of trading in ‘water futures’ ([livemint.com](https://www.livemint.com)) Oct 07, 2022

India has 18% of the world’s population with only 4% of its water resources, making it one of the most water stressed geographies in the world. Climate change is likely to exacerbate this pressure on water resources. Ironically, India faces drought and flood

at the same time in different parts. The centrality of water in agriculture, business and human existence makes this scarcity and uncertainty difficult to ignore.

One solution being suggested is the creation of a formal water market for its trading. In an unprecedented move, the Chicago Mercantile Exchange launched water trading, like for oil, gold, etc, in 2020. Water-commodity contracts, known as ‘water futures’, have been linked to California’s \$1.1 billion spot water market. The Murray-Darling basin in Australia is another example; it allows water trading at the regional level using tradable permits. Along similar lines, the Maharashtra Water Resources Regulatory Authority Act, 2005, is experimenting with bulk-water entitlements as a precursor to introducing individual water entitlements and eventually trade in water. India is planning to start water trading at commodity exchanges. The Niti Aayog is in the process of putting out draft recommendations for public consultations, pitching various options, including futures and spot trading of water and tradable licences.

The aim is to establish water as an economic asset, as scarcity will increase its value exponentially. Also, once a market is created, voluntary trading between rational buyers and sellers would help in efficient price discovery. An efficient price would guide water resources to its highest valued use and help establish relative values, which is essential to understand the value of competing use cases. It also helps in achieving allocative and productive efficiency.

Besides, rain-dependent agriculture could be insured against droughts by locking in prices in the water futures market, which would substantially reduce the government’s expense on drought relief. It would also attract investment, leading to better technologies adopted and water wastage reduced.

In reality, however, given high transaction costs, asymmetries of information, power dynamics and weak institutions, the gains from trade may not be as high as economic theory suggests. Also, it is not always obvious that the creation of a market would solve the problem. Before taking the initial steps towards a market, we must recognize that existing trading systems in the US, Australia, China and Chile are more of an exception than the norm. Against this backdrop, this policy intervention requires careful analysis. Here we present a few challenges with Indian realities in mind.

The first step towards creating any market is defining property rights to the assets that are to be traded. Currently, rights over water resources in India are linked with land—the owner of a piece of land effectively owns the groundwater. This limits the supply of water to the economically vulnerable. Water futures can help solve this problem, but a lot depends on how our legislation is crafted. How, for example, to calculate the water available for futures contracts? It is important that the baseline should be set only after fulfilling basic domestic needs of water. Such water markets are known as right-based; China and Australia follow this model. Further, if such a market is not regulated well, it will lead to corporates and high-value users dominating the sector. There is also the possibility of cartels arising, which could hinder the access to water of a majority of people. There is also a potent risk of the fundamental rights of equality and life being infringed. Note that about 80% of ground water is used in agriculture, which employs about half of our workforce. Commercial commodification might have implications for the rights to food, employment and water that must be assessed.

Finally, India faces massive water conflicts between states, making it critical for the political economy.

There is a thriving informal water market in the country, as we witness neighbourhood supply through water tankers increase during summer months. This unregulated market ensures the right to water is protected without the obligation being placed entirely on the state. But this comes at a cost, both in terms of its price and the quality of water supplied. Here, there is a critical trade-off between water as a basic human right and an economic asset. The key is to regulate it in a way that rights are protected and speculators/cartels do not get the upper hand. Perhaps the big challenge is to administer water rights: grant licences, permits or other legal titles, i.e, that allow for tradable rights and extraction from water bodies. <https://www.livemint.com/opinion/online-views/india-is-not-ready-to-trade-water-as-just-another-commodity-yet-11665074439986.html>

18. Govt okay with 2K cap for anonymous donations (economictimes.indiatimes.com) Oct 07, 2022

While the Election Commission's latest proposal on poll promises has sparked a political debate, its longpending 'reform' on political party funding may soon get a governmental go-ahead.

The EC's proposal to lower the limit of anonymous donations from the existing '20,000 to '2,000 is learnt to be under active consideration of the Centre. ET gathers that meetings are being held between EC officials and the law ministry to work out ways to do so.

The Election Commission had written to the Law ministry last month reminding of its several pending reform proposals -- that political parties should declare foreign funding received, not accept more than 20% of total donations in cash and declare all political donations above '2,000 instead of the current limit of '20,000.

The latter has been a pain point for years as several political parties declare 'nil' to miniscule amounts in their contribution report while their annual accounts run in crores, implying that the bulk of it came in as anonymously donated cash amounts of less than '20,000.

