

## **NEWS ITEMS ON CAG/ AUDIT REPORTS (22.10.2022 to 25.10.2022)**

### **1. CAG set to conduct comprehensive audit of country's health sector ([business-standard.com](https://www.business-standard.com)) Updated: Oct 25, 2022**

The Comptroller and Auditor General of India (CAG) is in the process of conducting a comprehensive audit of the country's health sector, and is adopting an approach that is different from earlier exercises done by the CAG, that had a more piecemeal-like approach.

"Earlier, we were auditing on the basis of some research, some state specific issues and so on. This time we are doing it comprehensively. This means that this time we will audit it (the health sector) on common parameters, common objectives, and common risk analyses so that the entire country's picture is accounted for," a senior official told Business Standard.

Earlier, state level auditors general (AGs) would choose a subject such as health management, procurement or vacancies, and so on, and audit particular aspects of that theme.

For instance, a CAG report had shown earlier this year that the condition of the health sector in Bihar was far from optimum, as there was a significant shortfall of facilities and staff. CAG had conducted performance audits in five districts--Patna, Biharsharif, Hajipur, Jehanabad and Madhepura--for the period 2014-15 to 2019-20, and found a 52-92 per cent shortage of beds under the Indian Public Health Standards in the district hospitals.

However, this time the reports will be comprehensive. "But this time, you will get a complete picture," one of the key sources said.

The sources added that the audit would not be published at one go.

"It would be state-wise. But subsequently, we can compile a set of common parameters and establish which state is at what level on these parameters. We will audit on the basis of government policies, objectives and their performance," the source cited above said.

One whether or not Covid period will be covered, the source cited said it would.

"It will cover the last five years. We may not give a specific title like 'Covid Management', but the Covid period will be covered," the source added.

He said that CAG will not comment on state policies but will look at their performances.

"Let's suppose a particular state's policy says it should have a certain number of public health centres--that figure is decided by that state alone. Against this, the audit will assess how many public health centres have opened up, and how they have performed. Any deviation in expenditure will also be explored. Then we will see them (the health centres) from a prudential point of view," another source said.

The CAG will look at the chief vigilance commission's guidelines as well as project management guidelines to achieve this, he said.

On which programmes would come under the health audit, he said programmes such as NRHM, Ayushman Bharat would come, but they will all be a part of the comprehensive audit.

"We will see how much the Centre has allocated to each of these programmes, and how states have utilised those funds," he said.

Urban local bodies

Sources said CAG is also looking at auditing urban local bodies, which were given powers under the 74th Constitutional amendment brought in 1993.

"What was the objective of that amendment? Whether those were fulfilled or not are some of the aspects the CAG would determine," one of the sources cited above said. .

The 74th Amendment Act established a mandate for decentralising powers and authorities to Urban Local Bodies (ULB) at various levels. This amendment also aimed to create an institutional framework for grassroots democracy through self-governing local bodies in urban areas of the country. [https://www.business-standard.com/article/economy-policy/cag-set-to-conduct-comprehensive-audit-of-country-s-health-sector-122102500492\\_1.html](https://www.business-standard.com/article/economy-policy/cag-set-to-conduct-comprehensive-audit-of-country-s-health-sector-122102500492_1.html)

## **2. CAG study on public healthcare system** ([timesofindia.indiatimes.com](https://timesofindia.indiatimes.com)) Pradeep Thakur | Updated: Oct 24, 2022

The comptroller and auditor general is on a data-collection drive for India's public healthcare system to draw a blueprint for an emergency healthcare management set-up, CAG Girish Chandra Murmu told TOI.

The first of its kind nationwide massive data-collection drive is to draw a blueprint for the Centre and states for an emergency healthcare management system.

Speaking exclusively to TOI, CAG Girish Chandra Murmu said the report is likely to be finalised by December and should be ready for tabling before the Parliament in the next session. He said the exercise is intended to give a broad picture to the executive about where we stand in terms of the healthcare system.

"It will help the governments, both at the Centre and in states, to plan their healthcare services and in strengthening the national health mission, including the rural healthcare system," Murmu said while explaining the importance of an audit of this scale requiring large-scale field visits and surveys. As part of the assessment, the CAG will examine existing hospitals and health centres, including district hospitals and dispensaries at taluka and panchayat level.

The CAG said his auditors will also survey the medical colleges and review the quality of education provided in them and the state of infrastructure. The assessment will look into gaps in what was proposed as per government policy and what has actually been provided and in existence.

"We are looking into how many medical colleges have been built and what has been the state of their infrastructure and services, including medicine procurements, availability of paramedics and their recruitments," the CAG said. The report will also examine the

management system of these medical colleges and hospitals. The review of the health sector in totality comes at a time when the Modi government has set an ambitious target of providing affordable and accessible "highest possible level of health and wellbeing for all at all ages," through an integrated healthcare system. The government has already announced its national health policy emphasising its roadmap for a universal health system. An assessment by the federal auditor is considered a very timely exercise.

An overview of the current infrastructure will help the Centre in planning and allocation of resources to roll out world-class community healthcare in India which brings equity, affordability, universality and a patient-centered quality care with accountability: a vision that has been documented in the national health policy.

Murmu said his auditors had earlier carried out reviews of district hospitals and health centres in states but those were specific to certain states like UP and Bihar. "This will be an exercise where we will look at all health systems from state capitals to district, taluka and panchayat level," he said. It will help government in developing an emergency health care management which affects everybody.

Earlier this year, the auditor had taken out a report on district hospitals in Bihar. The findings were shocking and showed a crumbling state of infrastructure in the state's second-tier health system. A sample study of district hospitals had revealed lack of availability of even operation theatres for emergency surgeries or a functional ICU in the state capital. The hospital bed shortfall was as high as 90% and diagnostic services were not existing in many of them. <https://timesofindia.indiatimes.com/india/cag-study-on-public-healthcare-system/articleshow/95056300.cms>

### **3. After EC, now CAG works to red-flag freebies, state largesse ([indianexpress.com](https://www.indianexpress.com))** Written by: Harikishan Sharma / Updated: Oct 23, 2022

Amid the debate over freebies touched off by Prime Minister Narendra Modi's "revadi culture" jibe with the Supreme Court and the Election Commission stepping into it, now the Comptroller and Auditor General (CAG) is weighing in as well.

The CAG is exploring how to devise parameters that will "red-flag" the burden of subsidies, off-budget borrowings, discounts and write-offs which may pose challenges to the economy of states, The Indian Express has learnt.

Sources said the issue of "financial sustainability" of states came up during the meeting of CAG's Audit Advisory Board (AAB) earlier this week.

The board, headed by CAG Girish Chandra Murmu, provides "suggestions" to the body on matters relating to "audit, including coverage, scope and prioritization of audits."

The 21-member board, headed by Murmu, has 10 external members: Ashok Gulati, agriculture economist; Dr Devi Prasad Shetty, Chairman and Executive Director, Narayana Health; H K Dash, retired IAS officer; Makarand R. Paranjape, academician; Manish Sabharwal, Chairman, Team Lease Services; Maroof Raza, retired Indian Army officer; Nitin Desai, fellow, TERI; Ravindra H. Dholakia, economist; Suresh N Patel, Central Vigilance Commissioner; and S M Vijayanand, retired IAS Officer.

## **On heels of EC note to parties**

The CAG's suggestion comes after the EC asked political parties to spell out ways and means of raising additional resources to finance their promises and their fiscal impact. To that effect, it prescribed a standardised disclosure proforma. The Supreme Court is also hearing petitions on freebies.

Arguing that most of the states have become “revenue deficit” post pandemic, sources said the meeting discussed how such states are not able to manage their expenditure from their revenue resources.

The top audit body is also looking at the repayment liabilities of states in the next six years. “We have seen most of the states will have a real issue — repayment. Whatever they have borrowed earlier, the repayment burden is so much that half of their budget will go, in many places, in only repaying. That is not sustainable,” a source said.

The CAG has been highlighting issues related to subsidies and other expenditures in the states' budgets but in the proposed mechanism it will also focus on off-budget borrowings, discounts and write-offs.

Sources said the audit body has compiled the “relative status of debt, borrowings, subsidies — whether they are freebies or not — guarantees, and their sustainability.”

The source said, “We are going very strictly from the current year... We are saying that this is not sustainable. Whatever you are doing, your financial management will go haywire. You will not be able to sustain this and the state will have a problem.”

