

NEWS ITEMS ON CAG/ AUDIT REPORTS (19.11.2022 to 21.11.2022)

1. Capturing untraceable financial transactions a huge challenge: CAG on cryptocurrency (timesofindia.indiatimes.com) Nov 19, 2022

NEW DELHI: The accounting profession has to remain in tune with technological changes and keep in step with the new disruptive business models of the 21st century, Comptroller and Auditor General of India Girish Chandra Murmu said in Mumbai on Saturday.

Addressing the 21st World Congress of Accountants, hosted by the Institute of Chartered Accountants of India (ICAI), Murmu said the economy is going through massive transformation with evolution of new and innovative tools in doing business and these will challenge the conventional accounting traditions and thinking.

International transactions "There are many challenges which impact the global value chain, especially international transactions. An example being the emergence of cryptocurrency and the challenges of capturing untraceable financial transactions for financial audits," said the CAG.

Stressing on the need for sustainable IT governance and prudent financial management to enact large public programmes transparently, Murmu said it is time for the Institute of Chartered Accountants of India to take steps towards building high quality integrated reporting and performance statements.

"It is heartening to note that the ICAI has been adopting emerging technologies like block chain, Artificial intelligence, Big Data and is imparting training on those tools," he added.

Citing the rise of hundreds of homegrown, small and medium enterprises, and young entrepreneurs creating unicorns, Murmu said such startups "require guidance and support from the accounting profession for legal and regulatory compliance".

Murmu said the CAG has used satellite imagery and geospatial analysis to aid audit planning and evidence gathering and its progress in the areas of research and capacity building for information system, data analytics and environmental audits is comparable to the best in the world. <https://timesofindia.indiatimes.com/business/india-business/capturing-untraceable-financial-transactions-a-huge-challenge-cag-on-cryptocurrency/articleshow/95625460.cms?from=mdr>

2. Accounting profession must remain in tune with technological changes, says CAG (thestatesman.com, thenewsmen.co.in, absoluteindianews.com) November 19, 2022

The accounting profession has to remain in tune with the technological changes and keep in step with the new disruptive business models of the 21st century, Comptroller and Auditor General of India Girish Chandra Murmu said on Saturday.

The accounting profession has to remain in tune with the technological changes and keep in step with the new disruptive business models of the 21st century, Comptroller and Auditor General of India Girish Chandra Murmu said on Saturday.

Addressing the 21st World Congress of Accountants hosted by the Institute of Chartered Accountants of India, putting the spotlight on “Building Trust and Enabling Stability, he said that this is necessary as the economy is going through a massive transformation with the evolution of new and innovative tools in doing business and these will challenge the conventional accounting traditions and thinking.

There are many other challenges that impact the global value chain, especially international transactions; an example is the emergence of cryptocurrency and the challenges of capturing untraceable financial transactions which will be a huge challenge in financial audits.

The CAG said that “we need sustainable IT governance and prudent financial management to enact large public programmes transparently without running into cost and time delays. Accounting and Audit professionals must take note of these developments to complement the government’s efforts.

“We have to ensure that we discharge our duties with high ethical, technical, and professional standards. Digital assurance will allow auditors to validate for an entire population, which will improve efficient workflow and build trust in financial statements. It is time, therefore, for the accountancy profession to take steps towards building high-quality integrated reporting and performance statements. It is heartening to note that ICAI has been adopting emerging technologies like Blockchain, Artificial Intelligence, and Big Data and is imparting training on those tools.”

Murmu said that hundreds of homegrown, small and medium enterprises and young entrepreneurs are creating unicorns which shows a positive signal. They would require especially in their initial days’ guidance and support from the accounting profession for legal and regulatory compliance, he added.

He also said that the CAG institution has used cutting-edge technologies, such as satellite imagery and geospatial analyses to aid audit planning and evidence gathering, and its progress in the areas of research and capacity building for information systems, data analytics, and environmental audits is comparable to the best in the world. <https://www.thestatesman.com/business/accounting-profession-must-remain-in-tune-with-technological-changes-says-cag-1503132459.html>

3. Accounting profession must keep in step with new disruptive business models, says CAG (thehindubusinessline.com) November 19, 2022

The accounting profession not only has to keep itself abreast with the technological changes, but also keep in step with the new disruptive business models of the 21st Century, G C Murmu, Comptroller and Auditor General of India (CAG) said on Saturday.

Addressing the 21st World Congress of Accountants, organised by the CA Institute in Mumbai, Murmu highlighted that the economy is going through massive transformation with evolution of new and innovative tools in doing business.

“These will challenge the conventional accounting traditions and thinking. For example, there is this issue of new balance sheet where companies which hardly have any physical assets or employees have revenue streams of billions of dollars. Case in point is the cab and hotel room aggregators”, Murmu said.

He also said that there are many other challenges which impact the global value chain, especially international transactions—an example being the emergence of crypto currency and the challenges of capturing untraceable financial transactions which will be a huge challenge in financial audits.

