NEWS ITEMS ON CAG/ AUDIT REPORTS (10.11.2022)

1. CAG calls upon supreme audit institutions to work for mutual benefits *(business-standard.com)* November 9, 2022

The Comptroller and Auditor General of India (CAG) Chairman Girish Chandra Murmu has called upon the supreme audit institutions to work on motto of the International Organization of Supreme Audit Institutions (INTOSAI) -- Mutual Experience Benefits All.

Addressing as the chair of the Knowledge Share Committee (KSC) of INTOSAI in Brazil this morning, Murmu called upon the members to create global knowledge centres for imparting training to the field-level practitioners of supreme audit institutions by identifying the gaps which such global knowledge centres can fill, steering INTOSAI community towards the higher motto of ensuring that no one is left behind.

Underlining the major challenge of implementation of KSC products at the cutting-edge level of SAIs, he sought innovative suggestions from members to shape KSC strategies for the next three years.

Murmu highlighted that KSC and its working groups, during the last three years, have been instrumental in recognizing the professional requirements of supreme audit institutions and bridging the gaps by developing valuable guidance for public sector audit, covering a variety of people-centric issues such as the audit of plastic waste, sustainable transport, climate financing, audit of sustainability issues, cyber security and data protection, audit of IT Governance, data analytics. https://www.business-standard.com/article/current-affairs/cag-calls-upon-supreme-audit-institutions-to-work-for-mutual-benefits-122110901528_1.html

2. FinMin finalises framework for issuance of sovereign green bond *(thehindubusinessline.com)* November 09, 2022

Finance Minister Nirmala Sitharaman has approved the framework for sovereign green bond (SGrBs), a new tool for government borrowing. The Ministry and Reserve Bank of India have already decided to raise ₹16,000 crore through such bonds during the second half (October-March) of the current fiscal i.e., 2022-23 (FY23).

These bonds are meant to fund 'green projects'. A project can be classified as a green project on principles such as encouraging energy efficiency in resource utilisation, reducing carbon emissions and greenhouse gases, promoting climate resilience and/or adaptation, values and improving natural ecosystems and biodiversity especially in accordance with SDG (Sustainable Development Goals) principles. These projects could include those related with renewable energy, energy efficiency, clean transportation, climate change adaptation, sustainable water & waste management and green buildings besides others.

Green infrastructure

These bonds are part of FY23 General Budget announcement. It was said: "As a part of the government's overall market borrowings in 2022-23, sovereign green bonds will be issued for mobilising resources for green infrastructure. The proceeds will be deployed in public sector projects which help in reducing the carbon intensity of the economy."

The proceeds from such bonds will be deposited to the Consolidated Fund of India (CFI), and then funds from the CFI will be made available for eligible green projects. For the purposes of ensuring that the proceeds' allocation and accounting is transparent, clear and beyond doubt, a separate account will be created and maintained by the Finance Ministry. The Public Debt Management Cell (PDMC) will keep a track of proceeds within the existing guidelines regarding debt management, and monitor the allocation of funds towards eligible green expenditures.

Unallocated proceeds

"Unallocated proceeds, if any, will be carried forward to successive years for investment in eligible green projects only. It will be endeavoured that all proceeds are allocated within a span of two years from the date of issuance," the framework said.

Further it said that green expenditures will include public expenditure undertaken by the government in the form of investment, subsidies, grant-in-aids, or tax foregone (or a combination of all or some of these) or select operational expenditures, R&D expenditures in public sector projects that help in reducing the carbon intensity of the economy and enable country to meet its SDGs.

Metro projects

"Equity is allowed only in the sole case of metro projects under 'Clean Transportation' category, as all metro projects in the country access the public share of their total funding through equity investments. Metro projects are implemented through Special Purpose Vehicles (SPVs) meant exclusively for metro transportation projects, and no other project related funding are permissible," the framework said.

A 'Green Finance Working Committee' (GFWC) with representation from relevant line ministries and chaired by the Chief Economic Adviser will evaluate and select the project. It will meet at least twice a year to support the Finance Ministry with selection and evaluation of projects and other relevant work related to the framework. Initial evaluation of the project will be the responsibility of the concerned Ministry/Department in consultation with experts.

Government will provide investors with transparent reporting on the allocation of proceeds of Sovereign Green Bonds as well as on the environmental impact of projects funded by the proceeds. Allocation and utilisation of Green Bonds is also under the purview of audit by Comptroller and Auditor General (CAG). To provide timely and transparent information about the reporting of the allocation of funds from SGrBs issued under this framework, Government of India intends to engage a third-party external reviewer to provide an annual assessment on the alignment of the allocation with the framework's criteria. https://www.thehindubusinessline.com/economy/fm-finalises-framework-for-issuance-of-sovereign-green-bond/article66116258.ece

<u>STATES NEWS ITEMS</u>

3. राजस्थान एकमात्र, जहां नर्सिंग सीट निजी फैडरेशन भरती है, हर साल 67 करोड़ से अधिक देते हैं छात्र *(bhaskar.com)* Nov 10, 2022

एक ओर नर्सिंग कॉलेज दोगुनी फीस तक वसूल रहे हैं, वहीं दूसरी ओर सरकार व चिकित्सा विभाग के आला अधिकारियों की मनमानी के चलते नर्सिंग कॉलेजों में प्राइवेट फैडरेशन एडमिशन दे रहे हैं। 50 प्र

तिशत सीट पर फैडरेशन के माध्यम से दिए जाने वाले एडमिशन ही धांधली का बड़ा कारण है। हैरान कर देने वाली बात यह है कि देश में राजस्थान ही एकमात्र ऐसा प्रदेश है, जहां बीएससी और जीएनएम नर्सिंग की 50 प्रतिशत सीटें प्राइवेट फैडरेशन के जरिए भरी जाती हैं।