Audit authorities, at present, look into subsidies but remission and relaxations do not get captured in subsidies.

For instance, interest subvention on loans, money given to discoms, loan waiver, are among some elements that are captured by the CAG “occasionally but not systematically,” said an official.

There was also a suggestion at the meeting to look into the range of freebies on offer. “States are distributing things like TV, laptops, bicycles, grinder, mixer... There are things which do not get reflected in the subsidy... So we have to develop parameters as to how to capture them,” the source said. Besides, there was a discussion on financial resources of the states.

Asked what options the CAG has, the source said, “We plan to show a red flag. We are strengthening our observations from time to time and after this Audit Advisory Board's submissions, we will look into what we can do more.”

It is learnt that “almost 80 per cent work of the accounts for financial year 2022-23 has already been done,” said a source. “So we will see what we can do at this stage.” <https://indianexpress.com/article/india/after-ec-now-cag-works-to-red-flag-freebies-state-largesse-8225594/>

#### **4. Freebies: CAG devising parameters that will ‘red-flag’ subsidies, discounts ([financialexpress.com](https://www.financialexpress.com)) Updated: Oct 23, 2022**

**Earlier this week, during the CAG’s Audit Advisory Board (AAB) meeting headed by Girish Chandra Murmu, the issue of “financial sustainability” of states had come up.**

Amid an ongoing row on the issue of political freebies offered to voters ahead of elections that has even drawn interventions by the Supreme Court and the Election Commission of India (ECI), the Comptroller and Auditor General (CAG) of India is learnt to be deliberating upon ways it can check the adverse economic effects of such populist measures.

The CAG, according to a report by The Indian Express, is devising parameters that will “red-flag” the burden of subsidies, off-budget borrowings, discounts and write-offs which may pose challenges to the economy of states.

Earlier this week, during the CAG’s Audit Advisory Board (AAB) meeting headed by Girish Chandra Murmu, the issue of “financial sustainability” of states had come up. The 21-member board has 10 external members.

Following the COVID-19 pandemic, arguing that most states have become “revenue deficit”, it was discussed how such states are not able to manage their expenditure from their revenue resources.

Sources cited by IE said that the top audit body is looking at the repayment liabilities of states in the next six years.

“We have seen most of the states will have a real issue — repayment. Whatever they have borrowed earlier, the repayment burden is so much that half of their budget will go, in many places, in only repaying. That is not sustainable,” a source was quoted as saying.

At the audit body meeting, there was also a suggestion to look into the range of freebies to offer. Several things like bicycles, TV, laptops, grinder, mixer, do not get reflected in the subsidy, and therefore parameters need to be developed on how to capture them, the IE source said. <https://www.financialexpress.com/india-news/freebies-cag-devising-parameters-that-will-red-flag-subsidies-discounts/2729449/>

#### **5. CAG looks for ways to ‘red-flag’ freebie culture ([deccanherald.com](https://www.deccanherald.com)) Updated: Oct 23, 2022**

The Comptroller and Auditor General has decided to look into the issue of freebies during polls, following Prime Minister Narendra Modi's jibe into the issue.

After the issue of "financial sustainability" of states was taken up during the CAG's Audit Advisory Board (AAB) earlier this week, the department is now figuring how to devise parameters to 'redflag' issues that may pose challenges to the economy of states, according to an Indian Express report.

According to sources stated in the report, the meeting, which CAG Girish Chandra Murmu headed, took up the issue of how most states have become "revenue-deficit" post-Covid. The audit body is also going through the repayment liabilities of such states in the next years.

“We have seen most of the states will have a real issue — repayment. Whatever they have borrowed earlier, the repayment burden is so much that half of their budget will go, in many places, in only repaying. That is not sustainable,” a source told the publication.

Although the critical issue that the top audit body will look into are related to subsidies and other expenditures of the states, the proposed move will also shed light on off-budget borrowings, discounts and write-offs.

“We are going very strictly from the current year... We are saying that this is not sustainable. Whatever you are doing, your financial management will go haywire. You will not be able to sustain this and the state will have a problem.”

Although audit authorities look into subsidies at present, things like remissions and relaxations do not get included in these subsidies. <https://www.deccanherald.com/national/cag-looks-for-ways-to-red-flag-freebie-culture-1156074.html>

## **6. After Supreme Court and election commission, the debate over freebies has grabbed the attention of CAG ([asianatimes.com](http://asianatimes.com)) Updated: Oct 23, 2022**

The Comptroller and Auditor General (CAG) are now offering their opinion on the free-gifts controversy that Prime Minister Narendra Modi’s “revdi culture” jab sparked, which has already drawn the attention of the Supreme Court and the Election Commission. This ongoing freebie debate has grabbed the attention of CAG now, where discussions are taking place to solve this issue.

### **Is freebies a threat to development?**

To deal with the issue of freebies, the election commission called members from every legitimate political party to help create standards for giveaways mentioned in election manifestos.

According to electoral officials aware of the situation, political party leaders reacted angrily at the meeting, stating that it would be a violation of their rights. However, encouraged by the Supreme Court’s ruling in the Subramaniam Balaji vs. Tamil Nadu government case, the Election Commission continued and in February 2014 added a new charter to its model code of conduct. This gave the commission the authority to hold a party accountable if its manifesto failed to justify a specific promise or failed to detail how the necessary funds would be raised to fulfill it.

The EC’s ability to combat giveaways has remained hazy and constrained. The EC only used its authority in a handful of circumstances. The free-gifts controversy has come up again before the high court nine years later. Prime Minister Narendra Modi’s comment that the revdi culture was a danger to the nation’s progress in the middle of July brought the problem to light.

## **CAG on freebies debates**

Freebie refers to something that is distributed without charge. According to the Election Commission of India (ECI), the terms “freebies” and “irrational freebies” are subjective and susceptible to interpretation and lack a definite meaning.

During election season, politicians frequently promise voters freebies and growth in exchange for their support. But when Prime Minister Narendra Modi disparaged Opposition parties and threatened the public, this was brought to light.

According to The Indian Express, the CAG is looking into creating criteria that will “red-flag” the burden of subsidies, off-budget borrowings, discounts, and write-offs that could be problematic for state economies.

Sources claim that during the Audit Advisory Board (AAB) meeting earlier this week, the topic of states’ “financial sustainability” was discussed. The body receives “suggestions” from the board, which is led by CAG Girish Chandra Murmu, on issues about “audit, including coverage, scope, and prioritization of audits.”

### **Why is there a need to look into the Freebies debate?**

On Tuesday, Nirmala Sitharaman, the minister of finance, stated that the topic of giveaways needs more discussion. She also discussed the effectiveness of Indian institutions, saying that while there has been a justification for creating a Fiscal Council, the current institutions have excelled in times of crisis, particularly during the most recent COVID-19 pandemic.

Sitharaman said there is a need for a broader debate on the issue. “She was addressing during a discussion about the book “Recalibrate: Changing Paradigms” by the Finance Commission Chairman NK Singh and the Principal Secretary to the Prime Minister, PK Mishra, at the Delhi School of Economics. Speaking outside the event, Mishra stated that while there is much discussion about freebies, it is important to discern between what is necessary for the welfare and improvement of people’s economic circumstances.

When questioned about the rate of inflation, Mishra responded that it cannot be viewed from a one-dimensional perspective and that a comprehensive approach must be adopted for policy reasons.

### **Who is working on the freebies issue?**

The top authority in charge of conducting internal and external audits of federal and state government spending is India’s Comptroller and Auditor General. Currently, CAG consists of 10 external members make up the 21-member board, which is led by Murmu: Agriculture economist Ashok Gul, Dr. Devi Prasad Shetty, chairman and executive director of Narayana Health, retired IAS officer H K Dash, academic Makarand R. Paranjape, chairman of Team Lease Services Manish Sabharwal, retired Indian Army officer Maroof Raza, a fellow at TERI Nitin Desai, economist Ravindra H. Dholakia, Central Vigilance Commissioner Suresh N Patel, and retired IAS officer S M Vijayan.

According to sources, the meeting examined how most governments face a “revenue deficit” as a result of the pandemic and how these states are unable to control their spending with their revenue resources.

The leading auditing organization is also examining the states’ upcoming six-year repayment obligations. “We have seen that the majority of the states.

