NEWS ITEMS ON CAG/ AUDIT REPORTS (27.10.2022)

1. CAG to audit Ayushman Bharat scheme *(financialexpress.com)* October 27, 2022

The Comptroller and Auditor General (CAG) of India will undertake a "performance audit" of Ayushman Bharat, various scholarship schemes and national social assistance programmes for the weaker sections, a senior official told FE.

"The CAG will do a comprehensive performance review of these schemes to probe if there are any fund leakages, diversion, mismanagement and corruption," the official told FE.

Besides state-level schemes, CAG takes up two-three national schemes each year for performance audit.

The Centre spends annually about Rs 10,000-15,000 crore on Ayushman Bharat, a flagship scheme, which has two components — Pradhan Mantri Jan Arogya Yojana (PM-JAY) and Health and Wellness Centres (HWCs).

PM-JAY, which was launched on September 23, 2018, offers Rs 5-lakh-a-year free health coverage to 10.7 crore households. About 36.2 million hospital admissions have taken place under the scheme since it was launched. The funding is shared in a 60:40 ratio between the Centre and states for the scheme.

As against the target to operationalise 1,50,000 Health & Wellness Centres for preventive & promotive healthcare across the country, 1,20,000 have been operationalised since the programme was launched in February 2018.

Similarly, the Centre spends annually Rs 10,000-11,000 crore on a host of scholarship schemes including post-matric scholarships for schedule caste (SC) students, pre-matric scholarships for SC students, PM young achievers scholarship award scheme for vibrant India and PM – YASASVI (pre-matric scholarship for OBC/ EBC/DNT) Scheme.

The Centre spends about Rs 9,000-10,000 crore per annum in National Social Assistance Progam (NSAP) except in FY21 when it spent Rs 42,443 crore to scale up assistance to women and other weaker sections to give relief during the Covid-19 outbreak.

Under NSAP, the government implements pension schemes such as Indira Gandhi National Old Age Pension Scheme, Indira Gandhi National Disability Pension Scheme and Indira Gandhi National Widow Pension Scheme for persons belonging to below-poverty-line households. Under the above schemes, the targeted beneficiaries are provided with monthly assistance ranging between Rs 200-500 depending on the age of the beneficiary and the category of the pension. https://www.financialexpress.com/economy/cag-to-audit-ayushman-bharat-scheme/2744028/

2. Centre asks CAG to audit DTH firms over suspected discrepancies in licence fee calculation *(indiatoday.in)* UPDATED: Oct 26, 2022

As direct-to-home (DTH) operators seek licence fee waiver, citing a decline in subscribers over the years, the Centre on Wednesday sought an audit of DTH providers over "suspected discrepancies" in revenue calculations. The Information and Broadcasting (I&B) Ministry has written to The Comptroller and Auditor General (CAG) of India, requesting them to carry out an audit of all DTH service providers since its inception.

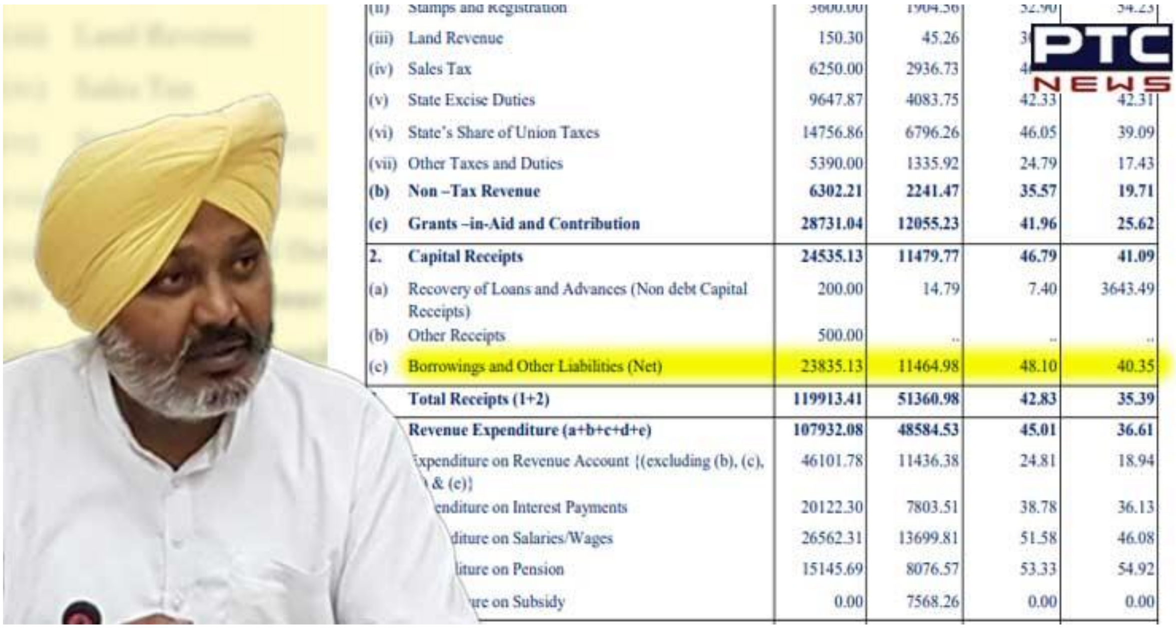
A senior officer in the ministry said that it was a much needed move and communication in this regard had been made this week to the CAG. The ministry has requested the auditor to correctly assess and collect details of subscribers and the amount to be submitted to Centre in the form of licence fee.

On May 11, the operators had sought a licence fee waiver, owing to the "sharp decline" in the number of subscribers over the years. They had approached the Centre to waive the 8 per cent licence fee imposed on them in line with a similar proposal for broadband services so that they remain competitive in the market. https://www.indiatoday.in/business/story/dth-operators-licence-fee-waiver-demand-centre-asks-cag-to-conduct-audit-over-suspected-discrepancies-2289698-2022-10-26

STATES NEWS ITEMS

3. CAG report reveals truth about Harpal Cheema's fake GST figures *(ptcnews.tv)* October 27, 2022

The Punjab Government again in limelight as almost every day a controversy erupts in Punjab due to the statements of ministers and MLA's of Aam Aadmi Party. The CAG report revealed the truth about Harpal Cheema's fake GST figures and amount of loan he presented in the beginning of October.



(ii)	Stamps and Registration	3600.00	1904.36	52.90	54.23
(iii)	Land Revenue	150.30	45.26	3[illegible]	[illegible]
(iv)	Sales Tax	6250.00	2936.73	4[illegible]	[illegible]
(v)	State Excise Duties	9647.87	4083.75	42.33	42.31
(vi)	State's Share of Union Taxes	14756.86	6796.26	46.05	39.09
(vii)	Other Taxes and Duties	5390.00	1335.92	24.79	17.43
(b)	**Non –Tax Revenue**	**6302.21**	**2241.47**	**35.57**	**19.71**
(c)	**Grants –in-Aid and Contribution**	**28731.04**	**12055.23**	**41.96**	**25.62**
2.	**Capital Receipts**	**24535.13**	**11479.77**	**46.79**	**41.09**
(a)	Recovery of Loans and Advances (Non debt Capital Receipts)	200.00	14.79	7.40	3643.49
(b)	Other Receipts	500.00	..	..	..
(c)	Borrowings and Other Liabilities (Net)	23835.13	11464.98	48.10	40.35
	Total Receipts (1+2)	**119913.41**	**51360.98**	**42.83**	**35.39**
	Revenue Expenditure (a+b+c+d+e)	**107932.08**	**48584.53**	**45.01**	**36.61**
	xpenditure on Revenue Account {(excluding (b), (c), & (e)}	46101.78	11436.38	24.81	18.94
	enditure on Interest Payments	20122.30	7803.51	38.78	36.13
	diture on Salaries/Wages	26562.31	13699.81	51.58	46.08
	liture on Pension	15145.69	8076.57	53.33	54.92
	ure on Subsidy	0.00	7568.26	0.00	0.00

Earlier, this month, Finance Minister Harpal Cheema took to his Twitter handle to share the information about GST figures and presented 22.60 per cent growth through GST, which was also covered all around the Punjab by several new agencies.

