NEWS ITEMS ON CAG/ AUDIT REPORTS (28.10.2022)

1. NITI Aayog's white paper highlights the issues with Urban Wastewater in India *(factly.in)* October 27, 2022

India and Denmark together launched a whitepaper recently on 'Urban Wastewater Scenario in India' at World Water Congress and Exhibition 2022 in Copenhagen. An interdisciplinary team was formed with partners from Government Knowledge agencies such as Atal Innovation Mission (AIM), NITI Aayog, Ministry of Jal Shakti and National Mission for Clean Ganga (NMCG), international agency Innovation Centre Denmark (ICDK) and Indian Institute of Technology Bombay (IITB) to develop the whitepaper. The whitepaper presents the current status of wastewater generation in India, future capacity, need for wastewater treatment, scope for improvement and augmentation in existing infrastructure and technologies, methods for public participatory approach, financing, and co-financing options among other things.

Rapid urbanization is adding pressure on freshwater sources

With the rapidly growing population in urban areas, water scarcity is a consequence in most areas because of the expansion at an unprecedented pace. There is added pressure on freshwater sources to meet the ever-growing demand for water in urban areas. To keep up with the rising demand, it is necessary that alternate water resources are identified. One such unconventional water resource is wastewater. The increased consumption of water and improved coverage in domestic water supply and sewage due to the expansion of urban population gives rise to increased quantities of wastewater, treatment, and utilization of which has an enormous potential for meeting the supply-demand gaps in these areas.

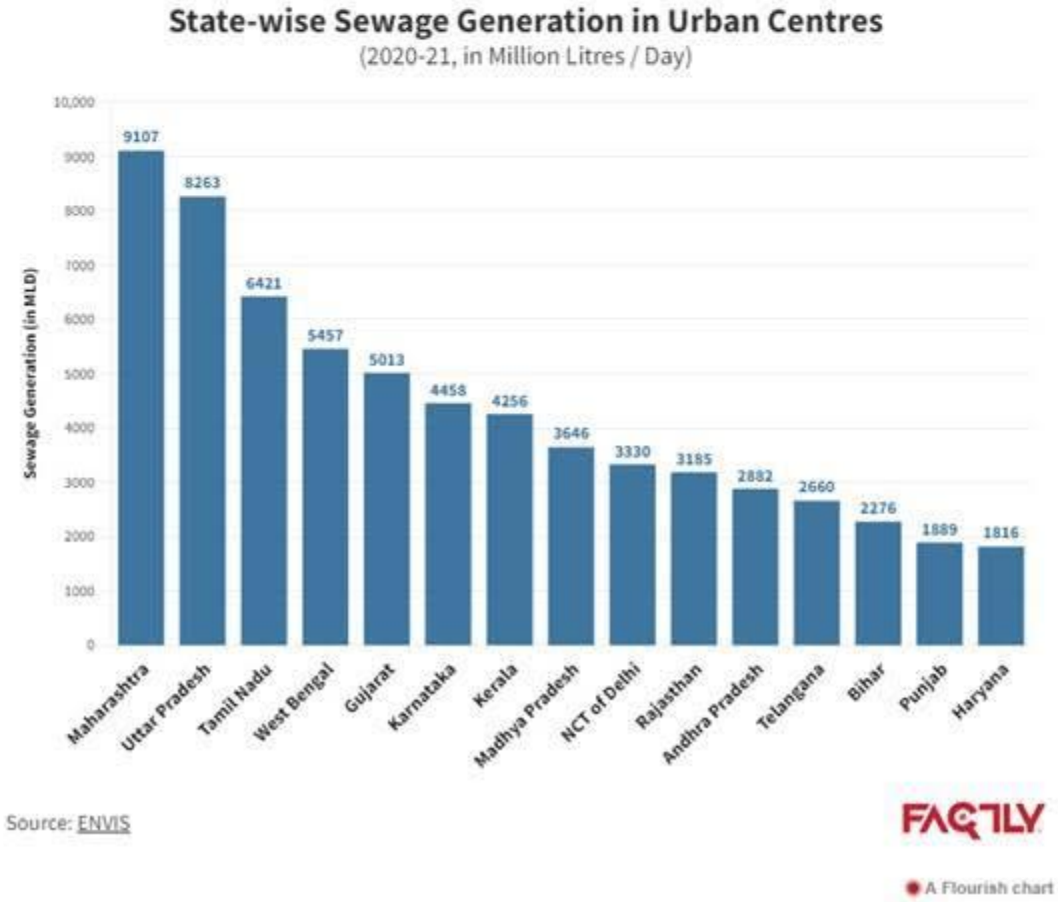
India generates the largest volumes of wastewater in South Asia

As per the 'Urban Wastewater Scenario in India', Asia generated the largest volumes of wastewater, about 42% (159 billion cubic metres) of the wastewater globally which is expected to increase to 44% by 2030. At the global level, only about 63% of the wastewater generated annually is collected, and only 52% treated. Only 11% of the total wastewater generated is reused annually and 22% of the treated water is reused directly. About 40% of the wastewater generated is discharged directly to the environment. Across regions, it was observed that wastewater collection and treatment was the highest in Western Europe and lowest in Southern Asia. India stands on the top in highest wastewater generation among the South Asian countries.

10 states account for 73% of the total sewage generated in 2020-21

As per the assessment by Central Pollution Control Board (CPCB), the sewage generation in the urban centres of India was 72,368 Million Litres per Day (MLD) for the year 2020-21. Maharashtra generated the highest quantity of sewage across states, with 9,107 MLD followed by Uttar Pradesh with 8,263 MLD. Tamil Nadu generated 6.421 MLD followed by West Bengal and Gujarat with more than 5000 MLD each. These five states together accounted for more than 47% of the sewage generated every day. Along with Karnataka, Kerala, Madhya Pradesh, Delhi, and

Rajasthan, the 10 states together contributed to more than 73% of the total sewage generated at the national level. On the other side, the sewage generated in the Northeastern states of Tripura, Manipur, Nagaland, Meghalaya, and Mizoram was less than 200 MLD each while that by Sikkim and Arunachal Pradesh was less than 100 MLD each.



Only about 28% of the sewage is treated while the remaining is disposed of directly into water bodies

While the 2020-21 data indicates a sewage generation of 72,368 MLD in urban centres across the country, the installed sewage treatment capacity was only 31,841 MLD, which is about 43.9% of the sewage generated. Of this installed capacity, developed and operationalized capacity was only about 84%, which is 26,869 MLD. The actual utilized capacity was even lower. It accounted for 75% (20,235 MLD) of the total operationalized capacity. In simpler terms, only about 20,235 MLD of the total 72,368 MLD or 28% of the total sewage generated in urban centres is actually treated. The remaining 72% remains untreated and is disposed of into water bodies. Even if the proposed capacity of 4,827 MLD for sewage treatment is installed, there would still be a gap of 49% between the wastewater generated and the capacity available for treatment. This distribution is skewed across states.

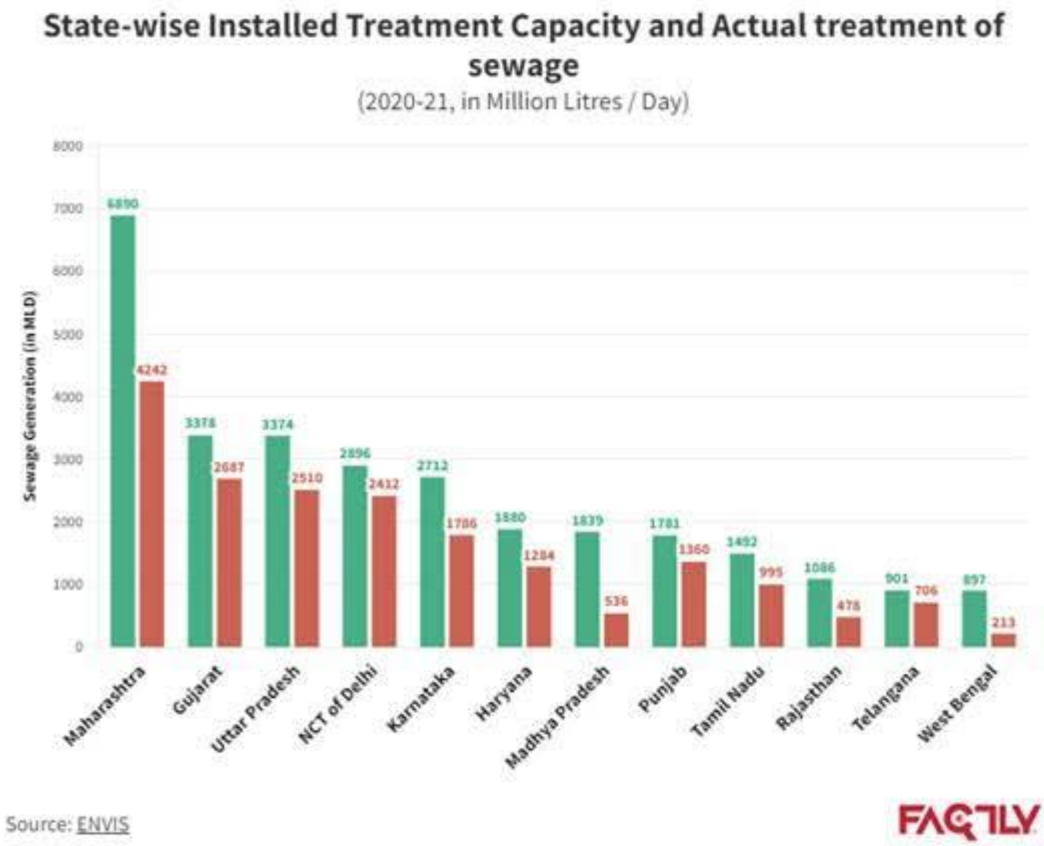
In terms of installed capacity, Maharashtra's installed capacity was 76% of the sewage generated. The state had the highest installed capacity with 6,890 MLD, followed by