However, the proposed mechanism will also focus on off-budget borrowings, discounts, and write-offs. The CAG has been highlighting issues related to subsidies and other expenditures in the states’ budgets.

The audit agency has accumulated information on the “relative position of debt, borrowings, subsidies—whether they are freebies or not,” guarantees, and their sustainability,” according to sources.

“We are going pretty rigorously from the current year,” the person stated. We claim that this cannot continue. Whatever you do, your money management will become chaotic. You won’t be able to continue like this, and the state will face difficulties.

Currently, audit agencies examine subsidies, although remission and relaxations are not included in subsidies. For instance, the CAG “sometimes but not consistently” records aspects like loan waivers, money paid to discoms, and interest subvention on loans.

### **Solution for freebies debate?**

When asked about the CAG’s possibilities, the insider responded, “We plan to raise a red flag. We occasionally sharpen our observations, and after this Audit Advisory Board submits its recommendations, we’ll consider what else we can do.

The meeting also included a request to investigate the variety of freebies available. States give away items like televisions, laptops, bicycles, grinders, and mixers. There are some things that the subsidy does not take into account. Therefore, we must establish criteria on how to capture them, according to the source. The financial resources of the states were also discussed.

It is learned that “atmosphere per cent of work on the accounts for the financial year 2022-23 has already been done,” said a source. “So we will see what we can do at this stage. <https://asianatimes.com/after-supreme-courtelection-debate-over-freebies/>

## **7. चुनाव आयोग के बाद अब 'फ्रीबीज' पर CAG का कड़ा रुख, राज्यों की आर्थिक स्थिति को लेकर जताई चिंता ([abplive.com](https://abplive.com)) Updated: Oct 23, 2022**

CAG On Freebies: देश में 'रेवड़ी' कल्चर को लेकर बहस लगातार जारी है. सुप्रीम कोर्ट (Supreme Court) और चुनाव आयोग के बाद अब सीएजी (CAG) भी 'फ्रीबीज' को लेकर जल्द कोई फैसला ले सकता है. द इंडियन एक्सप्रेस के मुताबिक, सीएजी इस बात का पता लगा रहा है कि ऐसे पैरामीटर कैसे तैयार किए जाएं जो सब्सिडी, ऑफ-बजट उधार, छूट और राइट-ऑफ के बोझ को रेड फ्लैग दिखा सकें, क्योंकि यह सब राज्यों की अर्थव्यवस्था के लिए चुनौतियां पैदा कर सकते हैं.



सूत्रों ने कहा, इस सप्ताह की शुरुआत में सीएजी के ऑडिट एडवाइजरी बोर्ड (AAB) की बैठक के दौरान राज्यों की "वित्तीय स्थिरता" का मुद्दा सामने आया था. सीएजी गिरीश चंद्र मुर्मू की अध्यक्षता वाला बोर्ड, "ऑडिट, कवरेज, दायरे और ऑडिट की प्राथमिकता सहित" ऑडिट से संबंधित मामलों पर निकाय को "सुझाव" प्रदान करता है.

### **चुनाव आयोग ने राजनीतिक दलों को भेजा प्रस्ताव**

CAG का सुझाव तब आया है जब चुनाव आयोग ने राजनीतिक दलों से अपने वादों और उनके वित्तीय प्रभाव को पूरा करने के लिए अतिरिक्त संसाधन जुटाने के तरीकों और साधनों को बताने के लिए कहा था. इसके लिए चुनाव आयोग ने एक प्रोफार्मा निर्धारित किया. उधर, सुप्रीम कोर्ट भी फ्रीबीज वाली याचिकाओं पर सुनवाई कर रहा है.

शीर्ष ऑडिट निकाय अगले छह सालों में राज्यों की देनदारियों को भी देख रहा है. एक सूत्र ने कहा, "हमने देखा है कि अधिकांश राज्यों में एक वास्तविक मुद्दा होगा – पुनर्भुगतान. उनके बजट का आधा हिस्सा कई जगहों पर केवल (लोन) चुकाने में चला जाएगा. यह (फ्रीबीज) टिकाऊ नहीं है."

बता दें कि सीएजी राज्यों के बजट में सब्सिडी और अन्य खर्च से संबंधित मुद्दों को उजागर करता रहा है, लेकिन प्रस्तावित तंत्र में यह ऑफ-बजट उधार, छूट और राइट-ऑफ पर भी ध्यान केंद्रित कर रहा है. सूत्रों ने कहा कि ऑडिट बॉडी ने "लोन, उधार, सब्सिडी - चाहे वे मुफ्त हों या न हों - गारंटी, और उनकी स्थिरता" को संयोजित किया है.

### **'उससे आपका वित्तीय प्रबंधन गड़बड़ा जाएगा'**

सूत्र ने कहा, "हम चालू वर्ष में बहुत सख्ती से आगे बढ़ रहे हैं...हम कह रहे हैं कि यह टिकाऊ नहीं है. आप जो कुछ भी कर रहे हैं उ ससे आपका वित्तीय प्रबंधन गड़बड़ा जाएगा. आप इसे बनाए नहीं रख पाएंगे और राज्य को समस्या होगी."

बैठक में प्रस्ताव पर मुफ्त उपहारों की श्रेणी पर विचार करने का भी सुझाव दिया गया. सूत्र ने कहा, "राज्य टीवी, लैपटॉप, साइकिल, ग्राइंडर, मिक्सर जैसी चीजें वितरित कर रहे हैं. ये ऐसी चीजें हैं जो सब्सिडी में नहीं दिखती हैं. साथ ही राज्यों के वित्तीय संसाधनों पर भी चर्चा हुई."

### **फ्रीबीज को रेड फ्लैग दिखाएगा सीएजी**

यह पूछे जाने पर कि CAG के पास क्या विकल्प हैं. सूत्र ने कहा, "हमारी योजना इसे बंद करने की है. हम समय-समय पर अपनी टिप्पणियों को मजबूत कर रहे हैं और इस ऑडिट एडवाइजरी बोर्ड के सबमिशन के बाद देखेंगे कि हम और क्या कर सकते हैं." वहीं सूत्र ने बताया, "वित्त वर्ष 2022-23 के खातों का करीब 80 फीसदी काम हो चुका है. तो हम देखेंगे कि हम इस स्तर पर क्या कर सकते हैं." <https://www.abplive.com/news/india/cag-strong-stand-on-freebies-expressed-concern-about-economic-condition-of-states-after-election-commission-2244078>

## 8. रेवड़ी कल्चर पर सुप्रीम कोर्ट, चुनाव आयोग, पीएम मोदी को आपत्ति, अब CAG ने भी उठाए सवाल ([livehindustan.com](http://livehindustan.com)) Updated: Oct 23, 2022

मुफ्त की रेवड़ियां सभी को अच्छी लगती हैं। लेकिन ये हमेशा अच्छी नहीं हो सकती हैं। इससे रेवड़ियां बांटने वाला कंगाल हो जाएगा और खाने वाला निकंमा। फिर चाहे रेवड़ियां बांटने वाली सरकार हो और इन्हें पाने वाले नागरिक। रेवड़ी कल्चर पर सुप्रीम कोर्ट और चुनाव आपत्ति जता चुके हैं। कुछ महीनों पहले पीएम मोदी ने इस पर आपत्ति जताई थी। पहले पीएम की बात सुन लेते हैं फिर आपको बताते हैं कि देश में रेवड़ी कल्चर पर और किसे आपत्ति...