He further said in the first six months of the last financial year, GST collection stood at Rs 8,650 crore, whereas during the current year, the state has earned Rs 1,954 crore more, taking the total GST collection to Rs 10,604 crore, but however the latest report submitted by CAG revealed that the government also showed the profit on the loan taken, which clearly depicts that the truth is being distorted.

Disclosing the GST figures for September 2022, Cheema said the state has registered a growth rate of 22%. He said the GST collection for September this year was Rs 1,710 crore as compared to the collection of ₹1,402 in September 2021.

CAG report revealed that as per the official data, Punjab Government took loan of Rs 419 crore in the month of April, Rs 2,447.54 crore in May and Rs 3,385.41 crore in July. Apart from this, government took loan of Rs 1,466.62 crore in August and loan of Rs 5,875.70 crores from the market during the last week of September.

Meanwhile, Punjab government paid Rs 9,14.41 crore in April, Rs 7,37.66 crore in May, Rs 1,354.07 crore in June, Rs 1,165.13 crore in July, Rs 1,310.84 crore in August and Rs 2,321.41 crore in September.

Talking about the income from GST, income from stamp duty has decreased by 2 per cent, land revenue has decreased by 17 per cent, income from petrol has been decreased by 15 per cent, income from alcohol has been increased by just 0.2 per cent , income in the form of central tax has increased by 7 per cent and non-tax revenue has increased by 15 per cent. https://www.ptcnews.tv/cag-report-reveals-truth-about-harpal-cheemas-fake-gst-figures

4. Jharkhand govt depts unable to give account of Rs 1,03k cr, Chief Secy says 'matter of serious concern' *(latestnews.fresherslive.com)* 26 Oct 2022

The Jharkhand government is unable to give an account of the expenditure of more than Rs 1,03,000 crore given to the various state departments.

The state government has given this amount to its various departments during the last 16 years. The departments spent the amount received from the government but did not submit full details i.e. the utility certificate.

The departments officers have repeatedly ignored the reminders sent on behalf of the state government.

Now the Jharkhand Chief Secretary, Sukhdev Singh, has written a letter to the Secretaries of all the concerned state departments and has expressed serious concern about it and has asked them to take immediate steps to submit the pending utility certificate of the expenditure of the total amount spent by the state government.

According to the letter of the Chief Secretary, a total amount of Rs 1,03, 459.14 lakh is the pending utility certificate in various state departments. The Jharkhand Auditor General wrote a letter to the state government on July 26, 2022, regarding this issue.

In this letter, complete details of the pending utility certificate for the expenditure of government funds have been given.

According to this letter, the various concerned state departments have not submitted the utility certificates of the amount given in more than 39,000 schemes or items in the state.

The utility certificates are considered extremely significant for transparency in the financial management of all state governments. On the basis of this certificate, it is decided how the amount released by the government for any item was utilised.

It is considered as the final account of expenditure of government funds. There is also a rule that all the concerned state departments will submit the utility certificate of the amount received from the state government throughout the year, only then another instalment will be given to them for the next year.

A copy of this has to be sent to the Accountant General of the state. It is financial mismanagement by the Jharkhand government so far that every year a large number of schemes and the amount given in various items as pending utility certificates. This is the reason that from 2006-07 to 2021-22, the amount spent without utility certificate has reached more than 1,00,000 crore. Taking into account the financial year 2021-22 that ended on March 31, 2022, only, various state departments did not submit the final account of Rs 15,406 crore.

The Accountant General has also implemented the online system of submitting utility certificate from September 2019. Despite this, the officers of the various state departments have maintained laxity in their approach.

According to the data, the Jharkhand Rural Development Department is the most careless in submitting the final account of the expenditure of the government funds as it has not submitted the utility certificate of Rs 14,361 crore.

Similarly, the state Agriculture Department has not submitted the final details of the expenditure of Rs 611 crore, Energy Department Rs 9,234 crore, along with other state departments.

The Jharkhand Chief Secretary has said in a letter to the Secretaries of various state departments that even after several instructions, non-submission of utility certificates of large amounts is a serious matter. He has directed the Secretaries of various state departments to continuously monitor the matter and report the online utility certificates submission to the state government. https://latestnews.fresherslive.com/articles/jharkhand-govt-depts-unable-to-give-account-of-rs-1-03k-cr-chief-secy-says-matter-of-serious-concern-1086006

5. Tamil Nadu welfare scheme fails to meet objectives *(newindianexpress.com)* 27 Oct 2022

Even as direct transfer of `1,000 to bank accounts of girl students pursuing higher education under the modified Puthumai Penn scheme commenced across Tamil Nadu, about 30,000 beneficiaries, who had filed applications under the four marriage assistance schemes over the last three years, are still waiting for the eight-gram free gold and cash aid of `25,000 to `50,000 for the past three years. This includes 6,000 applications filed by inter-caste couples, official sources said.

Under the Puthumai Penn scheme, which is also known as Moovalur Ramamirtham Ammaiyar Higher Education Assurance scheme, girl students who studied from Class V to Class XII in government schools will get `1,000 assistance per month till they complete their graduation or diploma.

The government allotted `698 crore for the scheme this year for the benefit of over six lakh students. The direct cash transfer started within a few months of the launch of the scheme.

After the DMK government assumed office last year, the marriage assistance scheme named after social activist Moovalur Ramamirtham Ammaiyar was converted into the higher education assurance scheme. Under the marriage assistance scheme, beneficiaries were given eight-gram gold and `50,000 cash (for graduates and diploma holders) and `25,000 for others.

Four other schemes were also being implemented by the State social welfare department for the marriage of daughters of widows and orphan girls, as well as widow remarriage and inter-caste marriage. Under these schemes too, beneficiaries were provided eight-gram gold and cash assistance of `25,000 to `50,000.

Official sources said the 'Thalikku Thangam' scheme received adverse remarks from the Comptroller of Auditor General of India (CAG) as the number of beneficiaries plummeted from 1.1 lakh in 2017 -2018 to 80,000 in 2020-21 owing to a spurt in the gold price.

Shambu Kallolikar, Secretary of, Social Welfare and Women Empowerment Department, told TNIE that Rs. 65 crore was allotted for the four marriage assistance schemes. "There were no issues in procuring gold. All the applicants will get benefits after completion of due process," said Kallolikar.

However, people who submitted applications in 2019 and 2020 under these schemes are worried about the possibility of getting the benefit.