This is, in fact, unfinished business from 2017. While the NDA government announced an amendment to Section 13A of the Income Tax Act in 2017 capping anonymous donation at '2,000, it could not be truly enforced as Section 29C of the Representation of People's Act, 1951 was not amended alongside, to reflect the same.

This has resulted in a situation where while a political party has to declare all donations it has received above '2,000 to the Income Tax Department to avail tax exemptions, it is not bound to declare the names of donors for the same to the EC in its contribution report.

Crores of political funding, therefore, remains anonymous -- an issue which was also raised in the 2015 Law Commission report.

The Association of Democratic Reforms (ADR) has assessed that in 2020-21, donations from Voluntary Contributions (below '20,000) formed 40.12% ('171.1 cr) in income from unknown sources of the eight national parties.

The Bahujan Samaj Party (BSP), for one, has consistently declined to declare its donors by claiming year after year. It declared receiving nil donations above '20,000 between 2004-05 and 2014-15 even as the total income of the party increased by 2057% -- from '5.19 crore in 2004-05 to '111.96 crore in 2014-15.

Other parties do not measure up much better.

From declaring '28.2 crore received as 'contribution' in 2019-20, the Biju Janata Dal has recently submitted to the Election Commission that it has not received any amount of contribution over '20,000 in 2020-21.

AIADMK has also declared that it received no amount greater than '20,000 in 2020-21.

The anonymity of political donations, in fact, has a long history.

Between 2004-05 to 2014-15, two-thirds of the party funds came from 'unknown' sources which included 83% of total income of the Indian National Congress, 65% of BJP, 94% of Samajwadi Party, 100% of BSP and 86% of Akali Dal, ADR assessments show. <https://economictimes.indiatimes.com/news/india/govt-okay-with-2k-cap-for-anonymous-donations/articleshow/94690193.cms>

19. ‘Target beneficiaries, revenue receipts’ — what EC’s proposal on poll promises wants from parties (theprint.in) Oct 06, 2022

The Election Commission of India’s (ECI) proposed policy to make political parties furnish details of financial implications of their poll promises would require them to assess total expenditure on each promise before elections.

According to the proposed proforma prepared by the ECI, available for download on its website, the policy would require political parties to declare thorough details on how they plan to increase revenue receipts, rationalise expenditures, and go for borrowings in case financial conditions of the concerned states or the central government seem to be inadequate for funding those poll promises.

It also requires states and Union territories (in case of assembly elections) and the Union government (in case of general elections) to provide details of revenue receipts, expenditure, and net borrowings, among some other financial details to the ECI within a deadline after election dates are announced.

In a letter to political parties dated 4 October, the ECI had sought a response from all recognised parties on this proposal and asked them to convey their views to the commission by 19 October.

The move comes close on the heels of a raging debate over “freebies” triggered by Prime Minister Narendra Modi’s “revdi culture” (freebie culture) remark, made at a

public meeting on 16 July earlier this year, and a petition before a three-judge bench of the Supreme Court challenging promises of “irrational freebies” by political parties.

Modi’s remark had drawn sharp criticism from opposition parties who alleged that several schemes of the Bharatiya Janata Party (BJP) could be classified under this category.

Delhi Chief Minister Arvind Kejriwal, national convenor of the Aam Aadmi Party (AAP) — looking to give BJP a tough fight in the poll-bound states of Gujarat and Himachal Pradesh — seems to have adopted a particularly aggressive strategy by countering the PM’s remarks through the prism of freebies vs welfare.

Speaking to ThePrint about the EC’s proposed policy, N. Gopalaswami and S.Y. Quraishi, former chief election commissioners (CEC), expressed different views.

While Gopalaswami said it might make political parties “more responsible” and “educate voters”, Quraishi believes that the EC should not question the manifestos and that if a party’s promises are “absurd or unrealistic”, their political opponents or the media should be the one to expose them.

The EC’s action plan

The proposed proforma is broadly divided into three sections. ThePrint breaks down what it says.

Under the first section, political parties are supposed to elaborate on each of their poll promises. They must explain its coverage in terms of whether it is meant for individuals, families, or households, what is the targeted population, and the estimated number of beneficiaries to be covered.

Then they are expected to furnish details on estimated expenditure per beneficiary and the total expenditure likely to carry out the concerned promise.

The second section directs the political parties to share details of a financial action plan, highlighting how they intend to finance the total expenditure required to fulfill their promises — especially if the state has a deficit budget.