नतीजतन गवर्नमेंट मेडिकल काउंसिल के जरिए होने वाले एडमिशन में जहां बीएससी नर्सिंग की महज 85 हजार रुपए फीस लगती है, प्राइवेट फैडरेशन के माध्यम से दो से तीन लाख रुपए देने पड़ते हैं। ऐसे में सवाल उठता है कि राज्य सरकार ने प्राइवेट फैडरेशन के माध्यम से एडमिशन देने की अनुमति क्यों दी हुई है।

प्रदेश में 9 हजार सीट, 4500 पर प्राइवेट फैडरेशन का कब्जा
प्रदेश में बीएससी नर्सिंग की 9000 सीट हैं। इनमें से 50 प्रतिशत गर्वमेंट काउंसलिंग से भरी जाती हैं और अन्य 50% प्राइवेट फैडरेशन से। यानि कि 4500 सीट फैडरेशन के माध्यम से कॉलेज भरते हैं। नियमानुसार तो सभी सीटें गवर्नमेंट फीस से भरनी होती हैं, लेकिन कॉलेज दो लाख तक मैनेजमेंट सीट के नाम से डोनेशन लेते हैं। प्रति स्टूडेंट औसतन डेढ़ लाख अधिक लिए जा रहे हैं। इस हिसाब से हर साल 67 करोड़ से अधिक का डोनेशन लेते हैं। इसके अलावा जीएनएम की भी 9000 सीट हैं और इसमें भी 50% फैडरेशन भरती हैं।

औसतन एक स्टूडेंट से 80 हजार रुपए अधिक लिए जाते हैं। यानि कि हर साल यह रकम 36 करोड़ से अधिक होती है। मामला ऊपर तक जुड़ा है तो चाहते हुए भी सरकार फैडरेशन को खत्म नहीं करती और एकमात्र राजस्थान के हजारों छात्रों को करोड़ों रुपए अधिक देने होते हैं।

बंद करने के लिए सीएजी लिख चुके हैं पत्र
प्राइवेट फैडरेशन की सैकड़ों शिकायतों के बाद सीएजी (महालेखाकर) ने सरकार को पत्र लिखा था कि काउंसलिंग गवर्नमेंट ही करें और आवंटन भी मेरिट के आधार पर हो। अधिकारी मामला दबाते चले गए और एक साल बाद तक भी प्राइवेट फैडरेशन ही आवंटन कर रहा है। नुकसान यह भी कि जिन स्टूडेंट के अच्छे नंबर आते हैं और बेहतर जगह सीट मिल सकती है, वह कम नंबर वालों को चली जाती है। यहां तक कि किसी भी तरह का आरक्षण भी इस व्यवस्था में नहीं है। ऐसे में ईडब्ल्यूएस का फायदा भी स्टूडेंट को नहीं मिल पा रहा।

सभी कॉलेजों से फीस स्ट्रक्चर मांगा
नर्सिंग कॉलेजों में अधिक फीस लेने के मामले को उजागर करने के बाद राजस्थान नर्सिंग काउंसिल ने सभी कॉलेजों को पत्र लिखकर फीस स्ट्रक्चर मांगा है। लिखा है कि स्टूडेंट से किस-किस मद में कितनी-कितनी फीस ली गई है और ली जा रही है, इसकी जानकारी दें। साथ ही विशेषज्ञों ने राय दी है कि एडमिशन के समय सभी कॉलेज स्टूडेंट से शपथ पत्र लें कि उनसे फीस के अतिरिक्त अन्य कोई राशि नहीं ली गई है। ऐसा किए जाने से स्टूडेंट्स को बड़ी राहत मिल सकेगी।

प्राइवेट फैडरेशन 50 प्रतिशत पर एडमिशन देते हैं, लेकिन इस मामले में सरकार ही कोई निर्णय करे। उसके बाद ही आगे काम करेंगे। -ओंकारमल सैनी, रजिस्ट्रार, आरयूएचएस।

ये लोग (निजी नर्सिंग कॉलेज) ऐसा क्यों करते हैं, समझ नहीं आता, यह गलत है। पहले पेमेंट और नान-पेंमेंट सीट हुआ करती थी और इसीलिए फैडरेशन बनी, लेकिन अब एक साथ ही एडमिशन होते हैं। सरकार के निर्देश पर बने नियमों के तहत ही एडमिशन देते हैं। -
दिलीप तिवाड़ी, सेक्रेट्री, प्राइवेट फैडरेशन https://www.bhaskar.com/local/rajasthan/jaipur/news/r

ajasthan-is-the-only-place-where-nursing-seats-are-filled-by-private-federations-giving-more-than-67-crore-students-every-year-130543152.html

SELECTED NEWS ITEMS/ARTICLES FOR READING

4. GST evasion of Rs 55,575 cr detected in last 2 years, 719 persons arrested *(millenniumpost.in)* Updated: November 10, 2022

GST authorities have detected GST fraud of Rs 55,575 crore over the last two years and arrested over 700 persons for causing loss to the exchequer, an official said on Thursday.

Over 22,300 fake GST identification numbers (GSTIN) were detected by the officers of the Directorate General of GST Intelligence (DGGI).

The government on November 9, 2020, launched a nationwide special drive against unscrupulous entities for availing and passing on Input Tax Credit (ITC) fraudulently by issuing fake/bogus invoices, thereby evading Goods and Services Tax (GST).

"In the two years of the special drive, GST/ITC fraud worth Rs 55,575 crore has been detected. 719 persons have been arrested, which include 20 CA/CS professionals," the official told PTI.

Voluntary deposits of Goods and Services Tax (GST) worth Rs 3,050 crore have been made during the period.

The official did not disclose the recovery amount in these cases, but said it would be a "sizeable amount".

"Credible intelligence, coordination between intelligence agencies like DGGI, DRI, Income Tax, Enforcement Directorate and CBI, have helped us crackdown on tax evaders," the official said.