**Video Link:** <https://www.livehindustan.com/videos/national/supreme-court-election-commission-objection-to-pm-modi-on-revdi-culture-now-cag-also-raised-questions-1-7259837>

## 9. कैग की नजर पड़ी ट्रस्टों पर, बिना पंजीयन 1595 करोड़ की छूट ([mpcoverage.in](http://mpcoverage.in)) Updated: Oct 22, 2022

इंदौर । भारत के नियंत्रक एवं महालेखा परीक्षक द्वारा ट्रस्ट और एनजीओ के बारे में एक रिपोर्ट जारी की गई है। इस रिपोर्ट के अनुसार आयकर अधिनियम की छूट का नियम विरुद्ध फायदा उठाया गया है। इसमें आयकर विभाग को 1595 करोड़ रुपये का नुकसान हुआ है।

कैबिनेट 2014-15 से 2017-18 तक के कुल 773 प्रकरणों की जांच की है। इनमें बिना ट्रस्ट का पंजीयन कराए 1595 करोड़ रुपए की छूट पर आपत्ति जताई गई है। कैग की रिपोर्ट में सबसे बड़ी आपत्तिजनक बात यह सामने आई है, कि एक एनजीओ और ट्रस्ट ने एक दूसरे को दान देकर टैक्स बचाया है। जो अपराध की श्रेणी में आता है।

सरकार ने 5 करोड़ से अधिक आय वाले ट्रस्ट और एनजीओ की जांच करने के नियम लागू कर दिए हैं। सारे ट्रस्ट को नए यूनिक नंबर दिए गए हैं। शैक्षणिक और चिकित्सा ट्रस्ट के सत्यापन की अभी कोई प्रक्रिया लागू नहीं की गई है। ट्रस्ट के रिटर्न बिना स्कूटनी के स्वीकार हो रहे हैं।

कैग ने देश भर में 4 सालों में जो छूट क्लेम की गई है। उसका ऑडिट करना शुरू कर दिया है। देर से आयकर रिटर्न भरने वालों से पेनाल्टी वसूल नहीं करने पर भी आपत्ति जताई गई है।

कैग ने देशभर में आयकर विभाग की 6260 ट्रस्ट और एनजीओ का ऑडिट किया है। इसमें 1580 गलतियों को चिन्हित किया गया है।

कैग ने अपनी आपत्ति में सबसे सनसनीखेज और आश्चर्यजनक मामला पकड़ा है। इसमें भोपाल की एक ट्रस्ट की पंजीयन शुरू होने की तारीख 30 जुलाई 2501 बताई गई है। जबकि अभी 2022 चल रहा है। कैग ने अपनी रिपोर्ट में इसका विशेष रूप से उल्लेख किया है। <http://mpcoverage.in/news.php?id=cag-caught-sight-of-trusts-exemption-of-1595-crores-without-registration-388100>

## **10. IAF gets respite from training nightmare with HTT-40 deal. Focus now on Intermediate Jet Trainer ([theprint.in](http://theprint.in)) Oct 21, 2022**

**The new aircraft will be part of first stage of IAF pilot training & will eventually replace Swiss-made Pilatus bought in 2012. HTT-40 boasts of about 55% indigenous content.**

The Indian Air Force (IAF) Thursday inked a Rs 6,800 crore deal with state-run Hindustan Aeronautics Limited (HAL) for the purchase of 70 Hindustan Turbo Trainer (HTT)-40 trainer aircraft, a move that reduces the pressure off the force which is juggling its training modules due to limited number of planes.

The HTT 40, a project that was funded by HAL through its own internal funds after the IAF had initially refused to take part, is now seen by the force as a game changer and progress made in “record time”.

“The successful implementation of the project in record time is a big relief. We now hope for the delivery schedule to be met,” a source in the defence establishment said.

The new aircraft will be part of the first stage of training for the IAF pilots – basic training – and will eventually replace the Swiss-made Pilatus aircraft bought in 2012.

The IAF pilots go through three stages of training using three different kinds of aircraft before they move on to fighters.

The man behind the HTT-40, which is also being planned for export, is former HAL chairman T. Suvarna Raju who initiated the project in 2012 when he became the Design Director at the state-run firm.

“The IAF had gone in for the Swiss basic training aircraft Pilatus. I went to my board and got approval of Rs 400 crore of our own money to kickstart the project,” Raju told ThePrint.

Incidentally, Raju was the HAL chairman when the first prototype, bearing his initials TSR 001 on the wing, made its first landing in front of the then defence minister Manohar Parrikar in 2016.

HAL sources said that the all-metal aircraft, which is powered by Honeywell engines, has about 55 per cent indigenous content.

Asked about the high cost per aircraft of about Rs 90 crore each (if one calculates the contract value to total number of planes ordered for), HAL sources said that actual cost is less than Rs 50 crore a piece and the extra cost is towards the spares, training and infrastructure costs besides other expenses.

The HTT 40 has features like running changeover of pilots, hot-refueling, zero-zero ejection seats, multi-function displays, night flying capabilities and a range of 1,000 km with a top speed of 450 kmph.

All the tests required for certification were completed in six years from the first flight that took place in May 2016.

In November 2019, former IAF chief Air Chief Marshal R. K. S. Bhadauria had flown in the HTT-40 during which he reviewed its flying characteristics including the six-spin routine.

### **Next up is Intermediate Jet Trainer (IJT)**

Defence sources said the next step for the IAF is the Intermediate Jet Trainer (IJT) which will replace the ageing Kiran aircraft used for Stage 2 of training.

Both Stage 1 and Stage 2 of training last for six months each before the pilots move onto the next stage which is for about one year on board the Hawk jets.

Sources explained that because of the depleting number of trainers, the IAF was forced to use limited numbers of Kiran and even Pilatus for Stage 2 of training.

It was in January that the IAF pilots successfully demonstrated the IJT's capability to carry out six turn spins to the Left Hand and Right Hand sides.

Though the IJT had completed demonstration of its capabilities in terms of altitude and speed envelope, load factor, satisfactory stall characteristics and limited armament capability as required by the IAF much earlier, successful spin test was pending.

During spin testing in 2016, the aircraft departed from controlled flight which brought the programme to a temporary halt, the HAL had said in a statement, adding that it decided to proceed further using its internal resources to complete the critical spin testing.

### **Basic training saga**

Till the IAF decided to go in for the Pilatus aircraft, a deal which is mired in controversy over allegations of kickbacks, the IAF pilots used to do their first stage of training on board HAL manufactured Hindustan Piston Trainer-32 (HPT-32).

The aircraft was grounded in 2009 following several crashes and engine failures. That is when the IAF went in for the Pilatus deal for 75 aircraft.

In its 2019 report, the Comptroller and Auditor General of India (CAG) was critical of the Rs 2,895.63 crore deal, saying that incorrect price calculations had worked in the firm's favour.

The audit report said that the Switzerland-based Pilatus Aircraft got the deal despite failing to commit to transfer of technology for maintenance, and was allowed to tweak its offer at a later stage for an advantage over competitors. The firm also didn't offer a seamless supply of spares, it added.

The 2012 deal has been under the scanner of the Central Bureau of Investigation (CBI) since it was flagged by the defence ministry while it was under Manohar Parrikar. However, in January 2016, the Defence Acquisition Council (DAC) approved the procurement of 38 PC-7 Mk-II trainers from the Swiss company after a strong pitch from the IAF.

The government then cancelled the proposed deal for additional Pilatus aircraft in 2019, after the HTT-40 cleared crucial trials.

However, suspension of business with Pilatus affected the maintenance of the existing fleet since spare parts were unavailable. Sources said the IAF was forced to source spare parts from third part sources and also cannibalise existing aircraft. <https://theprint.in/defence/iaf-gets-respite-from-training-nightmare-with-htt-40-deal-focus-now-on-intermediate-jet-trainer/1177561/>

## **STATES NEWS ITEMS**

### **11. पंजाब में 10 साल में बढ़े 14% कॉलेज, मगर एडमिशन 28% गिरे- कैग की रिपोर्ट में खुलासा ([abplive.com](http://abplive.com)) Updated: 21 Oct 2022**

कंट्रोलर एंड ऑडिट जनरल ऑफ इंडिया (CAG) ने पंजाब में हायर एजुकेशन विभाग की परफारमेंस की ताजा ऑडिट रिपोर्ट जारी कर अहम खुलासे किये हैं. रिपोर्ट के अनुसार पंजाब में कॉलेजों की संख्या तो बढ़ी है लेकिन दाखिलों की संख्या में गिरावट भारी गिरावट आई है. रिपोर्ट में कहा गया है कि पंजाब में 2010-11 में 973 कॉलेज थे, जो 2019-20 में 1111 हो गए हैं. इस तरह पंजाब में प्रति एक लाख की जनसंख्या पर 29 से 35 कॉलेज हैं.

पंजाब में कॉलेजों की संख्या में 14.18 फीसदी की बढ़ोतरी हुई है, कॉलेजों की डेंसिटी भी 20.69 फीसदी बढ़ी है लेकिन कड़वी हकीकत ये है कि कॉलेजों में दाखिले 2010-11 से 2019-20 तक 28 फीसदी घट गए हैं. वहीं पंजाब के तीन कॉलेजों को ही नैक की रैंकिंग मिली है.