“Today we need to constantly search for credible tools to meet the challenges emanating from the development in trade and tariff systems and emergence of digital assets necessitating credible accounting environment. We need accountants who can contribute in creating sustainable businesses by taking advantage of emerging tools and innovations in public financial management to foster inclusive growth”, Murmu added.

Murmu also underscored the need for sustainable IT governance and prudent financial management to enact large public programmes transparently without running into cost and time delays .

“Accounting and Audit professionals must take note of these developments to complement the government’s efforts. We have to ensure that we discharge our duties with high ethical, technical and professional standards. Digital assurance will allow auditors to validate for an entire population, which will improve efficient workflow and build trust in financial statements.

It is time, therefore, for the accountancy profession to take steps towards building high-quality integrated reporting and performance statements”, Murmu added. <https://www.thehindubusinessline.com/economy/accounting-profession-must-keep-in-step-with-new-disruptive-business-models-says-cag-murmu/article66157481.ece>

4. Accounting profession must remain in tune with technological changes and business models: CAG (pib.gov.in) 19 Nov 2022

The Comptroller and Auditor General of India, Shri Girish Chandra Murmu today said that the accounting profession has to remain in tune with the technological changes and keep in step with the new disruptive business models of the 21st century. Addressing 21st World Congress of Accountants hosted by the Institute of Chartered Accountants of India in Mumbai, the CAG stated that this is necessary as the economy is going through massive transformation with evolution of new and innovative tools in doing business and these will challenge the conventional accounting traditions and thinking.

The CAG said that “we need sustainable IT governance and prudent financial management to enact large public programmes transparently without running into cost and time delays. Accounting and Audit professionals must take note of these developments to complement the government’s efforts. We have to ensure that we discharge our duties with high ethical, technical and professional standards. Digital assurance will allow auditors to validate for an entire population, which will improve efficient workflow and build trust in financial statements. It is time therefore, for the accountancy profession to take steps towards building high quality integrated reporting and performance statements. It is heartening to note that ICAI has been adopting emerging technologies like block chain, Artificial intelligence, Big Data and is imparting training on those tools”.

The CAG said that hundreds of home grown, small and medium enterprises and young entrepreneurs are creating unicorns which shows a positive signal. They would require especially in their initial days guidance and support from the accounting profession for legal and regulatory compliance, he added.

The CAG said that the issue of sustainable development can no longer be overlooked and accountants and auditors also have an important role to play here to comment not just on legality, propriety, transparency and accountability; but also on sustainability.

Shri Murmu said that the CAG institution has used cutting edge technologies, such as satellite imagery and geospatial analyses to aid audit planning and evidence gathering and its progress in the areas of research and capacity building for information system, data analytics and environmental audits is comparable to the best in the world.

Shri Murmu stated that the CAG shares a long and fruitful association with the Institute of Chartered Accountants of India. "We have also been working together to evolve standards for accounting and auditing, and for improving Quality Reviews for a long time in various committees and this synergy would be instrumental in establishing quality financial reporting and a credible compliance framework. This will not only strengthen corporate governance practices in our country, but also guide us towards realising the country's economic and social objectives", he added. <https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1877287>

5. Accounting Federation Needs To Keep Abreast Of Innovative Technological Changes: CAG Murmu (news.abplive.com) 19 Nov 2022

With the rapid evolution of innovative technology, the accounting federation needs to keep itself abreast of the technological changes, Comptroller and Auditor General of India Girish Chandra Murmu said on Saturday.

"The ecology is going through a massive transformation with the evolution of new and innovative tools in doing business. These will challenge the accounting tradition and thinking," Murmu said while speaking at the four-day World Congress of Accountants (WCOA).

"The CHG and accounting federation not only have to keep itself abreast of the technological changes but has to keep itself of the new changing disruptive business model of the 21st century," Murmu said. He said many other challenges are impacted by the global value chain, especially international transactions and emerging cryptocurrency.

"The capturing of untraceable financial transactions will be a huge challenge for financial audits. Today, we need to constructively seek credible tools to meet these challenges emanating from the development in trade and tariff systems and the emergence of digital assets, necessitating a credible accounting environment," he added.

There is a need for accountants, who can continue creating sustainable businesses by taking advantage of emerging tools and innovations in corporate financial management, he noted. Murmu, further said that India has remained resilient during the emerging challenges of the pandemic and economic slowdown and has become the 5th largest economy in the world.