Gujarat, Uttar Pradesh, Delhi, and Karnataka with more than 2000 MLD each. The five states accounted for more than 60% of the installed capacity at the national level. Haryana, Madhya Pradesh, Tamil Nadu, Punjab, and Rajasthan had installed capacity of more than 1000 MLD each. The ten states accounted for 86% of the total installed capacity.

Many northeastern states do not have sewage treatment plants

As percentage of sewage generated, the installed capacity was more than 100% (more capacity than sewage generation) in Chandigarh, Himachal Pradesh, and Haryana. Punjab's installed capacity was 94% followed by Delhi with 87% and Maharashtra with 76%. Despite being among the top five sewage generating states, Tamil Nadu's installed capacity was only about 23% and West Bengal's was 16% of the sewage generated. Assam, Manipur, Nagaland, Meghalaya, and Arunachal Pradesh did not have any sewage treatment plants. Despite generating 2,276 MLD sewage, the installed capacity was only 10 MLD in Bihar.

The actual quantity of sewage treated was also the highest in Maharashtra with more than 4000 MLD (47% of sewage generated in the state). Along with Gujarat, Uttar Pradesh, Delhi, Karnataka, Punjab, and Haryana, the 7 states alone were responsible for more than 80% of the actual sewage treated in the country though these states accounted for about 47% of the sewage generated.



Chandigarh had treated more sewage than it generated while Bihar, Assam & Kerala treated almost nothing

Chandigarh treated 125% of the waste generated. This could be because the actual utilized capacity is more than the sewage generation figures of the city which indicates that possibility of sewage coming from the adjoining cities or mixing of industrial wastewater into sewage. Delhi, Punjab, and Haryana treated more than 70% of the generated sewage while Gujarat treated 54% and Maharashtra treated 47%. Arunachal Pradesh, Bihar, Assam, Chhattisgarh, Jharkhand, Kerala, Manipur, Meghalaya, Mizoram, Nagaland, and Tripura treated only 0 to 1% of sewage generated while West Bengal and Odisha treated about 4% each.

There is no specific policy at the state or national level to deal with wastewater treatment

The data is a clear indication that sewage or wastewater treatment is not being given enough & uniform attention across the country. Urban Local Bodies (ULBs) are responsible for domestic wastewater treatment through provision and maintenance of wastewater treatment facilities in their administrative area. However, past audits by CAG have revealed that these facilities lack manpower, financial management, and monitoring and execution. The whitepaper highlighted the absence of specific policy at both the Central or State level that deals with prevention of pollution, treatment of polluted water and ecological restoration of polluted water bodies.

Moreover, the cost of violating the provisions of Water (Prevention and Control of Pollution) Act' is much less than the cost of compliance. Apart from this, there are lacunae in the water quality monitoring system in the country with different standards set for different uses.

Further, there is a huge gap between generated sewage and treatment capacity as observed earlier. This gap is more in cities with lesser population since capital expenditure to set STPs is high. The high cost and limited budgets hinder the adoption of latest technology to handle wastewater. Encouraging people to use recycled water for daily purposes is another challenge. There is also hesitance on the side of people to use recycled water owing to health concerns.

Whitepaper calls for formulation of coordinating agency at different levels

The 'Urban Wastewater Scenario in India' whitepaper suggests utilization of decentralized wastewater treatment systems to make wastewater recycling more accessible. The paper also advocates for treating the wastewater near the site reducing the risks associated transportation. Some other innovative, cost-effective, and sustainable solutions suggested in the white paper include nature-based solutions such as floating treatment wetlands, green roofs and living walls, waste stabilization ponds, vermifiltration, etc. It also calls for public-private partnerships, community participation & performance evaluation of treatment plants, public awareness, trainings, and knowledge transfers, improved institutional and international collaboration, and collaboration with NGOs. The paper also suggests the formation of a coordinating agency for managing the efforts at the municipal/state/national level. https://factly.in/review-niti-aayogs-white-paper-highlights-the-issues-with-urban-wastewater-in-india/

2. Don’t auction satellite spectrum *(thehindubusinessline.com)* October 27, 2022

Auctions will divide spectrum into portions, which will lead to a big reduction in efficiency of usage

Policymakers in Indian telecom are caught in a major quandary as regards the allocation of satellite spectrum. Active and heated discussions are happening in many fora between the two warring camps of stakeholders, one being some of the telcos and the other comprising all the satellite players. A quick conclusion does not seem to be in sight.

The case for auction of spectrum is quite apparent — on grounds of being open and transparent in the assignment of a resource which is somewhat limited but in very high demand that is exponentially increasing. Protagonists point to the serious disturbances in the sector, when some years ago there were some questionable administrative assignments of mobile access spectrum, and rightly cautioned against risking any repetition of the same through avoidance of auction.

However, it needs to be remembered that the mishaps referred to were related to terrestrial mobile access spectrum, and one needs to examine whether satellite spectrum is governed by similar circumstances.

It is well known that satellite spectrum has no national territorial limits and is coordinated by the International Telecommunications Union (ITU) — an UN agency — and is subject to their radio regulations to enable satellite networks to function without being impacted by harmful interference.

However, what is not probably well known is that multiple satellite operators, unlike terrestrial mobile network operators, use the same frequencies across multiple satellites without interfering with each other. They also coordinate with each other in sharing the same frequencies across their services. As a result, the satellite spectrum is never exclusively assigned as opposed to mobile access spectrum.

Exclusive access to spectrum is a fundamental basis of an auction. Bidders in an auction bid for spectrum to get exclusive access. Any auction mechanism will fail if the exclusive access is not granted. On the contrary, in the case of satellite spectrum, the sharing of frequencies between operators is what results in large capacities being available over a given geography. Any attempt to create exclusivity by dividing the satellite spectrum will restrict the use of the spectrum only to a few operators and will significantly reduce its value.

To auction a satellite spectrum band therefore, we have to divide it into portions or chunks (like done for terrestrial) and then auction the various chunks. Necessarily therefore, auctioning of satellite spectrum would, as the industry spectrum expert, Parag Kar, points out, “result in the fragmentation of their spectrum which in turn will decrease throughput and data speeds in proportion to the fragmentation”. In effect, this means a great reduction in the efficiency of spectrum usage which goes against the most basic objective of any spectrum policy — enhanced efficiency of usage.

If one does succeed in auctioning chunks of spectrum for satellite services, how would the winners deploy to deliver service? A very complex and complicated set of rules would have to be put in place for coordinated operation of different satellites in the same spectrum.

This would be a veritable nightmare for spectrum administrators and as a result no administration has ever auctioned this spectrum. One or two countries in the Americas auctioned only orbital slots but found major problems and later discontinued, and the US enacted the Orbit Act prohibiting any auction of both orbital slots and spectrum for satellite services. Based on that experience, neither they nor any other country would want to go that way again.

Cannot be changed

There is one more major problem with satellite spectrum auctions. Once auctioned, assigned and the complicated set of rules agreed upon, these cannot be changed during the tenure of the licences concerned. This means that new operators cannot be inducted because existing operators would be negatively impacted by any change in the coordination rules and this becomes an infringement on the legal rights after winning the spectrum in an auction.

Importantly, such high prices, as auctions invariably lead to, will stifle many budding start-ups in the space-tech segment. Breakthroughs, like just achieved with OneWeb, would become a distant dream.

There is another big downside to satellite spectrum auctions. Such a large and complicated framework of rules might lend itself to some honest lapses in compliance and the chances of 'mishaps' happening in the execution of the process are quite high, with the consequent intervention of the CAG.

Satellite spectrum auctions could create gatekeepers with chunks of spectrum. Such gatekeepers could block the entry, both of additional terrestrial or satellite operators, and create a serious anti-competitive environment. This goes against the spirit of enhanced competition and powerful industry houses with deep pockets could effectively use this to block new entrants and fair competition. The Competition Commission of India would have to keep a close eye on this aspect.