"I got married in 2018 and applied within six months. Social welfare department officials visited our house twice for verification. We have not received any update on our application so far," an inter-caste couple from Vellore said. "We are not sure if these four marriage assistance schemes are still active or withdrawn," said another applicant from Thiruvalam. https://www.newindianexpress.com/states/tamil-nadu/2022/oct/27/tamil-nadu-welfare-scheme-fails-to-meet-objectives-2512198.html

6. बड़े भ्रष्टाचार होने का अंदेशा:11 पंचायतीराज संस्थाओं ने नहीं दिया स्कूलों के लिए मिड डे मील का पैसा *(money.bhaskar.com)* 27 Oct 2022

जयपुर: प्रदेश की 11 पंचायती राज संस्थाओं की ओर से मिड डे मील की 3 करोड़ रुपए की राशि स्कूलों के लिए ट्रांसफर नहीं की। केंद्र प्रवर्तित योजना मिड डे मील की इस राशि को प्रारंभिक शिक्षा विभाग को ट्रांसफर किया जाना था।

चार साल पहले दिए गए निर्देशों के बावजूद अभी तक पैसा नहीं दिए जाने से स्कूलों में न केवल पोषाहार का काम, बल्कि नामांकन, उपस्थिति और ठहराव के काम अटक गया। सीएजी की रिपोर्ट में सामने आया कि जिन पंचायती राज संस्थाओं ने पैसा रोका, उनको जब नोटिस दिया गया तो उन्होंने ऐसे तर्क गिनाए, जिनका कोई आधार सामने नहीं आया। सीएजी ने इसमें बड़े भ्रष्टाचार होने का अंदेशा भी जताया। https://money.bhaskar.com/local/rajasthan/jaipur/news/11-panchayati-raj-institutions-did-not-give-mid-day-meal-money-for-schools-130485579.html

SELECTED NEWS ITEMS/ARTICLES FOR READING

7. Why states should utilise fiscal room to ramp up capital spending *(indianexpress.com)* Updated: October 27, 2022

From a fiscal point of view, state governments are in a strong position to emerge as key drivers of economic growth this year. But while the availability of funds doesn't appear to be a constraint, surprisingly, actual spending by states so far has been rather muted. Their ability to ramp up capital expenditure during the remainder of the year, and take advantage of the fiscal space that we believe they have, will be a key determinant of the aggregate fiscal impulse to the economy. This analysis is based on 13 major state governments — Andhra Pradesh, Gujarat, Haryana, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Punjab, Rajasthan, Tamil Nadu, Telangana, Uttar Pradesh and West Bengal — that account for 85 per cent of India's GDP.

These 13 states had pegged their capital spending at Rs 5.8 trillion in 2022-23, a sharp uptick from the actual spending of Rs 4.1 trillion in 2021-22. Our estimates, however, suggest that these states actually have the fiscal space to ramp up capital spending significantly — roughly Rs 7.4 trillion this year — which would rival the central government's budgeted capital expenditure for the year.

In order to estimate the capital outlay and net lending of these states, we have first calculated the resources that are likely to be available to them for funding their fiscal deficit. This includes the unconditional market borrowings of 3.5 per cent of their gross state domestic product (GSDP), the additional borrowing linked to the completion of power sector reforms (0.5 per cent of GSDP) and the interest-free capex loan provided by the Centre. The latter was first launched by the Centre in October 2020-21 as part of the measures to support economic activity, but the government had stepped up allocation towards this scheme in 2022-23 to Rs 1 trillion from around Rs 150 billion in the previous two years. This amount is being given to states as an interest-free loan for 50 years, and is over and above their normal borrowing ceiling.

The estimated resource flows from these channels are then reduced by their off-budget debt which is to be adjusted in 2022-23, and the projected revenue deficit for the year.

The off-budget borrowings by states refer to loans taken by its entities, special purpose vehicles, etc., which are expected to be serviced through the state government's own budget, instead of the cash flows or revenues generated by the borrowing entity. The Union government has recently clarified that henceforth, off-budget borrowings would be considered as borrowing of the state government and would be subject to the provisions of Article 293(3) of the Constitution of India. The Centre would be adjusting the incremental off-budget borrowings raised by the state governments in 2021-22 from their net borrowing ceiling over a one to four-year period, beginning in 2022-23 and ending in 2025-26.

Alongside, ICRA estimates the combined revenue deficit of these states at Rs 2.1 trillion, higher than what has been budgeted for. While tax devolution as well as GST compensation grants are likely to exceed the amount budgeted by the states this year, this will not fully offset the estimated shortfall in other revenues and the projected higher-than-budgeted revenue expenditure in this year.

Based on this, we assess that the states of Andhra Pradesh, Gujarat, Karnataka, Madhya Pradesh, Maharashtra, Tamil Nadu, Uttar Pradesh, and West Bengal will have adequate resources to fully fund and/or exceed their budgeted capex this year. For others, however, that may not be the case. Regardless, actual capital spending by these states in the first few months of the year has been rather disappointing. We thus remain circumspect about whether their capex will exceed the budgeted level, despite ample fiscal space to do so.

With the global economic environment taking a turn for the worse, demand slowing down in advanced economies and continued aggressive monetary tightening by central banks, how effectively states ramp up their spending will have a critical bearing on the pace the Indian economy grows at in the second half of the year. https://indianexpress.com/article/opinion/columns/why-states-should-utilise-fiscal-room-to-ramp-up-capital-spending-8231936/

8. Govt's fertiliser subsidy bill likely to increase by Rs 40,000 crore this fiscal *(economictimes.indiatimes.com)* Oct 27, 2022

The government's fertiliser subsidy bill could increase by Rs 40,000 crore this fiscal from the already-announced allocation of Rs 2.15 lakh crore because of continued surge in the prices of pooled natural gas,the key raw material for manufacturing urea, according to CRISIL Ratings.

Any delay in increased allocation and disbursement would lead to higher working capital requirement and moderate the credit metrics of fertiliser makers.

The government has been proactive in addressing the subsidy requirements of the industry. In addition to Rs 1.05 lakh crore approved in the Union Budget for this fiscal, an additional subsidy of Rs 1.10 lakh crore was announced in May 2022 to offset surging feedstock and product prices.

While this seemed sufficient to meet this fiscal's requirements, continued surge in the price of gas has necessitated further subsidy.The retail selling price of urea is fixed by the government. It is kept as low as 85% below the market prices to encourage farmers to use fertilisers for better crop yield. Urea makers are compensated through subsidy payments.

Naveen Vaidyanathan, Director, CRISIL Ratings said "Amid the Russia-Ukraine conflict, the price of pooled gas has risen 10% quarter-on-quarter in September 2022. The earlier expectation was prices would soften gradually. Each dollar's increase in the price of pooled gas raises the government's subsidy burden by Rs 7,000 crore on domestically produced urea, which accounts for 85% of the production volume."

"The price of imported urea, which accounts for the balance 15% volume, remains elevated at over $650 per MT (metric tonne), almost double the historical levels. Together, this could mean overall subsidies rising to Rs 2.55 lakh crore this fiscal," he added.

Notably, this estimate has not factored any revision in the nutrient-based subsidy (NBS) rates for the second half of this fiscal, which comprises the rabi season. For non-urea fertiliser makers, the government pays subsidy as per the NBS rates, which are reviewed in April and October every year.