#### **10 डिवीजनों में एक भी कॉलेज नहीं**

कैग ने अपनी रिपोर्ट में जो सिफारिशें की हैं, उनका पालन कर पंजाब सरकार अपने हायर एजुकेशन में सुधार ला सकती है. इसके अलावा राज्य की हकीकत ये है कि राज्य के 33 सब डिवीजनों में ही 17 सरकारी कॉलेज हैं, जबकि 10 डिवीजनों में एक भी कॉलेज नहीं है. कैग ने एडमिशन में बढ़ोतरी व जियोग्राफिकल मैपिंग करके नए कॉलेज खोले की सिफारिश भी की है.

मार्च से अगस्त 2021 तक कैग ने पंजाब में 38 कॉलेजों का ऑडिट किया था, जिसमें पंजाब यूनिवर्सिटी पटियाला, जीएनडीवी अमृतसर और राजीव गांधी यूनिवर्सिटी शामिल रहीं. ऑडिट के जरिए कैग ने पाया कि 2015 से 20 तक स्टेट मैरिट स्कॉलरशिप स्कीम में 632 छात्रों को लाभ दिया गया, जिस पर 7 लाख रुपए खर्च हुए. इसके अलावा इसी अवधि में पोस्ट मैट्रिक स्कॉलरशिप स्कीम में 3,36,624 छात्रों को लाभ दिया गया जिस पर 702 करोड़ खर्च हुए.

#### **कैग की शिफारिशें**

-हर डिवीजन में कम से कम 1 कॉलेज खोला जाए.

-छात्रों के दाखिले बढ़ाने की प्लानिंग की जाए. विश्वविद्यालयों में हॉस्टलों की क्षमता जरूरत के हिसाब से अपग्रेड की जाए.

-नैक के बेंचमार्क के अनुसार सिलेबस बने.अभी 49 छात्रों पर 1 टीचर है, जबकि 20 छात्रों पर एक टीचर होना चाहिए.

-स्टेट लेवल क्वालिटी एश्योरेंस सेल बने, जो नैक की रैंकिंग से कॉलेजों को जोड़े.

-टीचर के खाली पदों को भरा जाए.

### केवल तीन कॉलेज ही नैक रैंकिंग में शामिल

कैग की रिपोर्ट के मुताबिक पंजाब के 7 सब डिवीजनों में एक भी कॉलेज नहीं है. इसके अलावा केवल 3 कॉलेज ही नैक रैंकिंग में हैं. कैग ने कहा कि इसकी वजह सॉफ्ट स्किल में कमी, टीचरों की कमी, प्री प्लेस में ट्रेनिंग की कमी, इंडस्ट्री के साथ सरकारी कॉलेजों का कमजोर लिंक, कॉलेजों में मैनेजमेंट इनफॉर्मेशन सिस्टम की कमी, कॉलेजों में मॉनिटरिंग और इवैल्यूएशन की कमी, जिसमें शिक्षा में बराबरी, गुणवत्ता और प्रशासन प्रबंधन संबंधी कमियां शामिल हैं. <https://www.abplive.com/states/punjab/colleges-in-punjab-grew-by-14-in-10-years-but-admissions-fell-by-28-cag-report-said-2243114>

## 12. कालेश्वरम लागत का ऑडिट करेगा कैग ([jantaserishta.com](http://jantaserishta.com)) Updated: 23 Oct 2022

कालेश्वरम परियोजना फिर से चर्चा में है। आरोपों और ताजा शिकायतों के बाद कि राज्य सरकार ने परियोजना पर किए गए खर्च से संबंधित पूरा डेटा प्रस्तुत नहीं किया था, सीएजी (भारत के नियंत्रक और महालेखा परीक्षक) ने निर्माण लागत और लागत में वृद्धि के नए ऑडिट करने का निर्णय लिया है। परियोजना अनुमान।

शीर्ष सूत्रों ने बताया कि सीएजी अधिकारियों की एक टीम जल्द ही परियोजना का दौरा करेगी और राज्य सरकार के शीर्ष सिंचाई अधिकारियों से मिलकर निर्माण लागत का विवरण मांगेगी.

सरकार को कड़े आरोपों का सामना करना पड़ रहा है कि प्रतिष्ठित कालेश्वरम लिफ्ट सिंचाई योजना (केएलआईएस) की लागत बिना किसी वैज्ञानिक अध्ययन के बढ़ा दी गई है और सरकार ने परियोजना लागत और कालेश्वरम निगम के माध्यम से जुटाए गए धन के उपयोग के बारे में जानकारी को दबा दिया है।

सूत्रों ने कहा कि सरकार को और विवरण देने के लिए कहा जाएगा जिसकी जांच कैग के पास उपलब्ध आंकड़ों के साथ की जाएगी। यह महसूस किया गया है कि सीएजी को प्रस्तुत किए गए आंकड़ों में भी कई भिन्नताएं थीं। हालांकि परियोजना का काम 2016 में शुरू हुआ था, सीएजी अब तक अपनी वार्षिक रिपोर्ट में परियोजना लागत का डेटा प्रकाशित नहीं कर सका क्योंकि राज्य सरकार आवश्यक जानकारी प्रस्तुत करने में विफल रही।

ऑडिटिंग एजेंसी सीएजी के वरिष्ठ अधिकारी ने कहा कि सरकार के साथ-साथ अनुबंध एजेंसी द्वारा परियोजना व्यय के अनुपालन को सत्यापित करना बहुत मुश्किल हो गया है।

कैग 2018 में शुरू की गई कालेश्वरम परियोजना के तहत बनाई गई सिंचाई सुविधाओं का भी ऑडिट करेगा और विश्लेषण करेगा कि परियोजना ने इससे व्यवहार्य परिणाम निकालने में मदद की या नहीं।

हैदराबाद के सीएजी के एक अधिकारी ने हंस इंडिया को बताया, "कालेश्वरम परियोजना व्यय और अनियमितताओं पर एक विस्तृत रिपोर्ट 2022-2023 की वार्षिक रिपोर्ट में प्रकाशित की जाएगी।" <https://jantaserishta.com/local/tehangana/cag-to-audit-kaleshwaram-cost-1686922>

### **13. YS Sharmila Alleges Corruption in Kaleshwaram Lift Irrigation Project, Demands CAG Probe ([english.sakshi.com](https://english.sakshi.com)) Oct 22, 2022**

Hyderabad: Demanding a probe into the alleged corruption in Kaleshwaram project, YSR Telangana Party President YS Sharmila on Saturday said she would keep fighting until an investigation is initiated in the matter.

Earlier on Friday, the YSRTP leader met Comptroller and Auditor General (CAG) Girish Chandra Murmu in Delhi and explained to him that alleged corruption took place in the development of the Kaleshwaram Lift Irrigation Project (KLIP). She has accused the Telangana Chief Minister K Chandrashekar Rao and his family in this scam. She also said that during the construction of the project, the state's exchequer has been robbed of nearly Rs one lakh crore.

Sharmila told the reporters that she first met the CBI and later approached the CAG office. The YSRTP President said that the CAG office responded positively to their complaint and agreed that all the aspects of Kaleshwaram project, the malpractices, embezzlement of funds and favouritism will be looked into.

"The CAG has assured us that the irregularities in the Kaleshwaram project must be audited, and he would certainly look into the issue. I am confident that the concerned authorities will look into the corruption committed by KCR and his family and will hold them accountable," Sharmila said. <https://english.sakshi.com/news/tehangana/ys-sharmila-alleges-corruption-kaleshwaram-lift-irrigation-project-demands-cag-probe>

### **14. T.N. had off-budget borrowings of ₹14,734.92 crore in 2020-21 ([thehindu.com](https://thehindu.com)) October 24, 2022**

**During the year, which ended in March 2021, the Tamil Nadu Generation and Distribution Corporation borrowed ₹14,700.49 crore and Tamil Nadu Water Resources Conservation and Rivers Restoration Corporation Limited borrowed ₹34.43 crore**

**Tamil Nadu had off-budget borrowings of ₹14,734.92 crore in the year, which ended in March 2021, according to the State Finance Audit report of the Comptroller and Auditor General of India (CAG) tabled in the recently concluded Legislative Assembly session.**

Off-budget borrowings refer to the borrowings undertaken by the State public sector for which the principal and interest are serviced out of State budgets. During the said year, the Tamil Nadu Generation and Distribution Corporation borrowed ₹14,700.49 crore and Tamil Nadu Water Resources Conservation and Rivers Restoration Corporation Limited borrowed ₹34.43

crore, for which repayment of principal and interest would be made through the budget in future, the CAG said.