There is no need to get into Hamlet's quandary in the matter of satellite spectrum auction. International practice and our own policy for the last 20 years and more show the clear way forward. May administrative allocation prevail to ensure healthy competitive growth of the satellite sector in India. https://www.thehindubusinessline.com/opinion/dont-auction-satellite-spectrum/article66062155.ece

STATES NEWS ITEMS

3. CAG audit reveals glaring gaps in animal health care in Bengaluru and other state zoos *(bengaluru.citizenmatters.in)* October 28, 2022

Almost all of us have fond memories of visiting a zoo and seeing a zebra or giraffe for the first time. The pleasure and knowledge children derive from a visit to the zoo cannot be overstated. It is, therefore, essential to run zoos in a manner that balances the interests of the animals along with the comfort and convenience of the visitor. Some of the main challenges zoos face across the globe are lack of space, social stress, managing visitors, and maintaining the health of their animals. Besides food poisoning, zoo animals also suffer due to animal-human conflict and lack of veterinary care for diseases like hepatitis, tick fever etc.

In the last three years, the Delhi zoo alone has lost around 450 animals, including tigers and lions due to health reasons. In Bengaluru's Bannerghatta National Park, 263 animals died between April 2020 and March 2021.

Karnataka has a total of 13 zoos, out of which nine are under the jurisdiction of the Zoo Authority of Karnataka (ZAK). The Office of the Accountant General (ER&SA) conducted a comprehensive audit of the functioning of zoos from April 2014 to March 2019 in order to delve deeper into these aspects.

One way to be aware of issues of impropriety and poor performance in local government bodies and departments is to track the audit reports from agencies like the Comptroller and Auditor General of India (CAG).

The audit objectives were to test:

-Whether the nine zoos under ZAK were functioning as per the provisions of the Act
-Whether rules, guidelines, and circulars issued for achieving their objective of ex-situ conservation, the welfare of animals, research, education, and visitor management were being followed.

The audit examined the records at the office of the Additional Principal Chief Conservator of Forests (APCCF) and Member Secretary, Zoo Authority of Karnataka, besides the offices of the Executive Directors of the nine zoos.

Some important observations

-Every zoo in the country is required to obtain recognition from the Central Zoo Authority (CZA) under the Wildlife (Protection) Act, 1972 (Act) annually. The purpose of this exercise is to verify standards related to animal upkeep and visitor facilities. Recognition is given for a period of one year. As of March 2020, recognition had lapsed for eight out of the nine zoos managed by ZAK. In two cases, i.e. zoos in Chitradurga and Kalaburgi, recognition was suspended on account of failure to provide full-time in-charge officers, failure to remove domestic animals, and failure to provide a refuge for rescued animals etc. Despite this, the zoos were open to the public.

-The RZR rules (Recognition of Zoo Rules, 2009) stipulate that zoos were to prepare a Master Plan for long-term development on scientific lines and get approval thereof from the CZA within one year from the date of commencement of these rules. The Master plan should have been preceded by a Master Layout plan showing the location of green belts, lawns, gardens, animal display areas, visitor facilities, support infrastructure buildings for administrative and maintenance units etc. The Master Plans of the zoos should have been approved by November 2010. Out of nine zoos, three viz., Mysuru zoo, Bengaluru Bannerghatta Park (BBP), and Kamalapur zoo had approved Master Plans, though with a significant delay of three and four years, respectively. The rest did not have approved Master Plans as of March 2020.

-Animals are the heart of any zoo and hence having proper veterinary care facilities is paramount. However, only Rs 5.16 crore was released out of the Rs 11.40 crore planned. As per approved Master Plans, the zoos planned to spend Rs 92.54 crores on development activities such as building enclosures, parks, construction of parks, and creating amenities for visitors etc. However, the amount released and spent was only Rs 61.22 crore.

-All zoos, except mini zoos, are supposed to have a well-equipped veterinary hospital, including an operation theatre and an observation room. Mini zoos should at least have a treatment room. Further, all zoos should also have feed stores, basic monitoring equipment (stethoscope, digital thermometer etc.), post-mortem set, emergency first aid kit for animals, medicine/anaesthesia kit, cold storage for keeping emergency medicines etc. Such infrastructure was not in place in seven of the nine zoos. In Gadag, the hospital was not operational till January 2020 though its construction was completed in March 2019. The mini zoos at Kalaburgi, Davanagere and Chitradurga did not have treatment rooms.

All staff involved with the upkeep and healthcare of zoo animals need to be screened against zoonotic diseases once every year and those found positive for any communicable disease should be provided appropriate treatment till they get cured. However, health screening of zookeepers for zoonotic diseases was not conducted in any of the zoos, except Mysuru zoo, where screening was conducted only once in the five-year period covered by the audit.

-All the zoos were holding animals (spotted deer, blackbuck, sambar, and leopards) in excess of permitted levels as adequate population control measures were not in place.

-Animals in enclosures were in excess of permitted norms. In six zoos, as against 20 herbivores in each enclosure i.e. a total of 120 herbivores (spotted deer/blackbuck), the actual number was 354 spotted deer and 201 blackbucks, a surplus of 234 spotted deer and 101 blackbucks. Overcrowding of animals in an enclosure not only violates the CZA norms but also increases food expenses and as a result maintenance cost of the zoos also increases. Hence, overcrowding/surplus animals in enclosures and zoological parks need to be avoided.

-The bear rescue centre at Bannerghatta is maintained by Wildlife SOS, a Non-Government Organisation (NGO). During the audit, nine out of 86 sloth bears died due to Tuberculosis (TB). To ensure that contagious diseases do not spread from the animal keepers to the animals, they also need to be screened to make sure that they were not infected by any diseases. However, Audit did not observe any evidence of screening being conducted in the rescue centre.

-Audit noticed excess/short procurement of different food items in the zoos with reference to diet charts. For example, Gadag zoo had procured roughly half the requirement of both beef and chicken. In Kamalapur, Shivamogga, and BBP, the procurement of chicken exceeded the requirement by 250% to 274%. In Kamalapur, Belagavi, and Davanagere zoos, procurement of six vegetarian items was less than the requirement. Procurement of feed and fodder lesser than the planned diet chart indicated that nutrients as required are not provided to the animals. While procurement below requirement is likely to have had an adverse impact on the health of the animals, the matter of excess procurement needs to be examined from the perspective of propriety, wastage etc.

Audit noticed different education programmes in only three zoos, Mysuru, BBP and Shivamogga. Programmes like summer/ winter camp, youth club, zoo in-reach and out-reach activities, conservation talks, veterinary training for forest personnel, workshops etc. were conducted. In other zoos, there were no Education Officers/Resource Persons and hence no activities were conducted.

-Mysuru zoo booked an expenditure of Rs 26.03 lakh towards research activities like article publishing in zoo journals etc. However, only Rs 8.80 lakh was spent on research while the major portion, Rs 17.23 lakh was spent on non-research activities like road survey, website designing, purchase of mementoes for events etc. The diversion of funds for non-research activities was irregular.

-The Cadre and Recruitment Rules (C&R Rules) for different posts were approved by the government only in January 2020. In the absence of C&R Rules, the manpower requirements of the zoos were met by the deployment of outsourced staff. The staff deployed was more than the sanctioned posts in the zoos i.e., 762 personnel posted against the sanctioned strength of 388 posts. The matter needs to be examined for corrective action.

-The state government acknowledged the findings and accepted the recommendations. The Report was placed at the state legislature on 9th December 2020. https://bengaluru.citizenmatters.in/cag-audit-karnataka-zoos-bannerghata-national-park-animals-food-medical-care-92113

4. Punjab Govt borrowings hit a new high; over Rs 11,000 crore in six months *(tribuneindia.com)* October 28, 2022

68% spent on payment of interest for state's cumulative debt

The Aam Aadmi Party-led state government has borrowed an amount of Rs 11,464 crore in the first six months of its rule. This is nearly 48 per cent of its targeted borrowings for the ongoing fiscal.

Of the total amount borrowed, nearly 68 per cent (Rs 7,803.51 crore) has been spent only on the payment of interest for the state's cumulative debt of Rs 2.84 lakh crore. It is significant as it shows the trend that will prevail this year, with a majority of borrowings being done to repay the loans. Last year, the state had borrowed Rs 9,779.76 crore in the same period.

FISCAL INDICATORS FROM APRIL-SEPTEMBER

	2022-23	2021-22
Revenue receipts	₹39,881.21	₹32,332.36
Revenue expenditure	₹48,584.53	₹38,032.31
Revenue deficit	₹8,703.32	₹5,699.95
Borrowings	₹11,464.98	₹9,779.76
Interest payment	₹7,803.51	₹7,339.28

*ALL FIGURES IN CRORES

The fiscal indicators for the period between April and September, released by the Comptroller and Auditor General today, reveal that the revenue receipts or income in the six months is just 41.81 per cent (Rs 39,881.21 crore) of the target for this financial year. On the other hand, the revenue expenditure is 45 per cent (Rs 48,584.53 crore) of the targeted expenditure this year.