While prices of phosphoric acid and rock phosphate, key ingredients for non-urea fertilisers, have risen 12% and 37%, respectively, in the six months through September 2022, NBS rates were hiked steeply in the first half of this fiscal.

Given that prices of these two feedstocks remain high, NBS rates for the second half would bear watching.

Over the past two fiscals, timely disbursements of subsidy have significantly improved the credit profile of fertiliser makers. Any build-up of such dues would moderate their credit metrics.

Assuming no additional subsidies, the industry interest coverage ratio could moderate to 6.8x this fiscal from 8.2 times last fiscal. That would still be comfortable compared with 5.6x seen in fiscal 2021.

Joanne Gonsalves, Team Leader, CRISIL Ratings said , “With the uptrend in input prices, the current budget allocated could get exhausted in the next 1-2 months. The sector is already seeing a build-up in receivables and therefore, higher working capital debt. Subsidy receivables have more than doubled in August 2022 from around Rs 14,000 crore in March 2022, indicates an analysis of the CRISIL-rated manufacturers." https://economictimes.indiatimes.com/industry/indl-goods/svs/chem-/-fertilisers/govts-fertiliser-subsidy-bill-likely-to-increase-by-rs-40000-crore-this-fiscal/articleshow/95117211.cms

9. Privatisation of State-owned Fertiliser Enterprises: Why It Won’t Be Easy for Govt to Tread This Path *(news18.com)* 27 Oct 2022

The government is in the process of identifying central public sector undertakings (CPSUs) in both strategic and non-strategic sectors for privatisation in the current financial year. At the forefront are CPSUs of the non-strategic sector, followed by the strategic sector with an aim of bare minimum presence. As per media reports, the Centre may consider telecommunication CPSUs under the strategic sectors and fertiliser CPSUs under the non-strategic sectors for disinvestment.

The production of fertiliser in India is not able to meet the demand of farmers. During 2016-21, while fertiliser consumption increased by 23 per cent, production has grown only by 4 per cent. Therefore, farmers are dependent on imports, according to a written reply by the minister of chemicals and fertilisers in the Lok Sabha on August 5, 2022. But how long will we be dependent on imports?

A continuous fall in the value of the rupee and a steady rise in the value of the dollar have made imports expensive and this can widen the current account deficit. According to an IMF blog, the steep rise in the prices of food and fertiliser in countries with high food insecurity will add $9 billion to the balance of payment pressures in the current year as well as the next. The Government of India had spent Rs 1.62 lakh crore on the fertiliser subsidy bill due to inflation in the past six months. The same is expected to be Rs 2.25 lakh crore in the current financial year, says an article in CNBC-TV18. Thus, instead of being dependent on imports, we have to increase the production of fertiliser to meet the demand.

In this context, two reports have been published in the media — one in the Business Standard and the second in Moneycontrol, saying that the government has identified fertiliser sector CPSUs for strategic disinvestment. The stock market has also welcomed the news. Shares of the fertiliser enterprises traded in the green after the reports.

It has also been said that the fertiliser sector CPSUs are producing less than capacity. In addition, there is also an assumption that the private sector with its effective management can do better than CPSUs. Therefore, the government may go ahead with the privatisation of the fertiliser sector CPSUs. Hence, the fertiliser sector could be the first candidate in the non-strategic sector under the Strategic Disinvestment Policy 2021.

Both reports say that a proposal has been made and discussed in the meeting of the Core Group of Officers led by the CEO of NITI Aayog. The names of the CPSUs were also discussed in the meeting. The members of the group, in principle, have given a green signal to the proposal. The final decision though is yet to be made.

It has also been said that the fertiliser CPSUs have become a loss-making and fiscal burden for the government. That's why I also analyse their financial performance.

According to the latest Public Enterprise Survey 2020-21, there are seven fertiliser CPSUs that come under the fertilisers head and cognate group — manufacturing, processing and generation sector. These CPSUs are Brahmaputra Valley Fertiliser Corporation (BVFCL), Fertilisers and Chemicals (Travancore) Limited (FACT), Hindustan Fertiliser Corporation (HFCL), Madras Fertilisers (MFL), National Fertilisers (NFL), Rashtriya Chemicals and Fertilisers (RCF), and Fertiliser Corporation of India Limited (FCIL).

But, according to both reports, there are eight CPSUs, and the last one is FCI Aravali Gypsum and Mineral (FAGMIL) under the department of fertiliser. Earlier, it was merged with FCIL and then further demerged in 2003.

During the fiscal year 2020-21, the financial performance of the fertiliser CPSUs has been mixed. The revenue of all seven CPSUs has decreased marginally by 7.42 per cent — from Rs 0.28 lakh crore in FY20 to Rs 0.26 lakh crore in FY21. However, due to a sharp decline in expenditure from Rs 0.26 lakh crore to Rs 0.23 lakh crore, the overall net profit increased by 9.8 per cent during the same time. And this happened because the Covid-19 pandemic had no effect on the growth of the agriculture and fertiliser sector.

While National Fertilisers Ltd came to a profit of Rs 249.63 crore from a loss of Rs 171.01 crore, Madras Fertilisers returned to a profit of Rs 2.87 crore from a loss of Rs 125.63 crore during the financial year 2019-20 and 2020-21. Now, except BVFCL, all fertiliser CPSUs are profit-making units. Not only this, NFL and RCF constituted 80.1 per cent of the total revenue of all CPSUs in the financial year 2020-21 from this cognate group.

However, there is doubt on whether the privatisation of these will get success as the present state of affairs is not favourable. So the step is most likely going to be stuck. It would be difficult for the government to privatise fertiliser CPSUs because they are directly linked with agriculture. And any initiative of privatisation will be opposed by farmers. We have already seen in the past that farmers' unions forced the government to take back three contentious laws. So, we can say that the privatisation is likely to miss this fiscal as the process is at the initial stage of administrative clearance. https://www.news18.com/news/opinion/privatisation-of-state-owned-fertiliser-enterprises-why-it-wont-be-easy-for-govt-to-tread-this-path-6252985.html

10. India Needs Legal Framework for Closing Mines and Power Plants *(thequint.com)* 26 Oct 2022

Estimates say that millions of people may lose their livelihood if coal mines and thermal power plants are disposed.

-Over the next few years, India is going to decommission thermal power plants and dispose of coal mines on a large scale.

-In case of disposing of coal mines and closing thermal power plants, the estimates say that millions of people will lose their livelihood. There will be a huge amount of land which needs closure or repurposing. Similarly, several toxic materials coming out of power plants will need to be taken care of.

-Decommissioning a TPP will cost billions of dollars but it is not factored into the financial calculations while setting up the TPP.

India is on the way to decommissioning thermal power plants (TPP) and disposing of coal mines at a large scale in the coming few years. However, the country has no legal framework on how this transition will take place.

Estimates say that due to these measures, millions of people will lose their livelihood, a large amount of land would need closure or repurposing and several toxic materials need to be taken care of.

In the process of disposing coal mines, the country will deal with more than 100,000 hectares of land, which will need proper closure or repurposing.

Similar challenges will occur with the decommissioning of around 50-60 giga watt (GW) of TPPs in the next 10 years or so. With the decommissioning of TPPs, another 20,000 ha of land will be available. How will this transition happen and who will monitor the process? There is no clarity.