Borrowings made by the Corporations/Agencies for implementing various State Plan Programmes, for which the State government has to repay the principal and interest, are not captured in the Finance Accounts of the State. These borrowings add to the liabilities of the State indirectly, it noted.

In March this year, the Centre tweaked its norms for determining the borrowing ceiling for States, which would be adjusted by factoring in the off-budget borrowings since 2020-21. Following the difficulties expressed by States, the Centre relaxed the norms later stating that off-budget borrowings done by States up to 2020-21 may not be adjusted. It further said only the off-budget borrowings done in 2021-22 could be adjusted over up to four years till March 2026.

States have been allowed to borrow 3.5% of their Gross State Domestic Product (GSDP) in 2022-23. An additional borrowing of 0.5% of GSDP is allowed based on fulfilment of power sector reforms and their contributions to the National Pension System for government employees.

According to sources, Tamil Nadu has limited off-budget borrowings. As per data from the Reserve Bank of India, Tamil Nadu's net market borrowings (after adjusting for repayments) stood at ₹21,528 crore so far in the fiscal 2022-23 (till August) when compared to ₹34,000 crore in the same period in 2021-22. <https://www.thehindu.com/news/national/tamil-nadu/tn-had-off-budget-borrowings-of-1473492-crore-in-2020-21/article66049482.ece>

## **15. Dissecting Assam NRC for a better understanding ([ibgnews.com](https://www.ibgnews.com)) October 25, 2022**

Participating in a debate on satellite television or digital channels needs some homework to make the deliberations short and clear. Unless you face an arrogant anchor and unruly participants, the experience in talk shows normally emerges as intriguing one. It happened to me, as I had recently participated in a digital media discussion on the the pertinent issue of the National Register of Citizens (NRC) in Assam, where the prime guest was none other than the immediate past State NRC coordinator Hitesh Dev Sarma. The talk show host Dikshit Sharma put the questions in a clever way so that the issue comes alive and my the part was just a better interpret Dev Sarma's version for clarity to the the valued audience of Time8.

Dev Sarma, recently retired as an Indian Administrative Services officer, lodged a complaint against his predecessor Prateek Hajela, another IAS officer- presently in a deputation to Madhya Pradesh, accusing him and the system integrator (Wipro Limited) of engaging in corruption and money laundering while updating the 1951 NRC in Assam.

He clarified that the supplementary NRC list, which was released on 31 August 2019 excluding 19,06,657 applicants due to lack of papers, was asserted by Hajela as the final one (but the same is yet to be notified by the Registrar General of India). As Hajela's three-year deputation term is almost completed, he is scheduled to return back to Assam by this year.



The issue of the base year for NRC updation in Assam also came to the discussion as the State had to obey 1971 as prescribed in the Assam Accord (unlike the national cut-off year of 1951). The people of Assam are expecting a final verdict on the cut-off year (to identify foreigners in the State) from the Supreme Court of India. Dev Sarma was asked about the implications of a verdict favoring 1951 as the the base year for Assam too, where he stated that it would increase more work to the responsible officers and employees, but the common people (except a few) would face no troubles. With stored documents in the NRC directorate, the issue would be resolved amicably, added Dev Sarma.

Speaking about the inclusion of thousands of suspected families in the NRC draft, Dev Sarma claimed that Hajela used a faulty software technology in the process with no cross-checking facility. The provision for checking family legacy data (through family tree matching) was deliberately designed in such a way that no superior officers (except Hajela) could go for verification. So it's a criminal and anti-national activity asserted Dev Sarma. On another the occasion, Hajela adopted the policy of DMIT (district magistrate investigation team) verification, which was not recommended by the the apex court, but surprisingly he did not face any brickbats from the then SC chief justice reasons best known to Ranjan Gogoi only.

Assam Public Works (original petitioner in the apex court with the demand to update the NRC in Assam) filed a number of police complaints against Hajela and his close aides alleging gross misappropriation of government funds in the process. Lately, APW chief Aabhijeet Sharma lodged another complaint against information technology firm Wiproalleging the misappropriation of public money, where the influential civil rights group made the NRC directorate also a party. Quoting the The Comptroller and Auditor General of India's interim report, it narrated in the FIR that massive corruption had taken place in the Rs 1,600 crore exercise with the active role of the concerned top officials. Dev Sarma, who also submitted an affidavit in the apex court, said that the accountant general observed that an undue benefit of Rs 155.83 crore was allowed to SI/labor contractor. It also identified an avoidable expenditure to the tune of Rs 10.73 crore in connection with the engagement of third-party monitoring consultants. As per the. rules, for the expenditure of above Rs five crore, Hajela had to obtain an approval from the empowered committee, headed by the State Chief secretary or from the RGI, but he did not do so.

In his formal complaint, Dev Sarma described the anomalies where the Wipro engaged one sub-contractor for providing data entry operators (DEOs) without any prior approval from the authority. It was found that the then State coordinator was aware of the sub-contractors, but did not intervene. Wipro was paid Rupees 14,500 to 17,500 per month per DEO (by the NRC authority), but the DEOs got only Rs 5,500 to 9,100 per month during the years (2015 to 2019). Shockingly, more than 6000 DEOs were denied even the least amount as per the country's minimum wages act. Some DEOs even came to the streets demanding their due amounts. They also approached the State labor commissioner for their dues.

My final assertion was that the DEOs must get their legal dues irrespective of the fate of NRC, as they have nothing to do with it. A huge amount of money, meant for them, was grabbed by some individuals with corrupt practices. Unfortunately three Guwahati-based senior television journalists have also been named and shamed on social media as the beneficiaries of NRC scam. Thousands of social media users participated in the discourse and many urged those media persons to clarify their stand, but they have not made any public statements about the allegation, which is surprising and unusual compared to their smart & energetic personalities reflected on the television screen.

<https://ibgnews.com/2022/10/25/dissecting-assam-nrc-for-a-better-understanding/>

## **16. Investigation Of Crores Of Scam In PWD Started: Banda | CAG's Six-Member Team, Recorded The Statement Of The Accounts Officer, Will Remain For Seven Days ([granthshala.in](http://granthshala.in))** OCTOBER 22, 2022

The investigation into the multi-crore scam in the Public Works Department in Banda has started. A six-member special team of the Comptroller and Auditor General (CAG) Delhi has arrived at the headquarters. The team recorded the statements of several departmental officers and accounts officers. Documents were also examined. Here the team will investigate after staying for seven days.

### **The executive officer considered the accountant guilty**

The matter of revenue loss of crores of rupees and illegal recovery from contractors is hot in the Public Works Department. Various organizations are agitating to demand an inquiry. Bundelkhand Insaaf Army has been fasting on Ashok Lat Kachari Tirahe for about 20 days. At the same time, the Executive Officer, while replying to the complaint of IGRS, had held the Accounts Officer guilty for the scam.

### **Testing team files**

At the same time, a member of the team that came to investigate said that so far nothing has been found in the letters, in which corruption is proved. Payments made in the last one year will be examined. Physical verification will also be done if required. Superintending Engineer Surendra Kumar says that the team of Accountants Department is examining the files. The right situation will come out soon.

At the same time, after the complaint, the matter of revenue loss of crores of rupees in PWD and illegal recovery from contractors has been taken out of the cold storage. On the other hand, in the past, the executive officer had responded to the complaint of IGRS. On the report of XEN and on the orders of the Accountant General, a special team of six members has come to the headquarters and started scrutinizing the files. Soon the team can reach a conclusion. <https://granthshala.in/investigation-of-crores-of-scam-in-pwd-started-banda-i-cags-six-member-team-recorded-the-statement-of-the-accounts-officer-will-remain-for-seven-days/>

## **SELECTED NEWS ITEMS/ARTICLES FOR READING**

### **17. 384 infra projects show cost overruns of Rs 4.52 lakh crore ([millenniumpost.in](http://millenniumpost.in))** October 23, 2022

As many as 384 infrastructure projects, each entailing an investment of Rs 150 crore or more, have been hit by cost overruns of more than Rs 4.52 lakh crore, as per a report.