"The country is utilizing massive infrastructural development, high industrial growth, and rising consumption levels. It is well on its way to becoming the world manufacturing hub," he

said. Hundreds of homegrown small and medium enterprises (SMEs) and entrepreneurs are creating Unicorns, which shows a positive signal for the economy of the country, he said. "They (Unicorns and new SMEs) would require, especially in the initial days, the guidance and support from accounting professionals for regulatory compliance," he added. <https://news.abplive.com/news/india/accounting-federation-needs-to-keep-abreast-of-innovative-technological-changes-cagi-murmu-1564419>

6. Accounting profession must keep pace with technological changes: CAG (india.postsen.com) 19 Nov 2022

Comptroller and Auditor General of India Girish Chandra Murmu on Saturday said that the accounting profession has to keep pace with technological changes and keep pace with the new disruptive business models of the 21st century. Addressing the Congress of Accountants, he said, this is necessary as the economy is undergoing a massive transformation with the development of new and innovative tools in doing business and these will challenge traditional accounting conventions and thinking.

There are many other challenges that affect the global value chain, especially international transactions, an example of which is the emergence of cryptocurrencies and the challenges of capturing untraceable financial transactions, which will be a major challenge in financial audit.

We need sustainable IT governance and prudent financial management to transparently implement large public programs without cost and time delays, the CAG said. Accounting and auditing professionals should take note of these developments to complement the efforts of the government.

We have to ensure that we discharge our duties with high ethical, technical and professional standards. Digital assurance will allow auditors to validate for entire populations, which will improve efficient workflow and instill confidence in financial statements. The time has therefore come for steps to be taken towards creating high quality integrated reporting and performance statements for the accountancy profession. It is heartening to note that ICAI is adopting emerging technologies like Blockchain, Artificial Intelligence, Big Data and imparting training on those tools.

Murmu said that hundreds of domestic, small and medium enterprises and young entrepreneurs are creating unicorns which shows a positive sign. They will need guidance and support from the accounting profession especially in their early days for legal and regulatory compliance. <https://india.postsen.com/trends/24555.html>

7. लेखाकार संघ को तकनीकी बदलावों से परिचित रहने की जरूरत: मुर्मू ([navbharat times.indiatimes.com](http://navbharat.times.indiatimes.com), bhasha.ptinews.com, livehindustan.com, hindi.theprint.in, punjabkesari.in, ibc24.in, nationalduniya.org) 19 Nov 2022

भारत के नियंत्रक और महालेखा परीक्षक गिरीश चंद्र मुर्मू ने शनिवार को कहा कि लेखाकार संघ को तकनीकी बदलावों से परिचित रहने की जरूरत है।

उन्होंने विश्व लेखाकार कांग्रेस (डब्ल्यूसीओए) में कहा, "व्यवसाय में नए साधनों के विकास के साथ पारिस्थितिकी तंत्र में बड़े पैमाने पर बदलाव हो रहा है। ये बदलाव लेखांकन परंपरा और सोच को चुनौती देंगे।"

मुर्मू ने कहा,

"कैग और लेखाकार संघ को न केवल खुद तकनीकी बदलावों से परिचित होना होगा" उन्होंने कहा कि वैश्विक मूल्य श्रृंखला, अंतरराष्ट्रीय लेनदेन और क्रिप्टोकॉरेसी से जुड़ी कुछ अन्य चुनौतियां भी हैं।

उन्होंने साथ ही कहा कि अज्ञात वित्तीय लेनदेन को पकड़ना वित्तीय लेखांकन के लिए एक बड़ी चुनौती होगी। <https://navbharattimes.indiatimes.com/business/business-news/accountants-association-needs-to-be-aware-of-technical-changes-murmu/articleshow/95628679.cms>

8. CAG ने कहा, अकाउंटिंग पेशे को तकनीकी परिवर्तनों के अनुरूप रहना चाहिए! (s amacharnama.com) 20 Nov 2022

भारत के नियंत्रक एवं महालेखा परीक्षक गिरीश चंद्र मुर्मू ने शनिवार को कहा कि लेखांकन पेशे को तकनीकी परिवर्तनों के अनुरूप रहना होगा और 21वीं सदी के नए विघटनकारी व्यापार मॉडल के साथ कदम से कदम मिलाकर चलना होगा। इंस्टीट्यूट ऑफ चार्टर्ड अकाउंटेंट्स ऑफ इंडिया द्वारा आयोजित 21वीं वर्ल्ड कांग्रेस ऑफ अकाउंटेंट्स को संबोधित करते हुए उन्होंने कहा, यह आवश्यक है क्योंकि अर्थ व्यवस्था व्यापार करने में नए और नवीन उपकरणों के विकास के साथ बड़े पैमाने पर परिवर्तन के दौर से गुजर रही है और ये परंपरागत लेखांकन परंपराओं और सोच को चुनौती देंगे।

कई अन्य चुनौतियाँ हैं जो वैश्विक मूल्य श्रृंखला को प्रभावित करती हैं, विशेष रूप से अंतरराष्ट्रीय लेनदेन जो एक उदाहरण है कि क्रिप्टो करेंसी का उभरना और अप्राप्य वित्तीय लेनदेन पर कब्जा करने की चुनौतियाँ हैं जो वित्तीय लेखापरीक्षा में एक बड़ी चुनौती होगी। कैग ने कहा, हमें लागत और समय की देरी के बिना बड़े सार्वजनिक कार्यक्रमों को पारदर्शी रूप से लागू करने के लिए स्थायी आईटी शासन और विवेकपूर्ण वित्तीय प्रबंधन की आवश्यकता है। लेखा और लेखापरीक्षा पेशेवरों को सरकार के प्रयासों के पूरे लिए इन विकासों पर ध्यान देना चाहिए।