These are a few pertinent questions related to India's energy transition. These questions were raised by a two-part study, done by iForest, a Delhi-based, non-profit environmental research organisation.

Its first part "Just transition of coal-based power plants in India: A policy and regulatory review" appeared on October 12 and gives an estimate of TPPs closure in the next 20 to 25 years.

It also talks about the challenges posed by the closure of TPP. Similarly, the second study "Just Transition of Unprofitable and End-of-life mines: A Legal Assessment" talks about possible challenges that may come with the closure of mines. This study was launched on October 20 in a virtual event.

Closure of Mines

The coal mining scenario is changing. India is trying to utilise its economies of scale.

At present, 75 percent of India's coal is produced by a limited number of mines. When it comes to Coal India Limited (CIL), the largest public sector coal producer of the country, 75% of its coal comes from 35 large mines. Now CIL is thinking about increasing the coal production to reach 1 billion tonnes from 50-70 high yielding mining projects and close the unprofitable mines.

In this emerging scenario, the country will have to deal with closure of several coal mines, repurposing of the land and lakhs of people becoming jobless. All these developments need proper planning and execution, says the study.

About the changing scenario, founder and CEO of iForest Chandra Bhushan says that the target is to focus on large mines. In that context, CIL is also thinking about closing unprofitable mines.

"Any unplanned closure of mines has major negative implications on environment, land degradation, local economy, and social stability. A well-planned and managed transition of such mines can be win-win for the industry, workers, affected communities and the environment."

When it comes to closure or repurposing of mines, there are three types of mines: abandoned mines, end of life mines, and many unprofitable mines. To estimate the scale of closures, researchers have used the Right to Information Act and analysed other publicly available data.

They have explored about 358 mines in seven states – Jharkhand, Chhattisgarh, Madhya Pradesh, Maharashtra, Odisha, West Bengal and Uttar Pradesh.

Out of these 358 mines, researchers managed to get financial data of 305 mines, which included 199 unprofitable mines and 106 profitable mines. Out of 199 unprofitable mines, 60 are opencast, 126 are underground and 13 fall in the mixed category.

Other than these, there are about 293 mines already abandoned or discontinued, the report says, quoting a response of the Coal Ministry given in the parliament.

Analysing the unprofitable mines, researchers have concluded that these employ at least 100,000 formal workers (department or contractual) and around 150,000-200,000 informal workers. It also includes a large area of 137,000 ha with unprofitable coal mines. This vast area of land will be available for closure or repurposing from unprofitable mines.

To explore possible frameworks through which the vast land, and livelihood of hundreds of thousands of people will be taken care of, researchers have looked at a large number of laws related to labour, environment, finance and land with respect to the coal mines.

“We have looked at many environmental laws including Air Act, Water Act, Forest Conservation Act, Environmental (Protection) Act and also guidelines on mine closure.”

While underlining that the environmental management is largely part of mining operations and not the closure, she adds, “While a three-year monitoring period for air and water management is specified in closure guidelines, there remains vagueness on the role of authorities, such as State Pollution Control Boards."

She adds, "There is no obligation for undertaking environmental risk assessment during closure, an important factor for environmental remediation. Considering the multi-faceted issues related to coal mine closure under the principles of a just transition, the current laws and regulatory mechanisms remain inadequate, and require reform measures to be undertaken to facilitate a just closure and transition process.”

The report has made several recommendations including reforms in the Coal Bearing Areas (Acquisition and Development) Act, 1957 and the issuance of guidelines regarding the terms of leasehold and land transfer, development of a comprehensive mine closure framework along with developing a social transition framework that is aligned with just transition goals etc.

Reacting to these recommendations, the secretary in the Ministry of coal, Anil Kumar Jain says that these are very sensitive issues and should be handled carefully.

He admitted that there was a lacuna in this act and it does not talk about whether the land will be denotified after mining or not.

He talked about the cabinet decision, which came a year ago on the repurposing or the use of the Coal Bearing Areas (CBA) lands which are not required for coal mining. The decision delegated power to coal companies.

Regarding the mine closure framework, he informed that the government is in touch with the World Bank. Admitting that the existing framework is just for technical closure purposes, he informed that the World Bank is bringing expertise from the developed world to the table.

They are offering a loan and the government is yet to take a call on whether it wants to avail the loan or not. If the government agrees to avail the loan, a pilot study will be done using the knowledge the World Bank will come with. Otherwise, the bank will share the technical knowledge. He was speaking during the launch of the report.

Decommissioning of Thermal Power Plants

The problem with the disposal of lands and other related issues is not limited to closure of mines but also with closure of coal-based- thermal power plants. India is staring at a large-scale decommissioning of TPPs. Around 50-60 GW of TPPs will be decommissioned in the coming ten years itself.

The iFOREST report says that India's coal fleet is aging fast. About 20% of the current capacity is primed for decommissioning as their average age is more than 35 years. Generally, 25 years is the norm to decommission a TPP. Decommissioning a TPP in a just transition context entails a complex set of technical, environmental, social and economic interventions, Chandra Bhushan says.

The report on TPP decommissioning raises serious questions by saying that in India, there are no laws that mandate decommissioning and repurposing of a coal TPP.

The focus of energy sector legislations, policies and regulations in India has been on planning, designing, construction, operations and renovation of generation capacity. The issues related to end-of-life management have not been addressed adequately.

However, the rate of decommissioning of power plants is already picking up. Around 126 coal-based power generating units aggregating a capacity of 11,995-Megawatt (MW) have been retired from operations between March 2016 and June 2021 due to techno-economic and commercial considerations, the report said.

At present, about 210-Gigawatt (GW) of coal-based capacity is operational in India. Of this, about 58% of the operational capacity (across 230 units) is new and under a decade old.

If the Ministry of Power's advisory to retire a plant after 25 years gets implemented, 44 GW of TPP will have to be retired by 2025. In the next decade, between 2026 and 2035, 32 GW of TPP will see its retirement. The report says that maximum retirements will be witnessed between 2036 and 2040 when 83 GW of capacity will need to go out from India's fleet of energy generation.

The retirement of TPPs will also release the large chunks of land available with them. As per the report, an area of 8,850 ha of land will become available by 2030. In the following five years, another 12,230 ha of land will become available. This will increase substantially to 45,273 ha in 2036-40.

The report underlines that the power plant land area is estimated to be equally split between centre, state and private sector power generation companies (GENCOs), at 33% each.

As laws and regulations in India do not firmly establish the clean-up and remediation requirements, there is a risk of plant sites being left abandoned. This is especially true if GENCOs are financially stressed and do not have adequate resources to remediate or repurpose/redevelop, says lead author Mandvi Singh from iForest.

There is another catch with the land issues. Forest land is often diverted for TPP development. Referring to the Ministry of Environment, Forest & Climate Change, the report informs that about 11,435 ha of forestland has been diverted for TPPs since the enactment of the Forest (Conservation) Act, 1980. What will happen to this land?

Similarly, there is concern about the livelihood of the people who are associated with these TPPs. As per the estimate, 1.92 lakh formal and informal workers would lose employment by 2030.

The loss of employment will gradually increase in coming decades when more and more TPPs get decommissioned. As per the estimate, around 3.98 lakh formal and informal workers would lose employment in the next decade. Beyond 2040, another 2.48 lakh workers are likely to become unemployed due to the closure of TPPs.