The GST department is taking steps to curb evasion, including verification of registration, e-way bill requirement, and validation for filing GST returns, and also placed restrictions on the quantum of ITC that can be used by businesses for GST payment.

A nationwide GST, which subsumed 17 local levies like excise duty, service tax and VAT and 13 cesses, was rolled out on July 1, 2017.

"In the recent years, the department has stepped up action against fake ITC claims. The steps taken by GST officers have definitely improved compliance and that is getting reflected in monthly GST collection," the official said.

In October, GST revenues registered the second highest collection ever at nearly Rs 1.52 lakh crore, second only to April when the mop-up was about Rs 1.68 lakh crore.

GST mop-up has been over Rs 1.40-lakh crore for eight months in a row, while for the two months it has crossed the Rs 1.50 lakh crore mark.

With economic activity gaining momentum and improved compliance, officials expect Rs 1.50 lakh crore to be the 'new normal' for monthly GST revenues.

GST revenue in April was about Rs 1.68 lakh crore, May (Rs 1.41 lakh crore), June (Rs 1.45 lakh crore), July (Rs 1.49 lakh crore), August (Rs 1.44 lakh crore), September (Rs 1.48 lakh crore) and October (Rs 1.52 lakh crore). http://www.millenniumpost.in/big-stories/gst-evasion-of-rs-55575-cr-detected-in-last-2-years-719-persons-arrested-498667

5. Govt aims lower after missing high divestment target *(livemint.com)* November 10, 2022

The Union government, projected to miss the disinvestment target for the fourth year in a row, may aim to raise a more “realistic" ₹30,000-40,000 crore via stake sales in state-run companies in the year starting 1 April, significantly lower than the current year’s ₹65,000 crore.

Discussions on the final disinvestment target will shape the course of the preparations for Union Budget 2023. “In FY23, the target was lower than FY22 because of the huge shortfall; this time, too, that may be the case... possibly in the range of ₹40,000 crore," an official aware of the matter said on condition of anonymity.

Queries sent to the finance ministry and the department of investment and public asset management (Dipam) remained unanswered.

In FY22, the government set a disinvestment target of ₹1.75 trillion but could garner only ₹13,530 crore due to the continued impact of the pandemic. The target was reduced to ₹78,000 crore in the revised estimates of Union Budget 2022, presented in February this year. For FY23, the government set a much lower target of ₹65,000 crore. As of Wednesday, proceeds for the year stood at ₹24,543 crore, most of it from the public listing of LIC of India, at over ₹20,516 crore.

“The disinvestment pipeline should be considered before arriving at the targets. Something in the range of ₹30,000-40,000 crore should be realistic, considering all the disinvestment deals in progress. In FY23, there was a big one (contributor) from LIC, but that cannot be the case every year. The low-hanging fruits have been picked, and the journey ahead will be more challenging," said Madan Sabnavis, chief economist at Bank of Baroda.

The government has previously outlined plans to sell its shares in IDBI Bank, Shipping Corp. of India, BEML and Container Corp. of India. It aims to invite financial bids for the stake sale in IDBI Bank, which will spill over to FY24. The government is also working on the demerger of non-core assets of Shipping Corp. and BEML, which is necessary before their strategic disinvestment.

In addition, the government will seek expressions of interest for Concor following engagements with investors in recent road shows. But this, too, may take a more concrete shape only in FY24.

A second official said the disinvestments of HLL Lifecare Ltd and Projects and Development India Ltd are in advanced stages, and the proceeds may come in this fiscal year itself.

However, the overall proceeds are unlikely to meet the target set for FY23. The government has shelved the strategic disinvestment of Bharat Petroleum Corp. Ltd, which was expected to bring in ₹50,000-60,000 crore. The disinvestment of Central Electronics Ltd has also been scrapped, Mint reported earlier.

The disinvestment of Pawan Hans is also hanging fire following litigation against the winning bidder.

Strategic disinvestment takes place when the government sells its entire holding in a public sector enterprise and transfers management control to the buyer through a process of transparent and competitive bidding.

“Strategic disinvestment is not a budget-filling number. It is part of a reform and a vision. We’re unshackling the enterprise potential of companies (PSUs) into further investment, growth and jobs," Dipam secretary Tuhin Kanta Pandey said in an interview last month.

“In the process, the government also get receipts which are funded into the capex and social sector spending. Therefore, the targets have to keep taking the bottom-up approach to see how much is possible and how much can be done, the current context and volatility (of the markets), and within that, you make the best of it," he added.

Economy watchers said that a more realistic approach could help improve the accuracy of budget estimates.

“Disinvestment targets that are realistic help to improve the eventual accuracy of the budget estimates, given the high levels of uncertainty being imparted by poly-crises to the fiscal situation," said Aditi Nayar, chief economist at rating agency ICRA.

The government may consider offers for the sale of some PSUs in the coming months, said market watchers, in an attempt to meet the shortfall. The key among them would be OFS of Hindustan Zinc Ltd, but the proceeds may not be very high as the sale of the government’s 29.5% stake will take place in tranches.

Sabnavis of Bank of Baroda said the BPCL disinvestment could be revived after the world economy stabilizes and the oil economy normalizes.

Oil price volatility and production cut by OPEC will bear a large risk for the government’s dividend proceeds as oil marketing companies’ profits are set to be adversely impacted. https://www.livemint.com/economy/govt-aims-for-realistic-fy24-divestment-goal-11668020390434.html

6. A contracting RBI balance sheet detrimental to systemic stability *(moneycontrol.com)* November 10, 2022

Amidst macro level events cornering the limelight, most economists appear to eulogise the Reserve Bank of India (RBI) for its successful defence of the Indian Rupee. To a certain extent, this is true; nevertheless, there are costs to the RBI’s benign actions.