Compared to the first six months last year, when the previous Congress government was in power, the revenue receipts have shown a significant improvement, but the expenditure, too, is significantly higher than during the corresponding period last year. Between April and September 2021, the then state government had earned Rs 32,332.36 crore and spent Rs 38,032.31 crore. As a result, the revenue deficit, so far, this year is much higher at Rs 8,703.32 crore as compared to Rs 5,699.95 crore in 2021.

This year, according to the unaudited provisional figures released by the CAG, the state has earned much higher revenue in excise (up by Rs 1,120.64 crore in the same period in 2021); GST (up by Rs 1,318.85 crore) and in its non-tax revenue collections (up by Rs 712. 28 crore). The revenue earned from sales tax has declined by Rs 739 crore and earning from stamp duty collection and registration of property has declined by Rs 337.34 crore, showing that the real estate sector is passing through a slump.

Official sources in the Finance Department, when asked about the higher borrowings this year and the fall in revenue from sales tax and stamp duty collections, told The Tribune that the borrowings were within the limits set for the state, and most of these were going for repayment of loans taken in the past.

“Our expenditure is higher because we are creating a huge corpus in the sinking fund, which is an asset that can be monetised whenever needed. The stamp duty collections and sales tax revenue is expected to increase in the coming months,” said sources. https://www.tribuneindia.com/news/punjab/punjab-govt-borrowings-hit-a-new-high-over-11-000-crore-in-six-months-445005

5. FIR against Former AIADMK Minister SP Velumani Prima Facie Malafide, Court No Place for Political Parties to Score over One Another: Madras HC *(livelaw.in)* October 28, 2022

The Madras High Court on Thursday said that the court should not be made a place for the political parties to score over one another. The bench of Justice PN Prakash and Justice RMT Teeka Raman was hearing the petitions filed by former AIADMK Minister SP Velumani to quash the FIRs filed against him alleging irregularity in granting tenders.

While hearing the matter, the court observed that the matter appeared to be a war between the two political parties. Even though war between parties was quite natural, the court emphasised that the court should not be a place where the parties come to score over the other.

"This is a fight between two political parties. Tension between two parties is natural and necessary for the state in a democracy. But please understand this court should not be the place for one party trying to score over another."

The court also noted that prima facie the case appeared to be one filed with malafide. Even though a long time had passed the State was unable to conduct proper enquiry into the officers involved in the alleged irregularity.

This is not a murder case. This is a case where you had enough time to conduct a proper detailed enquiry and find out who were the public servant who awarded the tenders in allegiance to the minister. You have not done any of that properly. Without doing your homework, you've approached the court.

On Thursday, ASG and Senior Advocate SV Raju, appearing for the former Minister submitted that there was no complaint with regard to the execution of the contract. The only complaint was regarding the manner in which the tender was allocated. Being a Minister, his only responsibility was to ensure that the contracts were executed properly. Thus, he had nothing to do with the awarding of the contracts and was merely being framed at the behest of the DMK party.

Background

The former Minister was accused of indulging in corrupt practices in award of corporation contracts. It was alleged that he had deliberately reduced the number of tenderers for public works and awarded contracts to his close aids, in violation of the Tamil Nadu Transparency in Tenders Act 1998 and the rules as well as the Competition Act.

In 2019, a preliminary inquiry report was submitted to DVAC by investigation officer R Ponni who gave a clean chit to Velumani, subsequent to which the government decided not to press charges against him. In 2021, after a change in government, a fresh report was filed by the DVAC citing the 2016 and 2020 CAG reports and FIR was registered against the former minister after raids were conducted at his residence. https://www.livelaw.in/news-updates/madras-high-court-sp-velumani-court-not-a-place-for-political-parties-to-score-over-one-another-212615

SELECTED NEWS ITEMS/ARTICLES FOR READING

6. What the new UN climate report reveals *(indianexpress.com)* October 28, 2022

Anew UN climate change report holds out a glimmer of hope that the world's GHG burden in 2030 will be less than what was feared about a year ago. It shows that the national global warming mitigation targets will increase emissions by 10.6 per cent by 2030, compared to 2010 levels. This is an improvement over last year's assessment, which projected that emissions in 2030 will rise by nearly 14 per cent over 2010 levels. This year's analysis also shows that emissions are not likely to increase after 2030. But that's where the good news ends. The cumulative climate ambition of countries will not limit temperature rise to 1.5 degrees Celsius by the end of this century — the target of the Paris Climate Pact. "The current combined National Determined Contributions (NDCs) will lead the planet to at least 2.5 degrees warming," warns the report.

At the COP-27 in Glasgow last year, 194 countries agreed to upscale their Paris Pact targets. However, only 24 of them — including India — have updated their plans. The delay is understandable. Raising climate ambition requires countries to take difficult decisions in areas as diverse as agriculture, forest management, transport, and urban planning. These issues relate to people's livelihoods and well-being and demand that policymakers balance sustainability with developmental goals. All countries are not on the same footing in this respect, especially because climate cooperation has rarely gone beyond silos. Inadequate technology transfer from the developed world remains a persistent grouse of developing countries. There are fears that the ambitious targets of several countries could remain on paper if they are not matched by adequate financing. In 2009, developed countries agreed to raise $100 billion per annum up to 2020 to help developing countries reduce emissions and cope with the effects of global warming. The target was never met — the shortfall, according to some estimates, is more than half the total funds that had to be mobilised.

The UN report comes less than two weeks before global climate diplomats will assemble at Sharm El Sheikh in Egypt for the UNFCCC's COP-27. Countries with a negligible carbon footprint are likely to make a strong pitch for reparations for climate-related damages at the summit. Such demands have amplified after the recent floods in Pakistan with several Pakistani policymakers pointing out that the "country had to pay the price for others' emissions". At the core of issues such as this lie the principles of equity and climate justice, which UNFCCC documents acknowledge, but action has remained tardy. The forthcoming COP shouldn't go the way of its predecessors. https://indianexpress.com/article/opinion/editorials/what-new-united-nations-climate-report-reveals-8234085/

7. How to get green financing to take off *(financialexpress.com)* October 28, 2022

An economic return alone might not be sufficient to induce green financing. A more holistic rate of return, considering the social cost of carbon, will be appropriate

Climate finance, or Green Money, remains a critical bottleneck for India in its journey towards the Net Zero 2070 objective and to create a resilient system through climate adaptation and mitigation. The challenge is daunting—to make a climate transition for a nation of 1.4 billion people with increasing aggregate national income and individual wealth inequality. Finances for climate change were to be channelised through multi-tiered systems in the form of national, regional, and international bodies. It has been estimated that India will need $15 trillion to finance its Net Zero journey.

In most cases, small amounts flowing now into the developing component of the G20 nations are actually in the form of concessional loans rather than grants. There is no doubt that India will need international financial commitments and technological support from developed countries, who have been erratic with their promised deliveries so far.

As for domestic financial sources, according to an RBI Bulletin from January 2021, "… green finance in India is still at the nascent stage. Green bonds constituted only 0.7% of all the bonds issued in India since 2018, and bank lending to the non-conventional energy constituted about 7.9% of outstanding bank credit to the power sector as on March 2020." The report also mentioned that the development of green financing and funding of environment-friendly sustainable development is not without challenges, which may include false compliance claims, misuse of green loans, and, most importantly, maturity mismatches between long-term green investments and relatively short-term interests of investors. Another research report indicates that banks in India, like in many parts of the world, are not prepared to adapt to climate change; and have not yet factored in any climate-related financial risks into their day-to-day decision-making. Some of the criteria used to assess the banks include a commitment to phase out investments in coal, disclosing and verifying direct and indirect emissions, issuing green loans, financing climate mitigation, and Net Zero targets for different types of emissions and their implementation plans. The report is also critical that none of the 34 banks have tested the resilience of their portfolios in the face of climate change. Yet, the bankers' noise around the green finance topic is euphorically loud, without action.

These banks and financial institutions are also not geared up for financing green transition. First, India faces the big challenge of "how to define green", as there is no uniform green definition and green taxonomy barring an ORF attempt. Second, the green money is generated through largely debt-based products (green bonds, climate policy performance bonds, debt for climate swaps, etc), while the fund deployment occurs through debt-based, equity-based, and often, insurance-based instruments, apart from grants and loans. However, the Indian market lacks the depth of its debt markets or the heft of the bond markets. Third, there is an inherent problem with "green data governance" that entails tracking the entire data-chain of a green financing initiative. Fourth, like many other private sector funding, the banks look at rates of return that do not really often make financing “public goods” as viable investments. They are even apprehensive about financing projects with long gestation periods with uncertain returns.