The report underlines that there are no dedicated guidelines under the labour Codes or ensuing central or state policies and regulations for planning a “just labour transition” especially when the TPPS get decommissioned.

The report also deals with many other challenges including financial regulation and the disposal of toxic materials. Decommissioning a TPP will cost billions of dollars but it is not factored into the financial calculations while setting up the TPP.

“Our back-of-the-envelope, broad-level estimate is that about Rs. 1,100 billion (at current prices) would be required to decommission India’s total coal-based capacity and Rs. 239 billion will be needed by 2030 to close plants that are older than 25 years. But, no funds are kept aside by the power plant owners for end-of-life activities." Mandvi Singh, Program Lead, Energy and Climate Change, iForest

Similarly, there is a limited understanding on how the hazardous material will be disposed of. After a PIL filed by a Chennai-based environmental researcher Dharmesh Shah, the National Green Tribunal (NGT) directed the MoEF&CC, the Central Electricity Authority (CEA) and CPCB to work towards this. As a result, the draft guidelines were formulated in July 2021.

“We looked at bidding contracts and processes that follow. We learned that decommissioning of a TPP is not as simple as just pulling the plug. But this is happening as of now."-Dharmesh Shah, Environmental Researcher

Giving the background of his PIL, Shah says, "In the context of regulations, decommissioning requires minimal paperwork. The board of directors of a company just has to declare the decommissioning and then they have to intimate the CEA about their decision. Subsequently, the TPP gets deleted from the installed capacity database. We realised that Indian regulation does not demand any environmental and social impact assessment of decommissioning.”

While talking to Mongabay-India, he said that there are several toxic components used in a typical power plant, such as polychlorinared biphenyl, fly ash, mercury and lead etc. A clear-cut guideline is needed on how these materials will be disposed and who will be responsible for it, he added. https://www.thequint.com/climate-change/india-needs-legal-framework-for-closing-mines-and-power-plants#read-more

11. Indian Railways to club realty monetisation with revamp of stations *(economictimes.indiatimes.com)* Oct 26, 2022

Indian Railways has decided to club real estate monetisation with the proposed redevelopment of 16 stations, including Anand Vihar in Delhi, and Thane, Tambram, Dadar, Kalyan and Andheri in Mumbai, reverting to its earlier plan.

The 16 stations are to be bid out in the public private partnership (PPP) mode during the current financial year. Railways had removed associated real estate monetisation as part of station redevelopment but is now reverting to the original plan following concerns about the private sector being unable to recover investment from station usage fee.

"The private sector cannot be expected to recover their investment from hiking station usage fee and raising travel costs for passengers," a senior government official aware of the plan told ET, adding that the associated real estate development will be offered to the developers.

This railway station land monetisation will help the private players earn a return on the expenditure incurred in modernising the stations.

The railway stations of Pune, Coimbatore, Bangalore City, Baroda, Bhopal, Chennai Central, Old Delhi, Nizamuddin, Avadi and Vijayawada are also in the list of stations to be bid out under the PPP route.

These stations record less footfall than the New Delhi and Mumbai stations that were, till recently, planned for modernisation with private participation.

"While the number of passengers is lesser, there is ample opportunity for monetisation of the land bank with the shortlisted stations," the official said.

Each modernised station is expected to have certain standard elements of design.

These include spacious roof plazas with passenger amenities at one place, along with spaces for retail, cafeterias and recreation. Both sides of the city will be connected with the station. The stations located within the city will have a city centre like place.

Use of green building techniques and integration with other modes of transportation like metro, and bus are also essential elements of the redeveloped stations.

These moves rekindle hopes of private participation in railway station redevelopment projects. The plan had got a jolt when it was announced that New Delhi, Mumbai and Ahmedabad railway stations will be developed under the engineering, procurement and construction (EPC) mode. https://economictimes.indiatimes.com/industry/transportation/railways/indian-railways-to-club-realty-monetisation-with-revamp-of-stations/articleshow/95106743.cms

12. World's Climate Commitments Won't Be Enough to Limit Global Warming to 1.5°C: UN Report *(thewire.in)* 27 Oct 2022

As per the report, even if all countries meet their climate pledges, global temperatures will still rise by 2.5°C.

The world's recent climate commitments will help decrease greenhouse gas emissions but this will still not be enough to limit global warming to 1.5° Celsius by the end of the century as necessitated by the Paris Agreement of 2015, according to a report released by the United Nations on October 26.

The report, which synthesises information from the combined Nationally Determined Contributions submitted by 193 countries, has been put together by UN Climate Change (the secretariat of the UN Framework Convention on Climate Change or UNFCCC) in the run up to the 27th Conference of Parties that will be held in Egypt in November this year.

UN Climate Change also released a report examining long-term low emissions development strategies on the same day. The State of Climate Report 2022, also released on October 26, examined 40 indicators of progress in climate action and found that none are on track to meet 2030 targets.

Tracking NDCs

All nations party to the Paris Agreement, a legally binding international treaty on climate change ratified by 196 parties in 2015, have to submit Nationally Determined Contributions or NDCs to the UNFCCC. An NDC is a set of long-term goals that list out how each country aims to cut its carbon emissions and adapt to climate impacts.

UN Climate Change maintains a registry of all NDCs, and each country has to update theirs every five years. India's first NDC, submitted in 2015, listed out eight goals. This included reducing the emissions intensity of its GDP by 33% to 35% by 2030 from levels in 2005.

India's NDC, updated in August this year, includes reducing emissions intensity of its GDP by 45% by 2030 from the 2005 level, and achieving 50% cumulative electric power installed capacity from non-fossil fuel-based energy resources by 2030 (as opposed to 40% that was listed as part of its first NDC).

UN Climate Change synthesised information from 166 NDCs available in its registry as on September 23, 2022. This included 142 new or updated NDCs, such as those submitted by India. Together, the NDCs cover 94.9% of total global greenhouse gas emissions in 2019, amounting to 52.6 gigatonnes of CO_2 equivalent.

Improvement, but not enough

As per the report, even if all countries meet their climate pledges submitted to the UNFCCC as on September 23, 2022, global temperatures will still rise by 2.5°C. While this is far from the limit of 1.5°C as agreed to by parties under the Paris Agreement of 2015, this is still an improvement from last year's assessment, which was the first such synthesis of NDCs submitted by nations.

The 2021 assessment found that projected GHG emissions would continue to increase beyond 2030. It also showed that countries would increase emissions by 13.7% by 2030, compared to 2010 levels.

In contrast, the latest assessment shows that current commitments will increase emissions by 10.6% by 2030, compared to 2010 levels. Similarly, it also predicts that while emissions will no longer increase after 2030 thanks to the stronger action as listed by the latest NDCs, emissions are still not declining as they should to meet the targets under the Paris Agreement.

“The downward trend in emissions expected by 2030 shows that nations have made some progress this year,” said Simon Stiell, Executive Secretary of UN Climate Change, in a press release. “But the science is clear and so are our climate goals under the Paris Agreement. We are still nowhere near the scale and pace of emission reductions required to put us on track toward a 1.5°C world. To keep this goal alive, national governments need to strengthen their climate action plans now and implement them in the next eight years.”

“Most of the parties (74%) that submitted new or updated NDCs have strengthened their commitment to reducing or limiting GHG emissions by 2025 and/or 2030, demonstrating increased ambition in addressing climate change,” the report noted. However, only 24 new or updated climate plans have been submitted since COP26 in Glasgow last year. India is one of them.