In the current fiscal, according to analyses by this author, as on October 21 the RBI’s balance sheet has contracted by 6.5 percent, despite normalising economic activity. The RBI’s sacrifice of foreign reserves (excluding SDRs) to finance deepening deficit and to protect the INR has resulted in the loss of Rs 3.7 lakh-crore worth of foreign assets and gold holdings. Out of this, the RBI estimates that mark-to-market losses roughly amounted to Rs 1.8 lakh-crore, until June. Closer inspection, however, reveals that by October, the overall revaluation losses narrowed down to just over Rs 0.7-0.8 lakh-crore, when considering domestic security holdings.

Nonetheless, the central bank's convenient circumvention of an important question pertaining to the low growth in currency in circulation (CIC) is perplexing. While the economy is expected to grow at ~6.5 percent during the current fiscal, the CIC grew by just 2.6 percent YTD. For reference, in the pre-pandemic years of FY19 and FY20, the CIC growth averaged 15.6 percent. What this means is that so far in the current fiscal, the RBI has issued just Rs. 0.8 lakh-crore worth of currency, incrementally.

The billion-dollar question is what it takes to increase the CIC, given the economy's requirements. The fact that the CIC must be 100 percent backed-up by foreign reserves and gold, provides a lucid answer to the question. In other words, before issuing every incremental INR, the RBI's issuing department must first procure forex holdings representing that value. This is how the RBI manages its balance sheet, with the CIC forming roughly 50 percent of the liability side, backed by a similar quantum of foreign reserves on the asset side.

However, due to an overall contraction of the RBI's balance sheet, the CIC's proportion has now increased to 55 percent despite recording low growth levels. Consequently, the RBI is no longer able to issue any new currency, until situation normalizes. The bank's combined foreign and gold reserves have already contracted by over 8.4 percent, so far in the current fiscal, and further declines are anticipated.

The Rs. 0.8 lakh-crore incremental issuance, therefore, occurred not due to the central bank's benevolence; instead, a contracting deposit account made some space for the CIC to stretch its legs, without impacting the balance sheet in real terms.

Nevertheless, over 76 percent of the RBI's foreign reserves are now tied to the CIC, when ideally, they should be 68 percent. What that means is that the banking department needs to replenish almost Rs 3.5 lakh-crore to reach its default reserve holdings. This in turn leaves the RBI with that much less reserves to intervene in the forex market, and backstop deeper current account deficits (along with worsening net investment position).

In any case, the RBI's revaluation account has contracted by nearly 7.5 percent, reducing its buffers to protect its balance sheet from shocks. Currently, the revaluation account occupies just 14-15 percent of the balance sheet, as compared to pre-pandemic's 19 percent. This calls for a closer scrutiny of the contingency fund as we progress through the rest of the year.

However, in defence of the RBI's actions, one must note that the bank is currently dealing with an indefensible situation. With a rapidly declining revaluation account, it can no longer compensate its balance sheet through incremental deposits, which until recently, were driving the balance sheet. The deposits account, thanks to falling reverse repo and allied operations, is now Rs 4 lakh-crore lower than what it was at the end of FY22. Apparently, the RBI's reverse repo and allied obligation account has averaged just over Rs 7 lakh-crore in the current fiscal, declining by almost 39 percent.

Forgone foreign reserves also do not allow the central bank to issue any new CIC to maintain a balance sheet that is intertwined with economic expansion. A few months earlier, the problem could have been easily solved through increases in the share of domestic securities in the treasury holdings; however, at this time, such a position cannot be recommended. The dichotomy is putting the RBI in a vulnerable position and can potentially threaten systemic stability, possibly hastening deflation.

What makes the situation worse is that along with the ongoing rate transmission to existing and fresh loans, a constrained growth of base money may have long-lasting effects on credit expansion multiple, more commonly known as 'potential multiple expansion of credit'. Given the situation, the RBI must restrict currency market interventions, and focus on building requisite buffers in the form of gold at the earliest.

At the same time, the RBI must tap into the foreign currency holdings of commercial banks in exchange for INR and replenish its non-issuing operations. In the backdrop of the United States Fed's relentless resolve to control inflation, the situation calls for being on alert. https://www.moneycontrol.com/news/opinion/a-contracting-rbi-balance-sheet-detrimental-to-systemic-stability-9486471.html

7. The government's push to facilitate international trade in domestic currency is a good idea ***(indianexpress.com)*** Updated: November 10, 2022

India's foreign exchange reserves, at $531.08 billion as on October 28, have dipped from a peak of $642.02 billion a year ago. It isn't surprising, therefore, that the government and the Reserve Bank of India (RBI) are seeking to conserve reserves by facilitating international trade in domestic currency, as opposed to the dollar. The RBI had, in September, allowed the public sector UCO Bank to open a special rupee "Vostro" account for Russia's Gazprombank. This was to enable payments for imports from Russia to be made in rupees and credited to the said account. The monies deposited in the same Vostro account could, in turn, be debited for paying Indian exporters to Russia in rupees. Besides UCO Bank, two Russian-owned banks — Sberbank and VTB Bank — have opened special Vostro accounts at their respective branches in Delhi. To the extent that payments for trade between the two countries happens in rupees, it reduces India's dollar dependence and depletion in forex reserves.

According to a report in this newspaper, India wants to push similar rupee-based bilateral trade mechanisms with Sri Lanka, Maldives and assorted southeast Asian, African and Latin American countries. The idea isn't new. Even before Russia, the same UCO Bank operated a special Vostro account of four Iranian commercial banks, where Indian refiners deposited rupee payments for import of crude from the Western sanctions-hit Islamic republic. Iran used these funds to import basmati rice, tea, sugar, soyabean meal and pharmaceuticals, especially during 2016-17 to 2019-20. The arrangement worked quite smoothly till the Vostro account ran dry after India practically stopped sourcing crude from Iran, following the lifting of sanction waivers by the US.