हमें यह सुनिश्चित करना होगा कि हम उच्च नैतिक, तकनीकी और पेशेवर मानकों के साथ अपने कर्तव्यों का निर्वहन करें। डिजिटल आश्वासन लेखापरीक्षकों को पूरी आबादी के लिए मान्य करने की अनुमति देगा, जो कुशल कार्यप्रवाह में सुधार करेगा और वित्तीय विवरणों में विश्वास पैदा करेगा। इसलिए समय आ गया है कि अकाउंटेंट्स पेशे के लिए उच्च गुणवत्ता वाली एकीकृत रिपोर्टिंग और प्रदर्शन विवरण तैयार करने की दिशा में कदम उठाए जाएं। यह जानकर खुशी हो रही है कि आईसीएआई ब्लॉकचेन, आर्टिफिशियल इंटेलिजेंस, बिग डेटा जैसी उभरती हुई तकनीकों को अपना रहा है और उन उपकरणों पर प्रशिक्षण दे रहा है।

मुर्मू ने कहा कि सैकड़ों घरेलू, छोटे और मध्यम उद्यम और युवा उद्यमी यूनिकॉर्न बना रहे हैं जो एक सकारात्मक संकेत दिखाता है। उन्हें विशेष रूप से अपने शुरुआती दिनों में कानूनी और नियामक अनुपालन के लिए लेखांकन पेशे से मार्गदर्शन और समर्थन की आवश्यकता होगी। <https://samacharnama.com/states/delhi-news/CAG-said-the-accounting-profession-should-keep-pace-with/cid9216149.htm>

9. सीएजी का कहना है कि अकाउंटिंग प्रोफेशन को तकनीकी बदलावों के अनुरूप रहना चाहिए (jantaserishta.com) 19 Nov 2022

भारत के नियंत्रक एवं महालेखा परीक्षक गिरीश चंद्र मुर्मू ने शनिवार को कहा कि लेखांकन पेशे को तकनीकी परिवर्तनों के अनुरूप रहना होगा और 21वीं सदी के नए विघटनकारी व्यापार मॉडल के साथ कदम से कदम मिलाकर चलना होगा।

इंस्टीट्यूट ऑफ चार्टर्ड अकाउंटेंट्स ऑफ इंडिया द्वारा आयोजित 21वीं वर्ल्ड कांग्रेस ऑफ अकाउंटेंट्स को संबोधित करते हुए, "विश्वास निर्माण और स्थिरता को सक्षम बनाने" पर प्रकाश डालते हुए उन्होंने कहा कि यह आवश्यक है क्योंकि अर्थव्यवस्था नए और अभिनव उपकरणों के विकास के साथ बड़े पैमाने पर परिवर्तन के दौर से गुजर रही है। व्यापार और ये पारंपरिक लेखांकन परंपराओं और सोच को चुनौती देंगे।

कई अन्य चुनौतियाँ हैं जो वैश्विक मूल्य श्रृंखला को प्रभावित करती हैं, विशेष रूप से अंतर्राष्ट्रीय लेनदेन; एक उदाहरण क्रिप्टो करेंसी का उभरना और अप्राप्य वित्तीय लेनदेन पर कब्जा करने की चुनौतियाँ हैं जो वित्तीय लेखापरीक्षा में एक बड़ी चुनौती होगी।

कैंग ने कहा कि "हमें लागत और समय की देरी के बिना बड़े सार्वजनिक कार्यक्रमों को पारदर्शी रूप से लागू करने के लिए स्थायी आईटी प्रशासन और विवेकपूर्ण वित्तीय प्रबंधन की आवश्यकता है। लेखा और लेखा परीक्षा पेशेवरों को सरकार के प्रयासों के पूरक के लिए इन विकासों पर ध्यान देना चाहिए।"

"हमें यह सुनिश्चित करना है कि हम उच्च नैतिक, तकनीकी और पेशेवर मानकों के साथ अपने कर्तव्यों का निर्वहन करें। डिजिटल आश्वासन ऑडिटर्स को पूरी आबादी के लिए मान्य करने की अनुमति देगा, जो कुशल वर्कफ़्लो में सुधार करेगा और वित्तीय विवरणों में विश्वास पैदा करेगा। एकाउंटेंसी पेशा उच्च गुणवत्ता वाली एकीकृत रिपोर्टिंग और प्रदर्शन विवरण बनाने की दिशा में कदम उठा रहा है। यह जानकर खुशी हो रही है कि आईसीएआई ब्लॉकचेन, आर्टिफिशियल इंटेलिजेंस, बिग डेटा जैसी उभरती हुई तकनीकों को अपना रहा है और उन उपकरणों पर प्रशिक्षण दे रहा है।"