Adding NPVSCC25 to RoI

An economic return alone might not be sufficient to induce green financing. A more holistic rate of return, considering the social cost of carbon, will be appropriate. A longer time horizon will be needed for the cost-benefit analysis and the estimation of the return on investment. This is because, for climate-related projects, the returns increase over time. Next, the extent to which the particular project could result in CO2 reduction and, eventually reduction in the social cost of carbon need to be assessed.

As an example, India intends to reduce 1 billion tonnes of CO2. The present social cost of CO2 (SCC) is $86/tonne. Therefore, the sheer economic gain is to the tune of $86 billion, or 2.1% of the current Indian GDP. Social cost saving is a public good and is enjoyed by all businesses, including the financial institutions. Hence, for a stronger business case for climate finance, we propose to include in its RoI calculations the cost-benefit returns of the project through NPVSCC20—the Net Present Value of Social Cost of Carbon over 25 years of the project, a time period that compares well with tenor of infra and sovereign bonds. As an incentive, the government could introduce taxation sops for using NPVSCC25.

The way India finances its journey to Net Zero 2070 could very well be a framework for other nations, for it would need to have contours of social inclusion, economic flexibility, and sustainable financing, while keeping in mind the political compulsions, as well as serving the demographic requirements of creating and sustaining livelihood in decades to come. Therefore, financial institutions need to drastically up their green-thinking, while India looks at foreign partnerships and global financial sources for such financing. If demonetisation was a big step for the Indian economy, we now need a remonetisation in the form of green finance. https://www.financialexpress.com/opinion/how-to-get-green-financing-to-take-off/2753083/

8. An income tax lesson for GST *(indianexpress.com)* October 28, 2022

The first Income Tax Act was introduced in India in 1860 by Sir James Wilson. The first post Independence IT Act was passed in 1961. And though it has witnessed several amendments since, it can be said that no amendment in the tax laws brought an end to the corruption within the tax department until the Narendra Modi government came to power and introduced the faceless tax regime.

As a practising tax consultant for the last 40 years, I feel that corruption in the tax department, which used to be a major cause of concern for every taxpayer who suffered at the hands of dishonest tax officials, has witnessed a significant change. It is no less than a miracle to see that a single decision of the Modi government has practically resolved this issue.

Earlier, I used to spend almost 60 per cent of my working hours in the tax department office. Today, I must admit that I have not visited their office for the last three years. As against around 40 notices that I used to receive for scrutiny assessment under section 143(3), under the faceless tax regime, it has come down to two. Now, there is no personal interaction with tax officers and I believe it has significantly reduced instances of harassment. Data shows that even tax compliance has increased.

Under the faceless tax regime, information about high-value transactions of taxpayers is received by the tax department which is then used to issue notices under section 148 of the IT Act. Recently, thousands of such notices were issued and taxpayers had to pay tax, interest and penalty. This is set to enhance tax compliance as taxpayers will know that it is not possible to hide high-value transactions and they should disclose such transactions while filing their returns.

An important aspect of the faceless tax regime is that even the first appellate authority — the CIT appeal — is now faceless, leaving no room for corruption. In the past, dishonest taxpayers allegedly used to manage appellate orders during the CIT appeal.

The faceless tax assessment system has put everything online — from the filing of returns to the assessment orders. It has even done away with the need for huge storage facilities for the records of taxpayers.

The only two departments that are required to physically interact with taxpayers are the investigation wing and international taxation. In the case of investigations, for summons issued under section 131, a personal hearing is a must. In international taxation, non-residents are required to approach the department for tax clearance on the sale of property under section 195/197. The procedure remains cumbersome, with individuals required to submit a long list of documents. This area needs to be addressed and the government should take steps to reduce the harassment of NRI taxpayers.

It is not only direct tax but indirect taxes that have seen a complete rationalisation. GST was introduced with the motive of “one nation one tax”. Earlier traders and businessmen had to pay various indirect taxes — excise duty, VAT, sales tax, service tax, octroi — and were subjected to harassment, corruption and clearance issues at various tax departments. GST has resulted in more efficiency and has also reduced the time taken to transport goods. Monthly GST collections are hitting new highs and stood at Rs 1.47 lakh crore in September 2022, after hitting an all-time high of Rs 1.68 lakh crore in April 2022. Tax evasion has reduced significantly.

I, however, believe that some rationalisation of GST rates is needed. Also, there needs to be equitable treatment for various professions. While there is an 18 per cent GST on the fee charged by chartered accountants, there is no GST on fees of advocates and solicitors. If the 18 per cent tax rate for manufacturers and traders is reasonable, as they were earlier subject to multiple taxes, I feel that the 18 per cent tax rate for professionals is on the higher side.

If the faceless tax regime for direct taxes has resulted in significant benefits, the main drawback of GST is that it remains face-to-face. It is leading to the same old issue of corruption. While I believe that making GST proceedings faceless would be very difficult, the way corruption is increasing is a cause of concern.

So, while the faceless tax regime in the Income Tax Department has completely removed corruption from the system, corruption in the case of indirect taxes persists with GST. https://indianexpress.com/article/opinion/columns/an-income-tax-lesson-for-gst-8234112/

9. In a first, private consortium to make military aircraft in India *(hindustantimes.com)* October 28, 2022

The development is significant as a military aircraft will be manufactured in India by a private consortium for the first time. It comes more than a year after defence ministry signed a ₹21,935-crore contract with Airbus Defence and Space for 56 C-295 planes to give push to the Atmanirbhar Bharat Abhiyan (self-reliant India campaign)

In what is being seen as a shot in the arm for the government's Make in India initiative, Prime Minister Narendra Modi will on October 30 lay the foundation stone of a manufacturing facility being set up by the Tata-Airbus consortium at Vadodara in Gujarat for C-295 medium transport aircraft to modernise the India Air Force's transport fleet, top defence ministry officials said on Thursday.

The development is significant as a military aircraft will be manufactured in India by a private consortium for the first time. It comes more than a year after defence ministry signed a ₹21,935-crore contract with Airbus Defence and Space for 56 C-295 planes to give push to the Atmanirbhar Bharat Abhiyan (self-reliant India campaign). Tata Advanced Systems Limited (TASL) and Airbus Defence and Space will jointly execute the programme. The C-295s will replace the IAF's fleet of ageing Avro-748 planes that entered service in the early 1960s.

Defence secretary Ajay Kumar said 16 C-295 aircraft will be delivered by Airbus in flyaway condition from Spain, and the remaining 40 will be manufactured in India by Tata consortium of TASL and Tata Consultancy Services.

The 16 flyaway aircraft are scheduled to be delivered between September 2023 and August 2025, while the first Made in India aircraft will roll out of the new facility in September 2026 and the remaining 39 by August 2031, Kumar said.

This translates into a production rate of eight aircraft per year at the Vadodara facility. Madhya Pradesh, Uttar Pradesh, Maharashtra, and Karnataka were the other states competing for the project.

"The indigenous content in the planes will be the highest ever in India, and 96% of the work that Airbus does in Spain will now be done at the new facility," Kumar added.

The C-295 can carry up to nine tonnes of payload or 71 personnel (or 45 paratroopers) and has a maximum speed of 480 kmph. It can also operate from short or unprepared airstrips, has a rear ramp door for quick reaction and para dropping of troops and cargo, and will strengthen the logistic capabilities of IAF, the officials said.

The C-295 exceeds the performance of the Avro and the AN-32 transport planes, and is extremely fuel efficient, said IAF vice chief Air Marshal Sandeep Singh.

“The fighter aircraft and helicopter manufacturing ecosystem is in place in the country. The production of C-295s in India will provide a significant boost to the transport segment. In the long term, these planes could even serve as a possible replacement for AN-32s,” said Air Marshal Anil Chopra (retd), director general, Centre for Air Power Studies.

Apart from the 56 planes already ordered, the C-295 facility at Vadodara will be capable of meeting additional requirements of the air force and also cater to export orders, Hindustan Times has learnt.

“The project offers a unique opportunity for the Indian private sector to enter into technology intensive and highly competitive aviation industry. It will augment domestic aviation manufacturing resulting in reduced import dependence and expected increase in exports,” the defence ministry said in a statement.

All 56 aircraft will be fitted with indigenous electronic warfare suite developed by Bharat Electronics Ltd and Bharat Dynamics Limited. After completion of delivery of 56 aircraft to IAF, Airbus Defence and Space will be allowed to sell the aircraft manufactured in India to civil operators and export to countries which are cleared by New Delhi, the defence ministry said.

The project will provide a boost India’s aerospace ecosystem and generate thousands of jobs.

“The Tata consortium has identified more than 125 domestic MSME suppliers spread across seven states. This will act as a catalyst for employment generation and is expected to generate 600 highly skilled jobs directly, over 3,000 indirect jobs and an additional 3,000 medium skill employment opportunities,” the statement said. Also, around 240 engineers will be trained at the Airbus facility in Spain.