It links up with the limitations to such domestic currency-based trade settlements. The first is, of course, geopolitical: Russia has now emerged as India's biggest crude supplier, from a distant No 12 in 2021-22. How long can this sustain in a deepening sanctions regime? The second is more basic. India's imports from Russia — mainly petroleum, coal, fertilisers and sunflower oil — stood at $21.35 billion during April-September, but its exports to that country were worth just over $1 billion. The trade imbalance would leave far too much unused rupees in the Vostro account. It also explains why the RBI's alternative rupee trade payment mechanism hasn't really taken off and Indian refiners are still buying Russian oil using dollars.

Russia, if at all, seems keen on payment in UAE dirham or rouble, but not rupee. Trade ultimately has to be a two-way street. While curtailing dollar dependence and exploring bilateral trade options by paying/settling in domestic currencies makes for sound economics, it cannot replace the need for India to export more — whether to Russia or China. https://indianexpress.com/article/opinion/editorials/the-governments-push-to-facilitate-international-trade-in-domestic-currency-is-a-good-idea-8259516/

8. BSNL gets Centre's nod to sign Rs 26,821 crore 4G deal with TCS: Report *(business-standard.com)* Updated: November 10, 2022

The Bharat Sanchar Nigam Ltd (BSNL) has received the central government's nod to go ahead with Rs 26,281 crore deal with Tata Consultancy Services (TCS), paving its way to launch 4G services in India. As reported by Economic Times (ET), TCS will set up the 4G lines and maintain the network for nine years.

BSNL will give Rs 10,000 crore worth of purchase orders to TCS soon. With this, the state-run telco will aim to launch its 4G services by December 2022 or January 2023.

Tata Sons' unit Tejas Network will manufacture the equipment locally for BSNL. In October, TCS said it would provide the core equipment within 12 months of the order. Radio equipment would be provided within 24 months of receiving the order.

Following the launch of 4G services, BSNL is also reportedly aiming to launch 5G services by August 2023. With both 4G and 5G services, the telco aims to reduce customer attrition.

Times of India (TOI) reported that with Rs 26,281 crore offer, TCS would aim to install 100,000 towers for the BSNL-MTNL network. Additional 25,000 towers will be set up in areas affected by left-wing extremism, Lakshadweep islands and 4G saturation areas.

The talks had been going on for two years, and the government received bids from HFCL, L&T and Tech Mahindra.

The development comes after the centre gave the telco a Rs 1.64 trillion bailout package to cover the 4G launch, operations funding and capital expenses. With the launch of BSNL's 4G, India will join the likes of the USA, Sweden, South Korea and China in developing telecom network technology.

Currently, the market is dominated by the likes of Sweden's Ericsson, Finland's Nokia, China's Huawei, and South Korea's Samsung. https://www.business-standard.com/article/current-affairs/bsnl-gets-centre-s-nod-to-sign-rs-26-821-crore-4g-deal-with-tcs-report-122111000341_1.html

9. Government says 214 mineral blocks put on sale since 2015 *(economictimes.indiatimes.com)* November 09, 2022

The government on Wednesday said that 214 mineral blocks have been put on sale since 2015. The number of blocks put on sale per year has gone up three times since amendments were made to the regulations last year.

As compared to the auction of 108 mineral blocks in six years from 2015 to 2021, 106 blocks have been put on sale in one-and-half years since April 2021, the mines ministry said in a statement.

"Although the number of working auctioned mines is miniscule (36) in comparison to working non-auctioned mines (405), the premium collection from auctioned mines is surpassing the royalty collection from all the working mines," the statement said. In FY22 alone, an amount of Rs 751.43 crore was approved and Rs 124.71 crore was spent in exploration of mineral resources.

For FY'22, the total auction premium from the auctioned mines was Rs 21,148.04 crore in three states, including Odisha, and Karnataka, compared to Rs 21,267.64 crore from the royalty of all the working mines.

The same trend could be seen for the current financial year also, the statement said.

The National Mineral Exploration Trust (NMET) was set up to provide required financial assistance to mineral exploration in the country.

Till July 2022, Rs 1,809.42 crore has been approved for various projects and Rs 477.16 crore has been spent from NMET fund for various exploration activities.

In FY22 alone, an amount of Rs 751.43 crore was approved and Rs 124.71 crore was spent in exploration of mineral resources.

Till September, Rs 70,107 crore has been collected in District Mineral Foundations (DMFs) and 2,52,995 projects worth Rs 63,534 crore have been sanctioned for various activities for welfare of persons and areas affected by mining related operations, as per the statement. https://economictimes.indiatimes.com/industry/indl-goods/svs/metals-mining/government-says-214-mineral-blocks-put-on-sale-since-2015/articleshow/95410385.cms

10. India saved $4 bn in fuel costs via solar power in first 6 mnths: Report *(business-standard.com)* November 10, 2022

India saved $4.2 bn in fuel costs through solar generation in the first half of 2022 and 19.4 mn tonnes of coal that would have further stressed an already strained domestic supply

India saved USD 4.2 billion in fuel costs through solar generation in the first half of 2022 and 19.4 million tonnes of coal that would have further stressed an already strained domestic supply, according to a new report released on Thursday.

The report by energy think tank Ember, the Centre for Research on Energy and Clean Air and the Institute for Energy Economics and Financial Analysis also analysed the growth of solar power over the last decade and found that five of the top 10 economies with solar capacity are now within Asia, including China, Japan, India, South Korea and Vietnam.

The contribution of solar generation in seven key Asian countries -- China, India, Japan, South Korea, Vietnam, the Philippines and Thailand -- avoided potential fossil fuel costs of approximately USD 34 billion from January to June 2022, the report said.

This is equivalent to 9 percent of total fossil fuel costs during this period, it added.

"In India, solar generation avoided USD 4.2 billion in fuel costs in the first half of the year. It also avoided the need for 19.4 million tonnes of coal that would have further stressed an already strained domestic supply," the report stated.

The report finds that the majority of the estimated USD 34 billion savings are in China, where solar met 5 percent of the total electricity demand and avoided around USD 21 billion in additional coal and gas imports during the period.