State of climate action

Findings from another report, the State of Climate Action 2022, also released on October 26, are similar, and worrying too.

To assess the gap in climate action, it examined 40 indicators that show progress on climate action to achieve targets for 2030 and found that none are on track. Twenty one indicators are “well off track”, heading in the right direction but well below the required pace. These include global total climate finance, and share of unabated coal in electricity generation. Five indicators, including mangrove loss, are headed in the wrong direction entirely, as per the Report.

“The State of Climate Action 2022 is an urgent wakeup call for decision-makers to commit to real transformation across every aspect of our economy,” said Ani Dasgupta, President and CEO, World Resources Institute, in a press release.

The report is a joint effort of the Bezos Earth Fund, Climate Action Tracker, the United Nations Climate Change High-Level Champions, and the World Resources Institute.

India too is behind in climate action, according to its status on Climate Action Tracker, an independent scientific analysis which tracks government climate action and measures it against the globally agreed Paris Agreement. As of October 6, India’s overall climate action is still “highly insufficient”, despite the update to its NDC in August 2022. However, the rating of its NDC against its fair contribution to the Paris Agreement has improved by one category to ‘Insufficient’.

Need action in more sectors

The UN report shows that to stay within 1.5°C global warming, the world must reduce emissions by six times as much as current pledges permit, said Ulka Kelkar, Director, Climate, World Resources Institute India.

“The good news is that clean energy technologies are spreading rapidly but action is needed in other sectors too,” she said. For instance, though public transport systems need to expand six times faster, less than half of countries’ NDCs contain public transport measures, she added.

According to Kelkar, the report shows that current climate finance is insufficient to implement even a subset of NDCs and needs a new, substantively larger finance goal from developed countries.

The upcoming COP27 to be held in Egypt from November 6-18, assumes even more significance in this context because parties are set to discuss aspects including climate finance from developed countries, and reparation of losses and damages caused by climate change. COP26 President Alok Sharma said that major emitters need “to step up and increase ambition ahead of COP27”.

“COP27 will be the world’s watershed moment on climate action,” said Sameh Shoukry, Egyptian Minister of Foreign Affairs and COP27 president-designate, in a press release. “The report from UN Climate Change and before that from the IPCC are a timely reminder for all of us. Raising ambition and urgent implementation is indispensable for addressing the climate crisis. This includes cutting and removing emissions faster and at [a] wider scope of economic sectors, to protect us from more severe adverse climate impacts and devastating loss and damage.”

On October 26, UN Climate Change also released a report on long-term low-emission development strategies submitted by 62 parties as of September 23, 2022. The report examined countries’ plans to transition to net-zero emissions by or around mid-century through adaptation and mitigation measures such as plans to increase renewable energy in power systems. As per a UN press release, these countries’ greenhouse gas emissions could be roughly 68% lower in 2050 than in 2019 but only if all long-term strategies are implemented in full, and on time. https://thewire.in/environment/un-report-climate-goals-not-enough

13. The climate crisis and the urgent need for global cooperation *(indianexpress.com)* 27th October 2022

After a devastating pandemic, the world is now grappling with a global energy crisis, triggered by Russia’s aggression against Ukraine and the weaponising of energy supplies. Against this background, the climate crisis is getting worse by the day, as we face catastrophic extreme weather events. Global warming is fast approaching the 1.5 degrees level we have pledged to avoid. This is a tipping point that threatens lives and livelihoods across our entire planet.

The disruptive and increasingly lethal effects of unsustainable production and consumption patterns are by now beyond doubt, from degraded ecosystems, disappearing forests, collapsing glaciers to receding shorelines, heatwaves and floods. If we want our children to inherit a habitable world, we have to change the paradigm of our economic models. The changes we face are inescapable. No individual can stop climate change. Try as you may, you cannot negotiate a settlement with planet Earth. Yet, rather than fuelling despair, apathy or resignation, we must create hope and show determination to act for the climate. The solutions and technologies are well within reach but we must plan, invest decisively, and most importantly, act now, leaving no one behind. Time is not on our side.

At the COP27 climate conference in November 2022, the international community and each country individually must set out what it has done and intends to do to limit the increase of global temperature to 1.5 degrees. In the EU, our commitments are fixed by law: We will cut emissions by at least 55 per cent by 2030 and reach climate neutrality by 2050. India has also set very ambitious targets, including massive investments in renewables.

The EU does not claim to have all the answers, and we are eager to hear how others are pursuing their own climate ambitions.

We recognise that governments have a responsibility to ensure reliable and affordable energy services for their populations and economies. We know that the fastest way to deliver this — while creating jobs and lowering the long-term cost of energy — is to massively increase investment in energy efficiency, renewable energy, and in the resilience and flexibility of our energy systems.

In Europe, we are taking action on this with the Green Deal. At the same time, we have had to put in place exceptional measures to cope with the energy crisis provoked as a consequence of Russia's war of aggression against Ukraine. The EU had to postpone some of the decommissioning of coal-fired power plants as a temporary emergency measure for the coming winter. But our climate commitments for 2030 and 2050 are not endangered. National coal phase out dates remain unchanged; we are implementing much stricter energy efficiency targets and we will move much more swiftly to adopt renewable energy, using less gas than initially expected. In short, our overall climate commitments are not in jeopardy. To the contrary, we have increased our ambition for renewables deployment this decade.

As Russia's unjustified war of aggression in Ukraine and expensive fossil fuel imports are increasing our energy bills, this has increased in Europe our citizens' appetite for getting rid of fossil fuels as fast as possible.

It is clear that the climate crisis disproportionately impacts those who have the least, in the Global South but also in Europe. As climate change progresses, millions are at risk of losing their homes, water supply, livelihoods and even their lives, as witnessed also this year with extreme weather events in South Asia, Europe and elsewhere. Around the world, we need to put our forces together, accelerate mitigation measures to tackle the problem at the source, while ensuring a just transition for all. In parallel, we need to do more to support adaptation to climate change, and to avert and address loss and damage. Mitigation and adaptation must progress hand in hand.

The EU continues to be the world's biggest donor of climate finance — providing almost $28 billion in 2020 — and of humanitarian support. European countries will intensify their efforts, but this crisis can be addressed only through a cohesive and consistent response of the international community as a whole, in a spirit of cooperation and solidarity. Efforts and buy-in of all countries are needed, especially major emitters, alongside a massive mobilisation of private finance to complement public funds.

India is a key partner in the fight against climate change. The ambitious announcements of Prime Minister Narendra Modi in Glasgow helped to keep the temperature goals of the Paris Agreement within reach. Ambitious long-term strategies will be key to the success of the COP27.

The EU is keen to step up its collaboration with India on the implementation of the Paris Agreement and on ensuring a more resilient and diversified supply chain for the energy sector. The EU and its Member States already work together with India on energy efficiency, renewable energy, smart grids and storage, green hydrogen, e-mobility, just energy transition and decarbonisation of hard-to-abate sectors. The EU has also strengthened its engagement with the India-based International Solar Alliance and the Coalition for Disaster Resilient Infrastructure. Climate action has become a central feature of the strategic partnership between the EU and India, for a green and a resilient future.