मुर्मू ने कहा कि सैकड़ों घरेलू, छोटे और मध्यम उद्यम और युवा उद्यमी यूनिकॉर्न बना रहे हैं जो एक सकारात्मक संकेत दिखाता है। उन्होंने कहा कि उन्हें कानूनी और नियामक अनुपालन के लिए विशेष रूप से अपने शुरुआती दिनों में लेखांकन पेशे से मार्गदर्शन और समर्थन की आवश्यकता होगी।

उन्होंने यह भी कहा कि CAG संस्था ने अत्याधुनिक तकनीकों का उपयोग किया है, जैसे कि सैटेलाइट इमेजरी और भू-

स्थानिक विश्लेषण ऑडिट योजना और साक्ष्य एकत्र करने में सहायता करने के लिए और सूचना प्रणाली, डेटा एनालिटिक्स और पर्यावरण ऑडिट के लिए अनुसंधान और क्षमता निर्माण के क्षेत्रों में इसकी प्रगति के बराबर है। संसार में सर्वोत्तम। <https://jantaserishta.com/business/accounting-profession-must-remain-in-tune-with-technological-changes-says-cag-1763836>

10. भारतीय लेखापरीक्षा एवं लेखा विभाग में ऑडिट सप्ताह समारोह (spaka.in) 20 Nov 2022

ऑडिट दिवस' भारतीय लेखापरीक्षा एवं लेखा विभाग, जिसके अध्यक्ष भारत के नियंत्रक-महालेखापरीक्षक हैं, के द्वारा प्रत्येक वर्ष 16 नवंबर को मनाया जाता है। भारत के प्रथम महालेखापरीक्षक की 16 नवंबर 1860 की नियुक्ति की स्मृति में यह दिवस मनाया जाता है।

द्वितीय ऑडिट दिवस 16 नवंबर 2022 को भारत के माननीय उपराष्ट्रपति श्री जगदीप धनखड़ की गरिमा मयी उपस्थिति में भारत के नियंत्रक – महालेखापरीक्षक के कार्यालय, नई दिल्ली में मनाया गया। इसी क्रम में भारतीय लेखापरीक्षा एवं लेखा विभाग, हिमाचल प्रदेश के तीनों कार्यालयों; राष्ट्रीय लेखापरीक्षा एवं लेखा अकादमी, प्रधान महालेखाकार, हिमाचल प्रदेश (लेखापरीक्षा) एवं प्रधान महालेखाकार, हिमाचल प्रदेश (लेखा एवं हकदारी) शिमला में 21 नवंबर से 27 नवंबर 2022 तक ऑडिट सप्ताह मनाया जा रहा है। इस ऑडिट सप्ताह 2022 में विभिन्न कार्यक्रम जैसे राज्य सरकार के अधिकारियों के साथ परिचर्चा, रक्तदान शिविर, सांस्कृतिक कार्यक्रम, प्रश्नोत्तरी प्रतियोगिता तथा 'अभिव्यक्ति'- एक फोटो प्रदर्शनी का आयोजन किया जा रहा है।

ये तीनों कार्यालय अपने अधिदेशानुसार कार्य करते हैं-

राष्ट्रीय लेखापरीक्षा एवं लेखा अकादमी, शिमला: शिमला के चौड़ा मैदान में स्थित राष्ट्रीय लेखापरीक्षा और लेखा अकादमी जिसे नगरवासी यारोज़ के नाम से भी जानते हैं, भारत के नियंत्रक एवं महालेखापरीक्षक के तत्वावधान में एक प्रमुख प्रशिक्षण संस्थान है। अकादमी संघ लोक सेवा आयोग (यूपीएससी (द्वारा आयोजित सिविल सेवा परीक्षा के माध्यम से हर साल भर्ती हुए आई.ए.ए.एस प्रशिक्षु अधिकारियों) परीक्षाधीन (के लिए प्रशिक्षण कार्यक्रम आयोजित करती है। लगभग दो वर्ष के गहन व्यावसायिक प्रशिक्षण के उपरान्त प्रशिक्षु अधिकारियों को भारत के नियंत्रक एवं महालेखापरीक्षक के वैधानिक जनादेश की पूर्ति हेतु प्रत्येक राज्य में स्थापित महालेखाकार/लेखापरीक्षा (और महालेखाकार/लेखा व हकदारी) कार्यालयों में तैनात किया जाता है। इसके अतिरिक्त अकादमी प्रति वर्ष सेवाकालीन आई.ए.ए.एस अधिकारियों तथा भारत सरकार के अन्य विभागों के सेवाकालीन अधिकारियों व अन्य केन्द्रीय सिविल सेवाओं के प्रशिक्षु अधिकारियों के प्रशिक्षण कार्यक्रमों का आयोजन भी करती है। <https://spaka.in/audit-week-celebrations-in-indian-audit-and-accounts-departments.html>

11. **Freebies Debate: Are They Road To Economic Disaster?** (*businessworld.in*) 20 Nov 2022

Prime Minister Narendra Modi in July spoke against political parties for their promotion of a culture of freebies 'Revdi' to gain votes in a public rally in MP. The Supreme Court also referred petitions calling for a ban on freebies given out by political parties before elections to a three-judge panel and said "The issue raised by petitioners requires an extensive hearing before any concrete orders can be passed."