In such a case, they have to give a plan on how they intend to increase revenue receipts — for example, if they plan to increase existing taxes, bring new taxes, or go for harder budget measures such as disinvestment and monetisation of assets.

They should provide details on whether they plan to rationalise current expenditures, if they plan to go for additional borrowings, and how their proposed action plan would impact the state’s fiscal sustainability ratios such as debt-to-GDP.

In the third section, central government and concerned states are supposed to provide details of revenue receipts, expenditure, net borrowings, outstanding liabilities, break-up of gross state domestic product in nominal terms and fiscal sustainability ratios.

‘EC should not question manifestos’

Former CEC Gopalaswami told ThePrint, “I would look at [the ECI’s policy] through two broad lenses... First, it is an attempt to make political parties more responsible when they make poll promises and more accountable towards voters. Second, it is an attempt to contribute towards educating the voters and helping them assess promises made by political parties. As far as the possibilities of effective and efficient implementation of such a policy by the ECI is concerned, I think it is a bit early to comment.”

Quraishi, though, said implementation and implications of poll promises made by political parties should at best be left to the Parliament and state assemblies. “The Election commission was asked by the Supreme Court to frame guidelines that could govern the contents of the election manifesto. The Election Commission’s recent letter to political parties is a step towards that. In my opinion, promises by political parties, their implementation and implications should be debated in the Parliament and assemblies.”

“I think the Commission should not question the manifestos. If the promises of a political party are absurd or unrealistic, it is for their political opponents and the media to expose them. And voters do remember promises. They are always capable of rewarding good performance and punishing non-delivery,” he added. <https://theprint.in/india/target-beneficiaries-revenue-receipts-what-ecs-proposal-on-poll-promises-wants-from-parties/1156623/>

20. ‘UDAN’ fails to take-off in Punjab; Incurs ₹3.45-cr losses to state ([hindustantimes.com](https://www.hindustantimes.com)) Oct 06, 2022

‘Ude Desh Ka Aam Naagrik’ (UDAN) scheme of the Central government, which has helped in improving air connectivity to many tier-2 and tier-3 cities across the country with affordable fares, has not just been a non-starter in Punjab but also cost the state exchequer dearly.

Of the 5 planned stations across the state, where UDAN was scheduled to kickstart, after its initiation by the Union aviation ministry in 2016, only Amritsar witnessed implementation of this scheme but air traffic operations at this airport under the scheme is no more operational.

The scheme has failed to take-off in Ludhiana, Pathankot, Adampur (Jalandhar) and Bathinda airports, while most of these stations, as per aviation experts, have a vast scope for air traffic.

It may be mentioned that UDAN scheme was aimed at making the domestic flights available for the local population and the price of tickets were capped at the economical rate so that the maximum number of people can travel by the air.

The Government of India and Punjab government entered into a Memorandum of Understanding (MoU) for this scheme, and as per agreement there was provision of providing Viability Gap Funding (VGF), which was to be provided by the GOI and Punjab government in ratio of 80% and 20% respectively. This VGF was to be provided

for a period of 3 years from the date of operation of flight, on basis of a formula to the selected airlines who had shown the willingness to operate.

Due to non-operational flights, Punjab has so far incurred almost ₹4 crore losses as part of VGF. Even the audit department has also put an objection over this expenditure to the Punjab Aviation Department.

“During the checking of records of Civil Aviation, Punjab, it was seen that an amount of ₹3.45 crore was paid to Air India as 20% share of the state on account of VGF. However, it was seen that out of five domestic airports, no flights are operational at any airport at present”, remarked the audit objection. It further stated that “VGF was paid for initial three years and flights stopped after the VGF funding. This has resulted in a loss of ₹3.45 crore as there is no flight operational under UDAN defeating the very purpose of scheme”.

Officers of the aviation department, wishing anonymity, said that besides the VGF funding, the Punjab government is also paying heavily for the arrangement of CISF security personnel in these airports. Initially, politicians were keen to start flights to get political benefits, but there was no foolproof planning. The Pathankot and Ludhiana stations have immense scope under the UDAN scheme, but lack of seriousness has proved to be a roadblock, the officials added.

When contacted, Rahul Bhandari, Principal Secretary, Civil Aviation Department said that he has recently joined the department and was not aware of the issue. “I will check into it and also will ensure more domestic flights as it is a need of the hour,” he said. <https://www.hindustantimes.com/cities/chandigarh-news/udan-fails-to-take-off-in-punjab-incurs-rs-3-45-cr-losses-to-state-101665076932646.html>