Manufacturing of more than 13,400 parts, 4,600 sub-assemblies and all major component assemblies will be carried out in the country, while some equipment such as engines, landing gear and avionics will be provided by Airbus Defence and Space, and integrated on the aircraft by the Tata consortium, the defence ministry said.

The Avro replacement project has been in the works for more than a decade. The defence acquisition council --- India’s apex defence procurement body --- gave its acceptance of necessity (AoN) to replace the Avro planes with 56 new aircraft in 2012. Under India’s defence procurement rules, AoN by the council is the first step towards buying military hardware.

It is the first Make in India aerospace programme in the private sector involving the full development of a complete industrial ecosystem; from manufacture to assembly, test and qualification, to delivery and maintenance of the complete lifecycle of the aircraft, Airbus Defence and Space and TASL had earlier said in a joint statement. https://www.hindustantimes.com/india-news/in-a-first-private-consortium-to-make-military-aircraft-in-india-101666897280946.html

10. Why India's power sector needs competitive bidding to maintain its growth momentum *(timesofindia.indiatimes.com)* October 27, 2022

India's power sector has been one of the key beneficiaries of significant reforms in the last eight years. While electricity has now reached even in the remotest of villages, there has been massive capacity addition in renewables with groundwork being laid to ensure solar and wind account for 50% of India's total installed generation by 2030. Earlier this month, Modhera village in Gujarat's Mehsana district was declared as India's first solar powered village with 1,000 solar panels installed on the village houses. Plans are afoot to build electricity transmission for evacuation of renewable energy capacity of about 233 GW even as key policy steps have been taken to support the growth of green hydrogen and build energy storage. At the same time, India is incentivising mass scale production of renewable hardware including panels and turbines to cut the nation's dependence on imports.

While there are some issues like the huge outstanding that DISCOMs owe to generating companies that need to be still addressed in a holistic manner, it will be fair to say that India's power sector has made rapid strides and the growth is expected to only accelerate in the coming years. The public sector companies – right from generation to transmission and distribution – have been the bedrock of India's electricity sector for several decades. However, in the last decade or so, it is the private sector that has also made immense contribution with sizeable investments, timely execution of projects and research and development. The government has also ushered in efficiency and cost optimisation in the sector by doing away with archaic models like Regulated Tariff Mechanism or nomination route with Tariff Based Competitive Bidding, which has allowed private capital to participate in India's energy sector's growth story.

Let's take the case of India's transmission sector. Since the introduction of TBCB model in 2010, more than 65 projects amounting to Rs 85,000 crore have been awarded through the TBCB route with competitive bidding by both private and public sector companies. Many have successfully implemented transmission projects in strategically sensitive locations like North-East, J&K, and that too, within truncated timelines of 2-3 years. Even discovery of tariff from competitive bidding route is usually 30-40% lower as compared to cost-plus method, translating into government funds being efficiently utilized in the larger interest of consumers. This model has also led to the creation of a vast ecosystem of developers, technology providers, and financial products. Since the entire process is transparent, it also sends a positive signal to the investor community, thereby increasing India companies' access to global debt and equity capital.

In fact, the mega Rs 26,000 crore Leh-Kaithal electricity transmission project has repeatedly come under the scanner at Expenditure & Finance Committee (EFC) meetings because going against well-established norm of TBCB, the power ministry decided to award the contract for India's largest, 480 km Green Energy Corridor to Power Grid Corporation on nomination basis. Doubts have been raised on various counts including optimal utilisation of resources under RTM and the possibility of the government ending up providing an additional central grant at 40% of the project cost. The government's policy think tank, Niti Ayog has also observed that Government grant can be reduced by inviting bids for the project on Viability Gap Funding basis, wherein the grant sought is linked to the bid parameter. This will ensure minimum outgo for the Government. Niti Ayog is also understood to have opined that RTM is a pass-through structure with barely any incentive for cost optimization while implementation efficiency is compromised.

Another reason that has been cited by Ministry of Power to award the India's largest Green Energy Corridor project is the implementation of Voltage Source Convertor (VSC) based High Voltage Direct Current (HVDC) system. Here, it needs to be noted that with the growing pool of international technology suppliers like ABB, Siemens, Schneider, and Hitachi and project implementation experience of private players, even Voltage Source Convertor (VSC) based High Voltage Direct Current (HVDC) system can be suitably structured and should be no reason to award the project through nomination basis and not via the TBCB route. The private sector companies also have the relevant experience and expertise to execute transmission projects in tough terrains through advanced technology & have consistently delivered ahead of schedule. In the recent past, private entities have already successfully implemented transmission projects in climatically challenged, strategically sensitive and border locations.

While the government has displayed significant intent in the last several years by encouraging private sector participation, it must ensure that there is no deviation from this well-crafted policy that has delivered positive results for the sector and brought large scale growth, not to forget the positive signals to the investor community, thereby, increasing India's access to global debt and equity capital. Awarding of projects on nomination basis in this era where private sector is equally, if not better equipped, to build toughest of infrastructure may create an environment of uncertainty and eventually hurt inflow of private investments. On the other hand, competitive bidding will not only deepen private sector participation but also enable robust development of the power sector. https://timesofindia.indiatimes.com/blogs/voices/why-indias-power-sector-needs-competitive-bidding-to-maintain-its-growth-momentum/

11. No takers for green power worth 5 GW *(livemint.com)* October 28, 2022

Amid the government's ambitious energy transition goals, as much as 5 GW of electricity from renewable energy projects remains unsold, two people aware of the development said. The reason: A government-run nodal agency has been unable to find distribution companies willing to buy the power from these projects.

State-run Solar Energy Corp. of India (SECI), the nodal agency for renewable energy, signs PPAs with winning power developers in auctions, and subsequently signs power sale agreements (PSAs) with discoms for the sale of this power. However, discoms are increasingly reluctant to sign PSAs, as they notice tariffs keep declining in subsequent auctions.

However, this is still an improvement from the earlier part of the year when the quantum of such projects was 16 GW.

“Eight months earlier, there was a stock of almost 16 GW of unsold power, where letter of award was done but the PPA was not done. That has dwindled to 4 or 5 GW, which has been good progress," said one of the two officials cited above, both of whom spoke on the condition of anonymity.

However, the situation may be easing as PPAs are being signed.“The backlog of unsold power came on the backdrop of anticipation of a further decline in tariffs since it touched a low of ₹1.99 per kWh (kilowattt hour) in November-December 2020. However, on the backdrop of the rise in module prices, tariffs have now gone up and have largely remained around ₹2.2- ₹2.3 per kWh. In recent auctions, tariffs have been in the range of ₹2.5-2.9 per kWh," said Vikram V., vice president & sector head of corporate ratings at ICRA Ltd.

“A slow pace of signing of PPAs and PSAs would impact the capacity installation in the country. However, the situation has improved in the past few months," he added.

In March this year, the standing committee on energy pulled up the Union ministry for new and renewable energy for not achieving assigned yearly targets for installation of renewable power.

Module prices, which were around 17-20 cents in December 2020, are now around 35 cents in the case of imported modules, including the 40% basic customs duty and the cost of domestic cells are 36-37 cents on an import parity basis, analysts said. The basic customs duty of 40% on modules and 25% on cells effective from April 2021 has lifted the prices of modules in the country.

The plunge in green power tariffs came largely on the back of highly competitive bidding under the reverse auction process. In a reverse auction, once the lowest bid is found after the bids are opened, there is a further auction for even lower bids. In renewable energy, the mechanism of reverse auctions has been used largely to discover the lowest tariff.

Green energy players have urged the government to revert to closed bids on the grounds that reverse auctions hurt businesses due to low tariffs discovered through the process.

Queries sent to the ministry of new and renewable energy, ministry of power and SECI remained unanswered till press time. https://www.livemint.com/industry/energy/no-takers-for-green-power-worth-5-gw-11666892639077.html

12. Global Hunger Index rating should shock us into a policy review *(livemint.com)* October 28, 2022

The recently published Global Hunger Index has lowered India’s global rank from 101 out of 116 countries in 2021 to 107 out of 121 in 2022. This places India below all South Asian countries other than Afghanistan, and also below several poor African countries such as Rwanda, Nigeria, Ethiopia and the Republic of Congo.

This led to a political firestorm on social media, with the government’s Press Information Bureau issuing a rejoinder on its twitter handle hinting at some conspiracy as “a consistent effort is yet again visible to taint India’s image as a Nation… misinformation seems to be the hallmark of the annually released Global Hunger Index (which is) an erroneous measure of hunger and suffers from serious methodological issues. Three out of the four indicators used for calculation of the index are related to health of Children and… the fourth and most important indicator estimate of Proportion of Undernourished (PoU) population is based on an opinion poll conducted on a very small sample size of 3000."