But in an order to woo voters in Himachal Pradesh and Gujarat assembly elections, both BJP and AAP have promised their voters' lucrative gifts. In Gujarat, the AAP made a number of announcements, including 300 units of free electricity for every home, a monthly allowance of Rs 1,000 for women, a monthly jobless benefit of Rs 3,000, and a debt forgiveness programme of up to Rs 2 lakh for farmers. While, in Himachal, the BJP promised three free LPG cylinders for low-income women, bicycles and scooters for female students, financial aid of Rs 25,000 for all pregnant women, and so forth.

What differentiates Freebies from Welfare expenses?

While there is no precise definition, expenditure which brings economic benefits, such as the public distribution system, employment guarantee schemes, and states' support for education and health are considered welfare expenses. On the other hand, the provision of free electricity, free water, free public transportation, waiver of pending utility bills and farm loan waivers are often regarded as freebies.

Burden of Freebies on the Fiscal Health of States

As per estimates, expenditure on freebies range from 0.1 - 2.7 Percent of GSDP for different states. The freebies have exceeded 2 per cent of GSDP for some of the highly indebted states such as Andhra Pradesh and Punjab. Moreover, as per the latest data from the Comptroller and Auditor General of India (CAG),

The state governments' expenditure on subsidies has also grown at 12.9 per cent and 11.2 per cent during 2020-21 and 2021-22. The share of subsidies in total revenue expenditure by states has also risen from 7.8 per cent in 2019-20 to 8.2 per cent in 2021-22.

Table 5: Freebies Announced by the States in 2022-23

	(As a per cent of GSDP)	(As a per cent of Revenue Receipts)	(As a per cent of Own Tax Revenue)
1	2	3	4
Andhra Pradesh	2.1	14.1	30.3
Bihar	0.1	0.6	2.7
Haryana	0.1	0.6	0.9
Jharkhand	1.7	8.0	26.7
Kerala	0	0	0.1
Madhya Pradesh	1.6	10.8	28.8
Punjab*	2.7	17.8	45.4
Rajasthan	0.6	3.9	8.6
West Bengal	1.1	9.5	23.8

*: Dhasmana, I. (2022). "Not all states are so financially weak that they can't announce freebies". Business Standard. April 2022.

Source: Budget documents of the state government.

Current Fiscal Vulnerability of Indian States

RBI's Department of Economic and Policy Research

Under the guidance of Michael Debabrata Patra wrote a report on fiscal risks confronting state governments in India, with emphasis on the heavily indebted states. Based on the debt-GSDP ratio in 2020-21, Punjab (53.3), Rajasthan (39.5), Bihar (38.6), Kerala (37.2), Uttar Pradesh (34.9), West Bengal (34.2), Jharkhand (33.0), Andhra Pradesh (32.5), Madhya Pradesh (31.3), and Haryana (29.4) turn out to be the states with the highest debt burden. These 10 states account for around half of the total expenditure by all state governments in India.

The Report further on 'quality of expenditure' by states said "The share of revenue expenditure in total expenditure of these states varies in the range of 80-90 per cent. Some states like Rajasthan, West Bengal, Punjab and Kerala spend around 90 per cent in revenue accounts. This results in poor expenditure quality, as reflected in their high revenue spending to capital outlay ratios. Although welfare-enhancing, the impact of revenue spending on economic activity lasts for just about a year. In contrast, the impact of capital outlay is stronger and lasts longer, with the peak effect materialising after two-three

years." <https://www.businessworld.in/article/Freebies-Debate-Are-They-Road-To-Economic-Disaster-/20-11-2022-454732/>

12. Pradhan Mantri Fasal Bhima Yojana (PMFBY) allows big businesses to profiteer at the cost of the farmers ([countercurrents.org](https://www.countercurrents.org)) By E A S Sarma | Nov 19, 2022

To
Smt Nirmala Sitharaman
Union Finance Minister
Dear Smt Sitharaman,

I refer to a news report (<https://www.businessworld.in/article/Union-Min-Pradhan-Seeks-Probe-Into-Farmers-Insurance-Scheme-In-Odisha-/17-11-2022-454459/>) that Shri Dharmendra Pradhan, the Union Education Minister has written to the Union Agriculture and Farmers Welfare Minister, apparently on the basis of his own sordid experience in Odisha, to “launch an investigation into the ‘scam’ committed during the implementation of the Pradhan Mantri Fasal Bima Yojana (PMFBY)”. He referred to the “abysmally low insurance payment” to the farmers for crop loss suffered by them due to drought during the 2021 Kharif season, whereas huge premium amounts were pocketed by private insurance companies.