Japan saw the second-highest impact, with USD 5.6 billion in avoided fuel costs thanks to solar power generation alone.

Vietnam's solar power avoided USD 1.7 billion in additional fossil fuel costs, a sizable growth from nearly zero terawatt hours of solar generation in 2018. In 2022, solar accounted for 11 percent (14 TWh) of the electricity demand from January to June.

In Thailand and the Philippines, where the growth in solar has been slower, the avoided fuel cost is still notable, the report said.

While solar only accounted for 2 percent of Thailand's electricity in the first six months of 2022, an estimated USD 209 million of potential fossil fuel costs were avoided, it added.

The Philippines avoided USD 78 million in fossil fuel spending, despite solar accounting for only 1 percent of generation.

In South Korea, solar power generated 5 percent of the country's electricity in the first half of the year, avoiding potential fossil fuel use costing USD 1.5 billion, as per the report.

CREA's Southeast Asia Analyst Isabella Suarez said, Asian countries need to tap into their massive solar potential to rapidly transition away from costly and highly-polluting fossil fuels. The potential savings from existing solar alone are enormous, and expediting their deployment alongside other clean energy sources such as wind, will be crucial for energy security in the region. While ambitious targets are important, follow through will be the key thing to watch moving forward. https://www.business-standard.com/article/economy-policy/india-saved-4-bn-in-fuel-costs-via-solar-power-in-first-6-mnths-report-122111000081_1.html

11. Get the 'loss and damage' maths right *(financialexpress.com)* Updated: November 10, 2022

While loss and damage has formally been tabled for negotiation at COP27, there has already been a dilution in ambition from what developing countries would have liked

Loss and damage is among the most contentious issues tabled at COP27 and, after much wrangling, is on the agenda. But who's going to do the maths and how?

The institutionalisation of what constitutes 'loss and damage' resulting from human-induced climate change, the indicators and science behind it, and the financial repercussions and liabilities—all these are still awaiting judgement as devastating heat stress, floods, wildfires, hurricanes and atmospheric greenhouse gas emissions continue to rise. There is a long road ahead on loss and damage.

There's already debate on the lack of well-defined and contextualised adaptation and resilience indicators. Adding further complexity to this is the fact that loss (say, working hours lost to heat in India) will be harder to calculate than damage (say, a road destroyed by a storm).

At COP27, India will do well to capitalise on the glut of climate leadership among developed countries mired in climate action backsliding. We must stand for all developing countries to push back delays to develop the right institutional and financing framework to address loss and damage in Egypt.

The (poor) people's problem

Loss and damage refers to the impacts of climate change being faced by vulnerable communities and countries.

It is a challenge of mammoth proportions. In India alone, 75% of districts are prone to extreme climatic disasters, as noted in CEEW's research. While unveiling the "Early Warnings for All Action Plan" at COP27, the World Meteorological Organization said spending $800 million on early warning systems against natural hazards in developing countries could avoid 'losses' of $3-16 billion per year.

While the opportunity cost to spend on adaptation is of merit to all, financial flows towards adaptation have been myopic, which means the cost to recover from loss and damage will be that much higher. Estimates suggest the economic cost of loss and damage in developing countries is between $1-1.8 trillion by 2050. This vicious cycle needs to be broken through. The longer mitigation and adaptation spending remains cursory, the higher the loss and damage liabilities will amount to.

How to do the maths?

There's a problem in the numbers already (or the lack of it). CEEW analysis shows that almost all of the 66 developing countries that mentioned loss and damage in their official submissions ahead of COP27 were unable to include any data on the losses incurred, associated impacts, and/or non-economic losses. This is indicative of the lack of capacity in nations to evaluate loss and damage and estimate the financial flows needed to address it.

A mutually agreed upon definition of loss and damage is urgently needed, as is streamlining of institutional arrangements, and increasing the availability and accessibility of financial support. While loss and damage has formally been tabled for negotiation at COP27, there has already been a dilution from what developing countries would have liked. Look carefully at the wording of it–there are terms and conditions. The agenda to formalise dedicated financing towards loss and damage was adopted on day 1 of COP27 "with a view to adopting a conclusive decision no later than 2024". It also did not include "liability" or "compensation". But if the world is serious, two issues must be tackled at COP27: the governance framework and the financing channels to address L&D issues.

Loss and damage is not charity

There is no reason good enough why decisions on both fronts can't be made this year. It has taken ten years of negotiations to identify the Santiago Network as the institutional home for addressing loss and damage. Developing countries are keen for an inclusive governance structure to oversee the Santiago Network, but developed countries are pushing to have the Executive Committee (ExCom) of the Warsaw Implementation Mechanism (WIM) instead. However, the ExCom's governance and capacity challenges have been documented enough over the past COPs for it to only remain as a negotiating tactic to delay decision-making.

With regards to funding, while a few developed countries (such as Sweden) have shown leadership in pledging financing for loss and damage specifically, the narrative must shift from being charitable towards developing countries' situations to one that demands taking responsibility for lost lives and livelihoods.

The pledged goal of $100 billion of climate finance is yet to be achieved in a single year, while the losses incurred have run well into trillions. Coagulating loss and damage financing into the same institutional and disproportionate rationalisation of climate finance is likely to see the same result that climate finance has seen so far: inadequate and opaque.

The COP processes have long been home to unmet promises and pledges. India must exert its weight to critically highlight the missed opportunities, the rising losses, and unabated mistrust that has been normalised. We should reiterate a hard stance on doubling adaptation spending while ensuring that $100 billion is only the floor of climate finance, not the ceiling, and keeping this distinct from financing loss and damage. COP27's success will depend significantly on the institutionalisation of the governance and financing window for loss and damage. With its upcoming G20 Presidency, India must shed apprehensions of alignment across different negotiating blocks, and stand tall to demand action as—and for—all developing nations. https://www.financialexpress.com/opinion/get-the-loss-and-damage-maths-right/2798191/

12. COP27: Experts spell out need for concessional climate financing, blended finance *(cnbctv18.com)* November 09, 2022

As many as 190 countries have come together at the COP27 Summit in Egypt, at a time when the world is seeing instability in the energy market, triggered by the Russia-Ukraine War.