We must acknowledge that people may have some motive for articulating particular views. But we need to steer clear of such motives. Nothing becomes right or wrong just because the motive for it is malicious or virtuous. Motives are red herrings. We need to concentrate on the substance of what has been said, as this needs to stand on its own feet.

One can think of three separate ways to view the Global Hunger Index on its merits, namely at the level of theory, at the level of methodology, and at the level of Indian peculiarities. Let’s take up these three levels in turn.

Theory: It is undoubtedly true that India has for some time been one of the fastest growing economies globally. It has also taken rapid strides in food production. It has large stocks of foodgrain that induced Indian Prime Minister Narendra Modi to make an offer recently to supply food to the world if the World Trade Organization were to permit it.

Economics Nobel laureate Amartya Sen, historian of the Bengal Famine of 1943, would however be unfazed by these apparent anomalies because poverty and hunger are distributional and not food availability issues. In his formulation, there is a clear difference between what he called ‘means generation’ (increasing the size of the cake through economic growth) and means usage (how the cake is distributed). He was critical of Indian policy after Independence for generating the means (through focusing on growth) but not following up by using it adequately to combat poverty and hunger. The poor budgetary allocations for social infrastructure over the years only serves to underscore this.

Sen found this odd because India was a democracy where you would expect popular pressure for accelerated reduction of poverty and hunger. Sen’s takeaway was that democracy was more successful in preventing famines than in addressing endemic hunger and poverty. Nevertheless, since neighbouring countries fare better on the Index’s chart, this raises some substantive questions about the nature of Indian democracy. Democracy, after all, is more than just periodic use of the ballot box.

Methodology: The index is about 20 years old and is based on a set of constant indicators. All indices have flaws, including the basic indicator of calculating GDP, based as they are on limited data selection and samples. The directional shifts over time are nevertheless meaningful. The argument that there is little merit in using malnourishment and stunting of children as indicators of hunger is not persuasive. Measures of hunger and poverty are moving away from caloric consumption to nutrition. Moreover, a fourth indicator has also been used. Are the sampling techniques used for the fourth measure adequate? There can of course be differences of opinion on the issue, but it is unlikely that international organizations that make these widely used indices did not consult reputable statisticians while devising sampling techniques.

Indian peculiarities: It is argued by some that the Index does not take into account the fact that India is a predominantly vegetarian society. The Indo-Gangetic plains are a cradle of vegetarianism. While ritual vegetarianism in India is primarily an upper-caste phenomenon, per capita meat consumption data reveals that Indians are mostly vegetarian, although they occasionally eat eggs, chicken, fish, mutton, beef, pork, etc. In most parts of the world, meat is part of people's daily diet. Child wasting and stunting can possibly be traced to imbalanced vegetarian diets and animal protein deficiencies rather than energy deficits. Our food production and subsidy data (for wheat and rice) also buttress the case for nutritional deficiencies.

The unfortunate fallout of such politically charged debates on global indices such as the Global Hunger Index, Global Freedom Scores, World Press Freedom Index, Democracy Index, V-Dem Index, etc, is that policymakers end up expending their intellectual energies on worsting the indices rather than using the data as valuable inputs for policy corrections, such as in the case of nutritional deficiencies. Ironically, the same policymakers highlight global indices that show us in good light. Indeed, conscious efforts are made to devise ways to game these metrics. They seem more concerned about the country's international image than the well-being of those for whom they are tasked to formulate policy. The findings of the Global Hunger Index 2022 should shock a democracy into a policy review at the very least. https://www.livemint.com/opinion/online-views/the-global-hunger-index-should-exhort-us-to-act-rather-than-carp-11666889517616.html

13. Why we need to focus on nutrition, not hunger *(indianexpress.com)* Updated: October 28, 2022

Every October, the Global Hunger Index (GHI) is released. It generally creates an uproar, and with good reason. But this time it has gone overboard. The fountainhead is a 16-year-old German and Irish organisation, which measures and ranks countries on a hunger index at the global, regional, and national levels, but not at the sub-national level where some Indian states fare better. The GHI's stated aim is to reduce hunger around the world. But its methodology focuses disproportionately on less than five-year-olds.

In common parlance, hunger and nutrition are two different things. Hunger is associated with food scarcity and starvation. It produces images of emaciated people holding empty food bowls. GHI uses childhood mortality and nutrition indicators. But its preamble states "communities, civil society organisations, small producers, farmers, and indigenous groups… shape how access to nutritious food is governed." This suggests that GHI sees hunger as a food production challenge when, according to the FAO, India is the world's largest producer and consumer of grain and the largest producer of milk; when the per capita intake of grain, vegetables and milk has increased manifold. It is, therefore, contentious and unacceptable to club India with countries facing serious food shortages, which is what GHI has done.

The sensational use of the word hunger is abhorrent given the facts. But there is no denying that in India, nutrition, particularly child nutrition, continues to be a problem.

Unlike the GHI, the National Family Health Survey (NFHS) does a good job of providing comparative state-level data, including the main pointers that determine health and nutrition. NFHS provides estimates of underweight, (low weight for age), stunting (low height for age) and wasting (low weight for height). These conditions affect preschool children (those less than 6 years of age) disproportionately and compromise a child's physical and mental development while also increasing the vulnerability to infections. Moreover, undernourished mothers (attributable to social and cultural practices,) give birth to low-birth-weight babies that remain susceptible to infections, transporting their handicaps into childhood and adolescence.

The jury is divided on the causes and solutions. Leela Visaria, a noted sociologist, links the nutritional status of young children with the post-neonatal phase when children suffer from acute respiratory infections and diarrhoeal diseases. Sanitation and hygiene require much more work, she says. The Director of the Nutrition Foundation of India Prema Ramachandran says, "the Body Mass Index test is the best way of identifying both thin and overweight kids and the ongoing Poshan Abhiyaan envisages this." Professor V Subramanian at the Harvard Chan School of Public Health writes, "there is a need to declutter the current approaches to child undernutrition by keeping it simple. I advise against a disproportionate focus on anthropometry (body measurements); instead, the need is to have a direct engagement with actual diet and food intake."

The irony is that issues related to nutrition and their solutions, although they appear simple and cheap, need delving into individual homes. The first child nutrition challenge relates to breastfeeding. The WHO and UNICEF recommend that breastfeeding should be initiated within the first hour of birth and infants should be exclusively breastfed for the first six months. According to NFHS 5, in India, the percentage improvement of children who were exclusively breastfed when under six months, rose from 55 per cent in NFHS 4 to 64 per cent in NFHS 5. That is progress, but it is not enough. By not being breastfed, an infant is denied the benefits of acquiring antibodies against infections, allergies and even protection against several chronic conditions. NFHS says that only 42 per cent of infants are breastfed within one hour of birth, which is the recommended norm. Interestingly, Chhattisgarh, Jharkhand, Madhya Pradesh, Odisha and Maharashtra, Manipur, Rajasthan, Himachal Pradesh, and Haryana score above 70 per cent whereas the ones below 50 per cent include Bihar, Punjab, Kerala, Tamil Nadu, and West Bengal. The others are in between.

The second issue relates to young child feeding practices. At root are widespread practices like not introducing semi-solid food after six months, prolonging breastfeeding well beyond the recommended six months and giving food lacking in nutritional diversity. NFHS 5 shows that the improvement has been marginal over the last two reports and surprisingly, states like Maharashtra, Rajasthan, Assam, UP and Gujarat are at the tail end.

The feedback from a 40-year-old NGO CHETNA (with whom the writer is associated), which works for women's and children's health and nutrition across three states (Gujarat, Madhya Pradesh, and Rajasthan) is revealing. The NGO echoes the findings on breastfeeding and young children's feeding practices, not through surveys, but by observing what goes on within the homes. Young children are allowed to run around while eating, exposing the food to flies, dust and heat. The NGO also found that children are weaned on watery liquid from cooked grain when they need energy and nutrition-dense food to develop. Even one teaspoon of ghee or oil added to semi-solid dal or khichri can provide adequate protein and calories, But mothers are ignorant of this. Equally, diversity in diet is important. Families start kitchen gardens and some even rear poultry once they are taught how nutrition can be improved.

The third issue is the outcome of poor nutrition. According to NFHS 5, the percentage of stunted, wasted and underweight children is 36 per cent, 19 per cent and 32 per cent respectively. It is worrisome that states like Bihar, UP and Jharkhand have fallen from their own levels five years ago. Overall, there has been an eight percentage point increase in children suffering from anaemia — from 59 per cent in NFHS 4 to 67 per cent in NFHS 5. This has a lot to do with the mistaken belief that manufactured snacks are "good food". Anecdotally, there are reports that households in Dharavi, Asia's largest slum, spend up to Rs 30 per day on packaged snacks like chips, papad and other over-salted edibles. Parents allow the child to sleep on an undernourished (virtually empty) stomach. CHETNA found the same phenomenon in urban slums and in villages and lamented that the same Rs 5 spent on manufactured snacks would be better spent on buying one egg.