What Shri Dharmendra Yadav has cited in the case of Odisha represents only the tip of the iceberg of large scale diversion of public funds under PMFBY to private insurers’ pockets, cutting across almost all the States.

In this connection, I had addressed the Comptroller & Auditor General (CAG) of India in September this year (<https://countercurrents.org/2022/09/pmfbby-does-it-provide-insurance-for-farmers-or-for-private-corporates-request-for-a-performance-audit/?swcfpc=1>) seeking a comprehensive audit of the way the scheme has been designed and implemented, more to benefit private insurers than farmers. I have extracted below the relevant portions of the said letter for your ready reference.

“The total premium paid under PMFBY by the Centre, the States and the farmers to insurance companies during the last 5 years was Rs 1,26,521 Crores, whereas the insurance companies in turn paid only Rs 87,320 Crores to the farmers towards settlement of claims. In other words, the insurance companies have benefited from PMFBY by Rs 39,201 Crores

Over the last 5 years, as a result of procedural hurdles in settlement of claims, the coverage of the scheme has declined. For example, over the 5-year time span, the number of farmers covered has come down by 29% during Kharif and 33% during Rabi.

The insurance companies paid only Rs 87,320 Crores to the farmers against the latter’s claims totalling Rs 92,954 Crores. Many farmers, though covered under the scheme, would not have filed their claims.

90% of the CPSE insurance companies have settled most claims, often incurring losses, whereas it is the private insurance companies that have fallen short of settling claims, profiting from the scheme by 60-70%.

For example, Bharti AXA profited to the extent of 72%, Reliance 59% and Future 61%.

In some States such as Maharashtra, private insurance companies received substantial premium amounts from the Centre, the States and the farmers but displayed reluctance to settle farmers' claims, sometimes leading to law & order problems (<https://economictimes.indiatimes.com/news/economy/agriculture/reliance-general-insurances-refusal-to-pay-crop-claims-can-become-a-law-order-issue-maharashtra-tells-centre/articleshow/87750828.cms?from=mdr>)”

According to the PMFBY portal (<https://pmfby.gov.in/adminStatistics/dashboard>), farmers have paid premium amounts, during Kharif & Rabi seasons during 2021-22, of Rs 2291 crores & Rs 1387 crores respectively, whereas the corresponding premium amounts paid by the States are Rs 6826 crores & 5304 Crores and by the Centre, Rs 6693 crores & 4416 crores respectively. The PMFBY portal, for reasons best known to the concerned Central Ministry, fails to disclose the crop insurance claims of the farmers duly settled, apparently to keep the public in the dark.

The way the Centre has designed PMFBY, the way it has created a wide opening for private insurance companies to exploit it and the fact that the concerned Central Ministries have chosen to remain insensitive to private insurers not settling the farmers' claims for years, leads one to the inevitable conclusion that the Centre is more responsible than the States for the PMFBS “scam”, as Shri DharmendraYadav has rightly described it.

Why should the Centre, in the first instance, invoke its extraordinary authority under Article 282 to create a channel outside the Finance Commission's oversight, to transfer funds directly to beneficiaries, in the guise of a Centrally Sponsored Scheme (CSS) such as PMFBY, leaving little flexibility to the States to adapt it to suit the local requirements? What is the role played by the insurance regulator in this matter, who is statutorily required to safeguard the interests of the policy holders?

Had the scheme been implemented by public sector insurance companies, its implementation would have benefited the farmers more, as corroborated by the data on their performance vis-a-vis private insurers.

Since large amounts of public funds stand diverted under PMFBY to private insurance companies, outside the oversight of the Finance Commission, I would ask your Ministry to order a comprehensive investigation by an independent investigating agency to assess the gains made by private insurers at the cost of the farmers and the public exchequer, for which the concerned Ministries at the Centre should own responsibility.

May I call upon you to order an urgent investigation into this matter?

Yours sincerely,

E A S Sarma

Former Secretary to government of India

Visakhapatnam <https://countercurrents.org/2022/11/pradhan-mantri-fasal-bhima-yojana-pmfby-allows-big-businesses-to-profiteer-at-the-cost-of-the-farmers/>

13. Lofty budget aims remain just that (thehansindia.com) 19 November 2022

The Centre and the States every year work out details of their spending plan based on income and expenses, and present it in form of budgets. A budget is an expression of the government's public policy. It is a document that tells the people how the government plans to earn revenue and where and how much it would spend. It is divided into various sectors to ensure all round development.