It is time to join hands and to show even more ambition. We must demonstrate success through actual and effective implementation, influencing our peers, and persuading actors at all levels — from the UN to the individual — to do what they can. Future generations will judge us on what we do. So, let's do it right and let's do it now, together. https://indianexpress.com/article/opinion/columns/the-climate-crisis-and-the-urgent-need-for-global-cooperation-8232002/

14. We've made significant progress on poverty reduction *(livemint.com)* 26th October 2022

Some great news and some not so good news. That's the summary of the latest joint report from the United Nations Development Programme (UNDP) and the Oxford Poverty & Human Development Initiative. Titled Unpacking Deprivation Bundles to Reduce Multidimensional Poverty, the report is based on robust household survey data from 111 underlying developing countries and covers 6.1 billion people.

The 2022 global Multidimensional Poverty Index (MPI) follows a rigorous and objective approach, and in so doing yields important insights in cross-country analysis and on long-term trends. The MPI's methodology identifies overlapping poverty indicators and therefore captures the intensity of deprivation and changes thereof. Deprivation is monitored across 10 indicators spanning health, education and standard of living. The weighted average score of each household is the MPI. If that deprivation score is one-third or higher, the MPI identifies the household as multidimensionally poor. By identifying who is poor and the nature and intensity of their poverty, the global MPI complements the international $1.90 a day poverty threshold.

First, the great news. In 15 years, starting from 2005, India has had as many as 415 million people exit poverty. This is the first time that we have evidence of China-like performance in poverty reduction. During this period, the incidence of poverty fell from 55.1% of our population to 16.4%. Even though India still has an unacceptably high number of poor, we can categorically state that India is no longer a "poor country". As India's population has quadrupled in the 75 years since Independence, India's progress on poverty reduction has been steady, particularly in the last 30 or so years. India has made measurable progress on all 10 deprivation indicators. In 2019, my column used the World Poverty Clock estimates to suggest that India had made dramatic strides in reducing extreme poverty (bit.ly/3ziA0Y5). This report confirms that observation more rigorously.

Across 111 developing countries, 4.1 million poor people are deprived on all 10 indictors (that is a deprivation score of 10). As many as 3.8 million of them live in Sub-

Saharan Africa, 214,000 in Arab states (dominated by Sudan) and about 110,000 in South Asia, concentrated in Afghanistan and Pakistan. For instance, Nepal has made dramatic strides in sanitation, Laos on multiple indicators like cooking fuel, electricity and housing, and Ethiopia in years of schooling. Ethiopia remains poor, with a 68.8% incidence of poverty just before the onset of the pandemic.

For India, the not-so-good news is that we still have the largest number of poor people worldwide (229 million). The urban-rural divide is stark. As many as 21.2% of our rural residents are poor, compared to only 5.5% of urban dwellers. Rural areas account for nearly 90% of all poor people in India, according to the report, with 205 million of the 229 million living there. In India, the most common 'deprivation bundle' comprises access to cooking fuel, housing, nutrition and sanitation. And tragically, more than one in five children (21.8%) are poor, compared with one in seven adults (13.9%). Unsurprisingly, even though the most improvement has been made in Bihar, Jharkhand, Chhattisgarh, Madhya Pradesh, Rajasthan and Uttar Pradesh (the so called 'Bimaru' states), they remain India's most deprived, still. Odisha joins this deprived club. Karnataka, Maharashtra and Gujarat have much progress ahead to catch up with Kerala, Tamil Nadu, Delhi and Punjab.

The data used in the report incorporates only very few months of the pandemic. The asymmetric impact of covid is likely to have set back India's dramatic progress. Some estimates suggest that school closures and food insecurity may have contributed to many years of regression on this count. We will know more about the pandemic impact as the first reports from post-pandemic household surveys begin to arrive next year.

One positive outcome of evaluating 'deprivation bundles' is that it helps us re-orient public policy. Deprivations in people's access to nutrition, cooking fuel, sanitation and housing need to be addressed on priority. The remarkable progress made in distributing basic calories through our public distribution system must now be oriented towards distributing 'nutrition'.

That progress was enabled by the success of Aadhaar in targeting beneficiaries with reduced waste and very few fake claimants. The same architecture can be used for a more balanced food distribution system that includes healthier macro and micro-nutrients and protein. Perhaps a more robust real-time system can be added to enable access to perishables like eggs, vegetables and fruits.

Subsidized cooking fuel benefits from the same architecture, but its penetration needs to be deepened in rural areas. The Ujjwala scheme estimates that cooking gas penetration in India is nearly 98% now. More objective estimates that adjust for multiple connections in some households yield a lower but more plausible number. Both the Centre and several state governments have been focusing on sanitation and affordable housing. Significant progress remains to be made on these counts. So there is clearly more to be done. https://www.livemint.com/opinion/columns/weve-made-significant-progress-on-poverty-reduction-11666803252881.html

15. TDP alleges large scam in purchase of meters *(newindianexpress.com)* 27th October 2022

VIJAYAWADA: The Opposition TDP on Wednesday alleged that a massive scam took place in the purchase of electricity meters for agriculture pump sets in the State. The Jagan Mohan Reddy government had evolved a plan to purchase each meter at a whopping cost of Rs 35,000 to get crores of rupees in the form of commission.

Speaking to mediapersons at the party headquarters in Mangalagiri, TDP spokesperson K Pattabhiram said, "It is a fact that at least Rs 6,500 crore is going to be spent on purchase of meters and a huge amount to be paid as commission to Tadepalli palace in this transaction. Shirdi Sai company, which is a binami unit of Chief Minister YS Jagan Mohan Reddy, is going to play a major role in the entire deal."

The Energy Department officials, in a Powerpoint presentation on October 12, clearly mentioned on page number 50 the amount that they are going to spend on the purchase of meters. "When the officials themselves have clearly stated that they are going to spend Rs 6,480.34 crore, how shamelessly Energy Minister Peddireddy Ramachandra Reddy can claim that only Rs 1,150 crore is being spent on the project," he asked.

The officials made it clear that the Letter of Intent too was already released and all the related works would be completed by June 2023, the TDP leader pointed out."While Peddireddy is claiming that the tender process was cancelled, the officials are clearly stating that the sample meters have been sent for testing and the process is also completed," the TDP spokesperson stated.

Pattabhiram also alleged that benami companies of Jagan were playing a key role in setting up of pumped storage power plants. This had come to the fore during a PowerPoint presentation given to the Chief Minister by the Energy officials, he added.

Stating that the total amount of arrears to be paid for Discoms as on April 1, 2022 is a whopping `12,300 crore, he asked who will trust the YSRC government that it will reimburse the meter charges to farmers, when such a huge amount of arrears are due to the Discoms.

EX-MINISTER TERMS CID A YSRC SISTER CONCERN

Vijayawada: Former TDP minister Nakka Anand Babu slammed the CID terming it a sister concern of the ruling YSRC. Speaking to mediapersons at the TDP headquarters in Mangalagiri on Wednesday, Anand Babu alleged that the CID's existence was only meant to file false cases against TDP leaders and harass them. The Jagan Mohan Reddy government was utilising the services of the agency only to subject TDP leaders to custodial torture, he charged. https://www.newindianexpress.com/states/andhra-pradesh/2022/oct/27/tdp-alleges-large-scam-in-purchase-of-meters-2512093.html