Almost one dozen nutrition programmes have been under implementation since 1975. Several more have been added of late, but most beneficiaries of these food distribution programmes are kids attending anganwadis or schools, adolescents, and pregnant and lactating mothers. This must continue but newborns, infants, and toddlers need attention too. Monitoring weight is an indicator, not a solution. India has successfully overcome much bigger problems — reduced maternal and child mortality, improved access to sanitation, clean drinking water and clean cooking fuel. We should lose no more time over the GHI rankings, which are distorted and irrelevant. Instead, states should be urged to examine the NFHS findings to steer a new course to improve the poshan practices for the youngest and the most vulnerable sections of society: Helping mothers to better the lives of their infants and toddlers right inside the home by measuring and demonstrating how much diet, food intake and child-rearing practices matter. https://indianexpress.com/article/opinion/columns/why-we-need-to-focus-on-nutrition-not-hunger-8234104/

14. States fined thousands of crores over waste — but how did NGT calculate the penalty amount? *(downtoearth.org.in)* 28 October 2022

The National Green Tribunal has slapped thousands of crores of fines on seven states on Supreme Court directions, totalling around Rs 28,180 crore and about Rs 2,000 crore in other cases. Maharashtra alone has to pay up Rs 12,000 crore, while Rajasthan, West Bengal and Telangana have to pay over Rs 10,000 crore in total. But how is tribunal calculating such huge figures for the penalty?

The NGT has equated the amount of penalty fixed on the states based on the "polluter pays principle" to environmental compensation and the cost of restoration. In some cases, the liability for sewage mismanagement is higher, while the legacy waste fine is more in others.

The tribunal has penalised Punjab with a cost of Rs 2,080 crore, Rs 900 crore to Delhi, Rs 2,900 crore to Karnataka, Rs 3,000 crore to Rajasthan, Rs 3,500 crore on West Bengal and Rs 3,800 crore on Telangana.

For example, the NGT elaborated on Telangana's total fine of Rs 3,800 crore. The penalty scale was fixed September 1, 2022, in the case against West Bengal and Kusum Gupta vs Uttar Pradesh and others.

If the fine imposed on the states is compared with the Compensatory Afforestation Fund Management and Planning Authority (CAMPA), the penalty on the seven states is already half of the CAMPA fund.

CAMPA promotes afforestation and regeneration activities to compensate for land diverted to non-forest uses.

In 2002, the Supreme Court created the ad hoc national CAMPA to compensate for forests cut down for development work. A total of 54 thousand crore rupees was deposited into the fund through forest compensation for decades. Since 2015, this fund has been slowly released to the states.

Amount of fine and cost of restoration

The compensation for untreated liquid waste (sewage) was determined to be Rs 2 crore per million litres per day (MLD) and Rs 300 per tonne for unprocessed legacy waste. The amount of fine for each state is calculated on this basis.

For Telangana, NGT imposed a fine of Rs 3,648 crore at the rate of Rs 2 crore per MLD of sewage for not being able to treat 1,824 MLD of the waste. It also imposed a penalty of Rs 177 crore for 5.9 million tonnes of legacy waste.

The tribunal did not account for violations committed by the day or the year while calculating the penalty. It is up to the state to fix responsibility after assessing the breaches of the old orders based on the polluter pays principle.

If the states decide the penalty for the violation of the old order on this basis, then the figure of the fine can be quite large.

But how are the courts calculating such heavy fines? About 26 years ago, in 1996, the case of Almitra H Patel vs the Government of India reached the SC regarding scientific treatment and management of solid waste and sewage. The matter dragged on for almost 18 years.

The SC passed comprehensive orders in 2000 and 2004 over handling waste, but the states did not follow through. The court referred the case to the NGT in 2014, saying the tribunal had expertise in the matter.

The NGT has been hearing the case for nearly eight years now. September 8, 2022, it imposed the highest fine ever of Rs 12,000 crore on the Maharashtra government.

In the order, the tribunal quoted the SC's September 2, 2014, observation in the Almitra H Patel vs the Government of India. It said, "handling solid waste is an eternal challenge. It requires sustained efforts. At the same time, it should also be ensured that the municipal corporation is held responsible."

Handling of sewage and solid waste fines is covered in the 11th and 12th schedule of the Constitution, the NGT stated in all cases of non-compliance by the states. "It is the constitutional responsibility of the state and local municipal bodies to provide a pollution-free environment to the people, it said.

The state and local municipal bodies should collect funds for this, the NGT added. "It is the state's responsibility to ensure the right to life. In such a situation, lack of funds cannot be an excuse," it said.

All the states were not following environmental standards, the bench said, which is causing death and disease to the people. Violating the rules and disobeying the tribunal's orders is a criminal act.

Learning from CAMPA's mistakes?

Under Justice Swatanter Kumar, former NGT chairperson, the Central Pollution Control Board (CPCB) had been asked to give details of environmental fines collected and spent, Rahul Choudhary, founder member of the Legal Initiative for Forest and Environment (LIFE) organisation and an expert on environmental law, told Down To Earth.

However, there still needs to be clarity on the fines. It was also later discovered that money under the CAMPA fund was misused and diverted. Thus with the current penalties, it is necessary to specify the purpose for the fine amount.

The states will not pay up these fines easily and might approach the SC over it, Chaudhary added. However, looking at the magnitude of the non-compliance by states, the penalty amount can be higher.

While fining the Maharashtra government, the tribunal gave the example of two small towns that are garbage free. "Excuses from states about non-funding will not be accepted," the NGT said, bringing up Suryapet in Andhra Pradesh, with a population of 103,000 and Namakkal in Tamil Nadu, with 53,000 residents.

What will happen to the fine amount?

The NGT expects to revamp sewage treatment plants and waste sites in the next six months with the amount of fine levied on all states. The bench has ordered the chief secretaries of all the states to deposit this penalty amount in two separate accounts.

This money will be used for time-bound sewage and solid waste treatment. If further orders are violated, the amount of the fine will be further increased, the bench has said.

National Mission for Clean Ganga and the Union Ministry of Housing and Urban Affairs have also been asked to monitor the fund. The bench asked the states to send a progress report to the tribunal every six months.

NGT may impose fines on more states for sewage and solid waste. However, collecting the fine amount from the states may be a difficult task. CPCB and the State Pollution Control Boards have been delayed in collecting the fine amount till now. https://www.downtoearth.org.in/news/environment/states-fined-thousands-of-crores-over-waste-but-how-did-ngt-calculate-the-penalty-amount--85660

15. Foodgrain transportation scam: Punjab Vigilance Bureau books contractors *(hindustantimes.com)* Oct 28, 2022

The Punjab Vigilance Bureau (VB) has exposed an alleged fraud in labour cartage and transport tenders for wheat in grain markets by the contractors in connivance with employees of the food and civil supplies department in Ferozepur.

A VB spokesperson said that a case has been registered against contractors for committing fraud and embezzlement and causing loss to the state exchequer. The bureau has arrested one of them. During the tenders for labour cartage and transport for wheat/stock articles in 2022-2023, the accused contractors attached lists regarding the registration numbers of vehicles for the transportation of goods. It has come to light that in these lists, several registration numbers of invalid vehicles such as motorcycles, jeeps, tractors, etc. were given whereas food grains could not be transported on such vehicles, the spokesperson added. https://www.hindustantimes.com/cities/chandigarh-news/foodgrain-transportation-scam-punjab-vigilance-bureau-books-contractors-101666905134637.html

16. Kerala to borrow Rs 2,000 cr more as salary-pension expenses choke state exchequer once again *(english.mathrubhumi.com)* Oct 28, 2022

Kerala government will borrow Rs 2,000 crore more, thus adding to the state's borrowing this fiscal year, which is at Rs 13,436 crore.

The borrowing is within the limit prescribed by the union government. But, this is the second borrowing within two weeks.

Apparently, the move comes at a time when the state exchequer is struggling to meet salary and pension expenses for the coming month. Similarly, reports pointed out that the government has not yet decided on welfare pension distribution, which will require Rs 870 crore.

The state has been depending on the auction of bonds issued through the Reserve Bank of India(RBI) to pool the money. The same method will be used this time too. The auction will happen on November 1.

Earlier, the union government shelved the state's borrowing limit. As a result, the government can only borrow Rs 17,936 cr till December. That means, with the present borrowing, the state government will only be able to borrow around Rs 4,500 crore. However, the state government pins hope that the union government will extend the limit after December. If the union government does not take a favourable stand, then the state government apparently will face the heat of a financial crunch. https://english.mathrubhumi.com/news/kerala/kerala-to-borrow-rs-2-000-cr-more-as-salary-pension-expenses-choke-state-exchequer-once-again-1.7996410