Talking about the summit, Sumant Sinha, Chairman & CEO of homegrown renewable energy company Renew Power, said during the first two days of COP27, all the heads of state come and interact with one another and in some ways this lays out the tone of what they expect to see happening. The real negotiations start toward the backend.

He said the conversation is shifting to getting in more blending finance. "Right now the conversation is not so much about the climate finance ask from the developing countries but the whole conversation is shifting to how can we get more blended finance to come in? Blended finance is nothing but somebody stepping up, like the multi-laterals, and providing some sort of guarantees on protecting certain kind of risks — whether it is the sovereign risk, first loss risk, FX risk and so on," Sinha said, adding that by providing those guarantees they are essentially improving the credit quality of projects in developing countries and thereby pushing a lot more private sector financing to come in.

"The question is how do we crowd in that financing? And in the conversations that I have been in so far, that has been the bigger focus," the ReNew Power CEO told CNBC-TV18.

Meanwhile, R.P. Gupta, former secretary of the Ministry of Environment and Forests, said that parity needs to be established for concessional financing for developing countries. "Climate financing is something for which a lot of work still needs to be done — how the finances would be collected, what will be the criteria for collection of climate finance, how it will be disbursed between different countries etc are still part of the negotiation which I hope at this COP or at least by the next COP are concluded," he said.

Gupta, who played an important role during negotiations at COP 26, said developing countries require climate finance at a concessional rate, which will enable them to develop resources themselves at a cheaper rate, and the same without climate finance would be costly.

"So to reduce the cost of that development which developed countries have enjoyed by using coal, a parity needs to be established whereby the developing countries get finance at a concessional rate for their development. So, any financing which comes to India or developing countries as part of the investment should not be counted as finance," he said.
Gupta also believes the 'polluter pays principle' must be applied globally.

"Every developed country and many of the developing countries apply this principle in their domestic areas, so there is no reason why it cannot be applied in international forums," he added.
Sinha also thinks multi-laterals such as the World Bank, International Finance Corporation, Asian Development Bank, among others, are not doing as much as they need to do right now.

"What is happening is they are providing financing from their balance sheets and the way of their lending to the sector has not changed over the last 10 years ...we know that they want to do it but somehow between their bureaucracies or their existing processes we are just not able to make substantive movement," he said.

These multi-laterals are the key to providing and catalysing more financing from the private sector into developing countries, he added. https://www.cnbctv18.com/environment/cop27-climate-financing-developing-countries-parity-needs-to-be-established-15127631.htm

13. Developing nations need $2.4 trillion to tackle climate change, says Report *(economictimes.indiatimes.com)* Updated: November 10, 2022

Developing countries, other than China, will require $2.4 trillion a year by 2030 if they are to comprehensively tackle climate change and grow their economies.

A report, jointly commissioned by the governments of the UK and Egypt released at COP27, also estimated that emerging markets and developing countries, other than China, will require $1 trillion by 2025 to cut emissions, boost resilience and deal with the loss and damage caused by climate change impacts, and restore nature and land.

"It is no longer about moving in a certain direction and getting there. We have deadlines that come from science. The urgency is fundamental to the story but so is the growth story," said Nicholas Stern, co-chair of the Independent High-Level Expert Group on Climate Finance and one of the authors of the report, Finance for climate action: scaling up investment for climate and development. https://economictimes.indiatimes.com/news/international/world-news/developing-nations-need-2-4-trillion-to-tackle-climate-change-says-report/articleshow/95411188.cms

14. India says will need coal until 2040 and beyond *(livemint.com)* November 09, 2022

Coal will play an important role in India until at least 2040, the nation's coal minister said on Wednesday, even as calls for countries to switch to cleaner forms of fuel intensify at U.N. climate talks taking place in Egypt.

Coal will play an important role in India until at least 2040, the nation's coal minister said on Wednesday, even as calls for countries to switch to cleaner forms of fuel intensify at U.N. climate talks taking place in Egypt.

Addressing a parliamentary committee, minister in charge of coal Pralhad Joshi said the fuel was an affordable source of energy and demand for it had yet to peak in India.

"Thus, no transition away from coal is happening in the foreseeable future in India," Joshi said, adding it would have a big role until 2040 and beyond.

At the COP27 talks taking place until Nov. 18 in Egypt, U.N. Secretary General Antonio Guterres has called for urgent action to cut emissions, including phasing out coal by 2040 globally.

India has long resisted renouncing coal and manoeuvred with China at last year's COP26 talks, hosted by Britain, to block stronger commitments to quitting it.

Months of declining fuel inventories at power plants culminated in the worst power crisis in more than six years in April, disrupting industrial activity and driving India to accelerate coal mining.

As heatwaves boost air conditioning use and drive up power demand, the government said in a statement coal accounts for more than 51% of India's primary energy requirement and around 73% of power generation.

Richer nations are under pressure to help the poorer world finance a transition to cleaner fuel.

U.S. climate envoy John Kerry on Wednesday announced plans for companies to buy carbon credits to support countries switching out of coal power. https://www.livemint.com/news/india/india-says-will-need-coal-until-2040-and-beyond-11667998912435.html

15. Global Hunger Index: A survey that trivialised hunger *(indianexpress.com)* Updated: November 10, 2022

The UN’s Sustainable Development Goal (SDG) 2 has several terms clubbed together, as befits a goal – hunger, food security, nutrition and sustainable agriculture. That doesn’t mean these terms are synonymous. Only the foolhardy will attempt to measure the sustainability of agriculture through data on nutrition. Therefore, in refining goals, SDG-2 has separate targets on under-nourishment, food insecurity, stunting (height for age) and malnutrition (weight for height).