According to the Ministry of Statistics and Programme Implementation, which monitors infrastructure projects of Rs 150 crore and above, out of 1,529 projects, 384 reported cost overruns and as many as 662 projects were delayed.

"Total original cost of implementation of the 1529 projects was Rs 21,25,851.67 crore and their anticipated completion cost is likely to be Rs 25,78,197.18 crore, which reflects overall cost overruns of Rs 4,52,345.51 crore (21.28% of original cost)," the ministry's latest report for September 2022 said.

According to the report, the expenditure incurred on these projects till September 2022 was Rs 13,78,142.29 crore, or 53.45 per cent of the anticipated cost of the projects.

However, the number of delayed projects decreases to 531 if delay is calculated on the basis of latest schedule of completion. Further, it showed that for 603 projects, neither the year of commissioning nor the tentative gestation period has been reported.

Out of the 662 delayed projects, 133 have overall delays in the range of 1-12 months, 124 have been delayed for 13-24 months, 276 projects for 25-60 months and 129 projects have been delayed for 61 months and above. The average time overrun in these 662 delayed projects is 42.08 months.

Reasons for time overruns as reported by various project implementing agencies include delay in land acquisition, delay in obtaining forest and environment clearances, and lack of infrastructure support and linkages.

Delay in tie-up for project financing, finalisation of detailed engineering, change in scope, tendering, ordering and equipment supply, and law and order problems are among the other reasons.

The report also cited state-wise lockdowns due to COVID-19 as a reason for the delay in implementation of these projects.

It has also been observed that project agencies are not reporting revised cost estimates and commissioning schedules for many projects, which suggests that time/cost overrun figures are under-reported, it stated. <http://www.millenniumpost.in/business/rupee-gains-26-paise-to-8262-against-us-dollar-496925?infinite-scroll=1>

## **18. Centre unlikely to infuse any capital into the PSBs in FY23: Report ([business-standard.com](https://www.business-standard.com)) October 25, 2022**

The central government will not infuse any capital into public sector banks (PSBs) this financial year (FY23). According to a report in the Financial Express (FE), this will happen for the first time since FY08.

The reason for this, according to the report, is that PSBs have recorded good profitability in FY22 and the bad loan ratio has shown steady improvement. Currently, there are no PSBs under prompt corrective action (PCA).

"PSBs' capital adequacy remains sound this fiscal. No PSB is under the prompt corrective action regime anymore. Also, given their improved financials, they are in a position to raise capital from the markets themselves. So, there are very remote chances of recapitalisation (this fiscal)," an official told FE.

The Centre had not earmarked any funds for the recapitalisation of PSBs in Budget 2022. However, the money can be allocated by approving supplementary demands, the report added.

Between FY16 and FY21, the government allocated Rs 3.3 trillion to the PSBs. It has helped the banks in improving their balance sheets and the capital-to-risk-weighted assets ratio (CRAR). Against the requirement of 10.87 per cent, the CRAR of PSBs as of March 2022 was 14.6 per cent.

The bad loans dropped to a six-year low of 7.6 per cent in March 2022 and non-food credit growth was recorded at 16 per cent in August. This was 6.7 per cent in August 2021.

Also, the banks recorded a cumulative profit of Rs 15,306 crore in Q1FY23, showing a growth of over 9 per cent. [https://www.business-standard.com/article/finance/centre-unlikely-to-infuse-any-capital-into-the-psbs-in-fy23-report-122102500224\\_1.html](https://www.business-standard.com/article/finance/centre-unlikely-to-infuse-any-capital-into-the-psbs-in-fy23-report-122102500224_1.html).

## **19. IAF Converts Obsolete Russian Air-To-Air Missiles Into Surface-To-Air Systems; Experts Perplexed ([eurasianimes.com](https://www.aurasianimes.com)) October 23, 2022**

The Indian Air Force (IAF) has put obsolete air-to-air missiles (AAM) to good use, turning them into surface-to-air missiles (SAM), if pictures clicked at the latest Defense Expo at Gandhinagar are to be believed.

Russian-origin R-27 and R-73 AAMs have been converted into the SAMAR SAM platform. However, opinion on the system's viability remains divided among retired IAF fighter pilots.

The R-27 is a medium-range AAM developed during the Cold War by the Soviet Union, an undisclosed number of which India purchased from Ukraine in 2013, according to a report on Air Force Technology.

Russia's Vypel Design Bureau designs it.

Again, in late July 2019, reports emerged about India purchasing more R-27s worth Rs. 1,500 crores under emergency procurement powers granted to the three services. However, some of the coverage of the July 2019 purchase claimed it was the R-73, hence the procurement could not be verified.

This followed the February 2019 air war over Kashmir with the Pakistan Air Force (PAF), when the latter retaliated to India's air strike at Balakote. That was a reaction to the Pulwama terror strike that killed 44 Central Reserve Police Force (CRPF) personnel.

While ANI News Agency claimed it was the R-27, Zee News and Sputnik said it was the R-73, with the former claiming it was the R-73ER (extended range) variant. The purchase was for the IAF's frontline Sukhoi Su-30 fighters. The missiles are already used by the IAF's MiG-21 and MiG-29 fighters.

The R-73 is the missile fired from then Wing Commander (now Group Captain) Abhinandan's MiG-21 that shot down the PAF F-16. It has a range of 30 kilometers with an eight-kilogram warhead and an all-aspect infrared passive homing head.

It also has a radar proximity fuse/target sensor. The R-27's ER and ET variants are the most important models. The ER has a semi-active radar seeker, and the ET has an infrared seeker.

### **From AAM To SAM**

The photo tweeted shows two R-27s mounted on a truck, attached to the rail launchers under fighter aircraft wings. Another few pictures in the following tweet showed a pair of R-73s. A plaque on the turret of the truck that carried the R-27 bore a logo of the IAF, saying it was designed and developed by Simran Flowtech Industries and Yamazuki Denki Pvt Ltd.

Squadron Leader Vijinder Thakur, a retired IAF Jaguar pilot, doubts the arrangement's effectiveness, primarily pointing to the absence of R-27 production in India.

“Just relying on the current stock would be akin to flogging a dead horse. In any case, it doesn't look like an operational system. Making it into an operational system would be a waste of the IAF's budget,” Thakur said.

Even the combat capability would be compromised since the one displayed as being part of the SAMAR is the “variant with an IR seeker” (R-27ET) which “would work like a Man Portable Air Defense (MANPAD) without the easy portability and easy cueing,” Thakur explains. Missiles with IR seekers tend to be most effective when they are ‘locked on to the target before firing.

Group Captain TP Srivastava (Retd), a former MiG-21 pilot, said that information about the guidance and tracking radar is unavailable. “A SAM is only as good as its ground radar,” Srivastava added. Gp Capt Johnson Chacko, who flew Canberra bombers and the MiG-25, said it was not unusual to convert AAMs into SAMs.

He pointed to the US' Advanced Medium Range Air-to-Air Missile (AMRAAM) being the very missile used in the National Advanced Surface to Air Missile System (NASAMS). “It may be economical to convert such missiles to SAMs. If the acquisition is enabled and the guidance system works, it can be used as a SAM,” Chacko added.

### **R-27 Was Ukraine's Handicap**

Interestingly, the R-27ER, predominantly available with the Ukrainian Air Force (UAF), was also proving ineffective against Russian Air Force (RuAF) fighters in the initial days of the war, according to a report in Forbes.

The ER has a semi-active radar seeker that works best at or beyond the missile's maximum range of 96 kilometers. But it is not in the missile but rather a ‘passive radar receiver’ – that needs guidance from the launching fighter's radar that is bouncing off radar waves from the target.

“If the launching pilot switches off his radar or even turns his jet's nose away from the enemy, the missile loses the signal...and drifts off-target,” the report said. This requires the launching fighter to close the distance with the target fighter, increasing the chances of it being detected.

Moreover, with its radar switched on, the fighter also gets detected since it is beaming energy. It is akin to locating the enemy in total darkness with a flashlight, but the enemy also sees you by spotting your light.

### **A Four-Nation ‘Jugaad’ With The R-73**

However, the Indian Air Force (IAF) isn’t inexperienced with mating otherwise incompatible systems with technical hacks when one considers the famous project of fusing the Russian R-73 with the French Mirage-2000 with Israeli expertise.

To replace the aging R-530D Magic missiles on the Mirage-2000 in 2008, the IAF had to go against French and Russian objections to integrating the R-73 onto the delta-wing fighter.

In the book ‘Indian Air Force: The Case for Indigenization,’ former Deputy Chief of Air Staff Air Marshal AK Nagalia recalled how Israeli engineers were allowed access to the Mirage-2000’s Digibus. This chipset trades information between the jet’s various sub-systems and its mission computer.

Israeli companies Elbit and Rafael, manufacturers of the DASH helmet-mounted display and Crystal Maze air-to-surface missile (ASM), undertook the project.

An HMD projects flight display, readings, and other information directly on the pilot’s visor. This reduces the stress of flying and focuses more on the combat part.

Lacking the software ‘source codes’ of the Mirage’s radar, the Digibus allowed the Israeli engineers to decode the data bus protocol through “extensive trials.” New algorithms allowed the Mirage’s radar and the Israeli HMD to ‘talk’ to the Russian missile. <https://eurasianimes.com/indian-jugaad-iaf-converts-obsolete-russian-air-to-air-missiles/>

### **20. The road to nowhere – built at staggering ₹800 crore! ([greaterkashmir.com](http://greaterkashmir.com)) October 23, 2022**

**NHAI spent Rs 800 crore on part of Ramban-Banihal stretch in six years before deciding to abandon the project; Gave nod to tunnelling as part of the realignment project, ignored earlier.**

Ramban, Oct 23: The 10-km road stretch from Digdol to Maroog resembles an old fortress, with some retaining walls intact and others in a dilapidated condition. There is an approach road too but the stretch ends with a 90-degree cliff- effectively leading to nowhere.

Not just this, there are several road stretches which have been partially built and abandoned – after the NHAI - with the wisdom of hindsight - decided to realign the ambitious four-laning Srinagar-Jammu National Highway project, not before wasting Rs 800 crore and three years’ time.

In 2015, the Cabinet Committee on Economic affairs chaired by the Prime Minister Narendra Modi approved the four laning of the treacherous highway, the only major surface link between the Kashmir valley and the rest of the country. This included the 40-kms Udhampur-Ramban stretch and the 36-km unreliable terrain between Ramban and Banihal.

The Udhampur-Ramban sector project was initially valued at 1709.99 crores and was then revised to 2233.65 crores. Around 55% work on the project has been completed till date.

However, the Ramban-Banihal expanse, initially valued at 2168.66 crores was first revised to 2885.35 crores under which, road-widening was executed at many spots along the stretch.

But after the realignment plan for the stretch - proposed and approved in 2021 - National Highways Authority of India (NHAI) ordered halting of earlier work, thereby wasting the precious time, man-power, machinery and money spent on the project.

Before the project was abandoned, Rs 800 crores were already spent with 70% work completed as per the earlier plan, top sources involved in the construction told Greater Kashmir.

Hindustan Construction Company or the HCC started working on the project in December 2015 and after spending Rs 350 crores sublet the project to CPPL, which spent Rs 450 crores, said an HCC official.

NHAI had first approved Rs 1700 crores for the sector, however, the amount was later reduced to 1100 crores, the official added.

Now, the realignment is valued at Rs 3800 crores, said NHAI's Project Director for Jammu division supervising the Ramban-Banihal sector, Parshottam Kumar Phonsa.

Curiously, HCC, which was first awarded the contract for the four-laning project, had proposed tunneling of vulnerable stretches, citing loose rock formation of the mountains.

Not just HCC, the Ramban district administration had also proposed tunneling at several locations between Nashri and Banihal. The then Additional Deputy Commissioner Ramban had shot a letter (no. 957-64/ACQ/NH1A, dated March 16, 2017) stating that the execution work of four laning of National Highway was being done in the hilly, fragile and slide prone area.

However, the NHAI ignored the suggestion and asked the company to go ahead with the road widening project, said an HCC official.

On the contrary, Mr. Phonsa believes the HCC's proposal "was improper and suggested tunneling at only a few places." And among those places a couple of spots didn't even require tunneling. These spots, he said, were developed through road-widening.

What happens to the abandoned roads constructed as per previous plan, Mr Phonsa quips: "These roads will be used by locals and Heavy Motor vehicles."

The realignment plan consists of 5 tunnels, 33 culverts, 13 via-ducts, 11 minor bridges, and three underpasses to "bypass the deadly stretches."

As per Mr. Phonsa, the realignment project has been allotted to four different companies including TATA, CEIGALL India Limited in joint venture with Patel Engineering Limited and DRA for the balancing of the realignment.

The physical progress of realignment as per Mr. Phonsa is: 0% for Package 1, 1.5% for Package 2 and 5% for Package third till date.

### **Ground Situation**

CEIGALL India Limited is constructing 6.6 km Makarkoot-Silar (Sherbibbi) via-duct over Nallah Bishlari valued at Rs 450 crores including GST and two-tube Digdol-Khooni Nallah tunnel measuring 6.2 kms valued at Rs 800 crores without GST, Company's Project Manager Bhim Sen Chodhary told Greater Kashmir.

He said out of four via-ducts, No.1 and No.2 are 30% complete with No.3 and No.4 still in the "drawing phase."

DMR, which is constructing 775 metres Mehar-Cafeteria Morh (Ramban) twin-tube-tunnel valued at Rs 371 crores say 50-metres of one tube are completed with micro-filing also going on "for stability."

The company is also executing the construction of four bridges including the strategic Dalwas Bridge near Nashri and a Cut & Cover tunnel of 570 metres near Mehar.

Started in April this year, DMR's Project Manager Jitendra Mishra says that they expected the work to be completed "by the end of 2023."

"The soil here is class five, the lowest of the quality, necessitating digging and rib-caging the tubes simultaneously," Mishra says.

As per Gammon India, which is constructing Ramban Bypass and Two tunnel tubes at Chanderkote, 900 metres of tunneling work has been completed. While 700 metres of Ramban Bypass are finished, 800 metres are yet to be worked upon.

Bipin Singh, Project Manager Gammon India says that work on the Chanderkote tunnel was delayed because "transporters didn't agree to drop material at the spot required and that the company had to use our own trucks for the job."

Regarding the Ramban Bypass, Singh says that they had to face impediments in the form of local population and the forest department who didn't allow them to fill the river Chenab in order to build a platform.

"Laying a platform over the river is necessary, otherwise how will our workers construct the pillars," asks Singh. He, however, said that the issue with the locals and the forest department is now resolved and that the work has resumed.

"It will take three months to fill the river along the banks near Markazi Jamia Masjid area and build a platform," he said, adding "the work is expected to be completed by the end of December 2022."

While as per the companies involved in the major part of the construction, the bellies of the treacherous and the lethal mountains would be through.

However, NHAI expects the realignment work to be completed by 2025, Mr. Phonsa says.



## Subletting blamed for slow progress

When the project was commissioned in 2015, the Central government had set 2018 as the deadline for its completion. Then revised to 2019, then to December 2021.

The project has missed several deadlines so far, mainly due to abandoning of the earlier work and tough terrain.

As part of the realignment approved in 2021, there are three separate deadlines set for the construction companies.

“We had to replace locally hired labourers with workers from West Bengal, Bihar and Jharkhand, for they are well capable of executing the job that requires working at heights,” said Bhim Sen Chodhary, Project Manager at Ceigall India Limited.

He said that local workers left early for home and arrived late in the morning which also slowed down the work. “It was easy for them to get back home, so they remained in a hurry,” he claimed.

“One cannot guess the size of the rocks rolling downhill during rains, necessitating halting of the work and all the focus is drifted towards protection and clearing the highway blocked by those rocks,” said Bipin Singh, Project Manager Gammon India.

Several construction engineers Greater Kashmir spoke to believe that the subletting of contracts by the approved companies was the major reason behind the slow progress while they also claim that it affects the quality of the work.

“These companies are not under the NHAI’s radar and fear no action from them, thus, they freely compromise on the speed and the quality of the work,” claimed a construction official.

These companies, the construction official said, further allot work to the local contractors and with not so sophisticated machinery, local contractors are unable to execute the work at a proper speed.

“The lack of an adequate inspection is a major reason behind the quality and the slow progress along the stretch,” said Bhim Sen Chodhary. <https://www.greaterkashmir.com/kashmir/the-road-to-nowhere-built-at-staggering-800-crore>