It is difficult to distinguish under-nourishment from malnutrition and the FAO tends to equate food insecurity with malnutrition and equate that with hunger. With India's subsidised food security schemes, hunger isn't likely to be a problem. Indeed, the National Sample Survey's consumption surveys showed almost every household, rural and urban, reported getting two square meals a day. The discourse should shift from hunger to malnutrition. That's the reason India's national indicator framework for SDGs (developed by Ministry of Statistics and Programme Implementation) has indicators like under-weight, stunted and wasted under-five children, anaemic pregnant women and children, women with low BMI and marginalised populations without access to subsidised food-grains. To state the obvious again, since it isn't often appreciated, what's true of children, or women for that matter, need not be true of the general population. When dealing with numbers, it is best to remember this.

Along comes the GHI (Global Hunger Index), with a self-proclaimed peer-reviewed methodology. There are four indicators – under-nourishment, child stunting, child wasting and child mortality. Since these are the indicators, how accurate is it to call this a hunger index? One-sixth of the weightage is attached to child stunting, 1/6th to child wasting, 1/3rd to child mortality and 1/3rd to under-nourishment. The nomenclature of "hunger" is driven by under-nourishment, which is for the entire population, not merely children.

Why does one construct such indices? Presumably to influence policy. So, there is a normative angle to such an exercise. It isn't merely academic and intellectual. Under "policy", we are given the somewhat vacuous general statement: "The 2022 GHI reflects both the scandal of alarming hunger in too many countries across the world as well as the changing trajectory in countries where decades of progress in tackling hunger is being eroded." There is no particular mention of children, or women, in this, suggesting the policy intention is to emphasise hunger, not the other indicators, even if they figure in the index. All policy statements have value judgements. Is an increase in child stunting and child wasting necessarily bad? Most people will probably automatically answer in the affirmative. However, child and infant mortality has been declining simultaneously. Surely, that's a good thing. These are children who would otherwise have died. Now born, they are now likely to be under-weight, stunted and wasted, compared to the average and that will pull down the numbers.

Had the methodology been truly peer-reviewed, and not cheer-reviewed, the likelihood is high a critique would have suggested separation of indicators for the general population from those for children. That enables a teasing out of policy, distinct for the two segments. For indicators connected with children, we have numbers from NFHS-5 (National Family Health Survey), conducted between 2019 and 2021. The UNDP's recent report on multi-dimensional poverty has used this to document declines in poverty. Thus, one understands where data for three of the four indicators comes from. Data come through surveys, not from complete enumeration, as happens with a census.

Nonetheless, the sample size of the NFHS is large enough. Where did the FAO get data on under-nourishment or hunger, the fourth indicator? This isn't data that any standard survey gets numbers on. FAO decided to do its own survey, as it has in the past, through its Food Insecurity Experience Scale Survey Module, which has eight questions. As most people know by now, this poll was administered to a sample size of 3,000. In an era, where a chat with a single taxi-driver offers policy insights, 3,000 may seem large. But in a country like India, most people would laugh at this sample size.

Peer-reviewed or not, the questions seem odd to anyone who has drafted questionnaires. For example, question 8 states, as a question being asked, "You went without eating for a whole day because of a lack of money or other resources?" This is fine. But question 1 states, "You were worried you would not have enough food to eat because of a lack of money or other resources?" There should be grave reservations about questions that concern the state of the mind. It gets worse. Surely, the questions weren't asked in English. Yes, they were asked in Hindi. Question 6 states, "Your household ran out of food because of a lack of money or other resources?" The Hindi translation, as was asked, is "apke ghar mein bhojana ki kami ho gayi kyonki ghar mei paise ya anya samashadano ki kami thi". "Running out" means there is no food. "Kami" means less food. Answering yes to the Hindi question isn't the same as answering yes to the English question.

This is more than mere semantics. It is a serious error in translation. Such errors can be due to incompetence, or they can be deliberate. In an exercise that has been peer-reviewed and must have gone through successive iterations, incompetence and inadvertence is unlikely to be the answer. In any event, by propagating something like GHI, the FAO has done a great disservice to itself, trivialising a serious issue, where cross-country surveys on hunger in other countries must also have been subject to serious anomalies. https://indianexpress.com/article/opinion/columns/global-hunger-index-a-survey-that-trivialised-hunger-8259530/

16. India to become third-largest economy by 2027: Report *(indiatoday.in)* UPDATED: Nov 9, 2022

India will surpass Japan and Germany to become the third-largest economy by 2027, according to a report by Morgan Stanley. The country is also on track to have the largest stock market by 2030 following its key investments in technology and energy.

According to the report, India is the fastest-growing economy in the world and its gross domestic product (GDP) could double from the current $3.5 trillion to over $7.5 trillion by 2031.

India's share of global exports could also double over that period, while the Bombay Stock Exchange could deliver 11% annual growth, reaching a market capitalization of $10 trillion in the coming decade.

Chetan Ahya, Morgan Stanley's Chief Asia Economist, said India will be one of the only three economies in the world that can generate more than $400 billion in annual economic output growth from 2023 onwards. He added that the numbers will rise to more than $500 billion after 2028.

India's economic growth has been attributed to three megatrends - global offshoring, digitalization and energy transition.

In the recent India Today Conclave that was held in Mumbai, Ridham Desai, managing director of Morgan Stanley India said that the nation is set to become a factory and an office for the world. He said four big trends in the world right now have led to the optimism that India's GDP will likely double in the next 10 years.

These trends, according to Desai, are, "Demographic problem (ageing population), de-globalisation, disruption due to digitalisation and decarbonisation because the world is obsessed with climate change. India is probably the only country in the world benefitting from these four trends." https://www.indiatoday.in/business/story/india-third-largest-economy-by-2027-surpass-japan-germany-2295305-2022-11-09