The government expenditure is funded by a common pool of taxpayers' money and the policies that are formed with this money are further used to fund projects and generate revenue. Hence, it is extremely important for any government to allocate resources wisely. Budget helps in allocating the available resources in a prudent manner and utilise it with utmost responsibility for infrastructure development projects, improving health and education, providing basic amenities like power, water, roads etc., uplifting the underprivileged sections of the society, mitigating regional disparity and facilitating financial inclusion. It is meant to ensure control over expenditure and help maintain stability over public money of which the government is the custodian. Since any political party which forms government at the Centre or in states has certain social, political and economic responsibilities, a well-planned budget is of utmost importance for any government.

The question here is if the budget now has any sanctity or if it has become just a ritual. The budget sessions of Parliament and Assembly used to be held with utmost seriousness and serious discussion on various aspects of the budget used to take place. But now the Budget Session of Parliament is getting derailed as opposition parties stall the proceedings on one issue or the other and this helps the ruling party at the Centre to pass the budget without much discussion or amendments. The Budget session of Parliament used to last for nearly four months. But thanks to the disruptions that are taking place, it is being adjourned sine die much ahead of schedule.

In states, the budget sessions which used to last for about 45 days are being wound up in less than 15 days' time and most of the time the discussions are one sided since opposition parties in most states have been decimated or the miniscule number of members are suspended on frivolous grounds not for a day but for entire session. We swear by democracy but we act otherwise.

Such scenario leads to an excessive spending of public money on policies which evolve anytime during the year because of political considerations and are not part of the original budget. This leads to diversion of funds from originally planned projects and programmes to the newly announced schemes benefitting few sections of the society.

The very concept of budget is to allow the governments to regulate the imposition of taxes, plan investment and expenditure which can contribute to the growth of the state or nation's economy. They ideally should encourage people to lay emphasis more on savings and investments by providing tax rebates and subsidies. It is a different matter that the Centre has not been doing much to encourage investments and the inflation rate has been touching a new high. It's decision to introduce GST and going in for demonetisation has also caused lots of problems for the common man. With so many slabs, the GST has proved to be a burden on the taxpayer. Compliance of any laws can be enforced if they are simple. But in the case of GST, it is not so.

The budget also helps the industry know the resources that are allocated to different sectors and based on that they can plan and revise their policies which in turn would help in the economic growth of the state and the country. Budget is also intended to mitigate economic divide as the government can address such issues.

But unfortunately, the annual budget, which is essentially an annual estimate of the country's income and expenditure, has lost its significance and relevance, much like the Five Year Plan that India once used to draw up. In the name of dynamism, decisions are being taken as and when required sometimes with the concurrence of the cabinet and most of the times they are ratified by the cabinet without any discussion as the ruling party ministers – both of national and regional parties – feel that their leader can do no wrong. This leads to a situation where the provisions and recommendations of the Budget remain just that and never ... Budget is no more a yardstick which could give a direction to the actions of the government.

The ruling parties that come to power on the back of promises find it easy to fulfil them by raising loans, without bothering about the impact of such acts on the state economy. The thirst for retaining power pushes a state or the country into debt trap but then we have experts who coin new words like inclusive growth and what not to explain such acts and they claim that one has to make use of opportunities when one sees them instead of waiting for a year.

When Budget used to have greater importance in governance the constitution had provided an institution called Comptroller and Auditor General of India (CAG) with independent status and authority to work against these financial misconducts in public office. It is estimated that about 30% of GDP is spent on public procurement and the quantum of corruption associated with it is also high. Leakages in government revenues worsens financial picture. The CAG is expected to identify and take necessary corrective measures. However, CAG is seen to be functioning more as a routine auditor.

There is a feeling that CAG, over the years, has failed to proactively expand its role to meet the emerging challenges. Though CAG reports are discussed by the public accounts committees of the respective legislatures and the state government officials send some replies and after that, no one evaluates and no one knows what happens. It only helps the opposition parties to use it as stick to beat the government though it hardly creates any impact on the thinking of the people. With the growing culture of 'note for vote' and the increase in the distribution of freebies, budget and CAGs have lost their importance.

Experts are not wrong when they say that the functioning of CAG is largely confined to itself and is not known to meet with experts, professionals or institutions. This is one of those institutions which are most unapproachable. It has independent status. The CAG reports point out shortcomings in government spending, but they do not issue any guidelines or suggest best practices that can help in reducing corruption or malpractices.

Though CAG had exposed some scams, they have been occurring with increasing frequency. Similarly, they point out cost overruns by the governments but there is no mechanism to make the government take corrective measures. A new trend now is that the officials prefer to avoid taking decisions as there has been growing intervention of agencies like CAG, CBI and CVC. The opposition parties allege that these agencies act as agents of the ruling party at Centre and when they come to power, they prove no different.

It is time for a relook and reassessment of the role and responsibilities of the agencies like CAG so that India can achieve its target of three trillion economy much faster. This cannot be done by making simple statements. A serious exercise needs to be taken up by the Centre in consultation with states.

Indeed, we should strengthen economic expertise in CAG, assign a comptroller function and make CAG answerable to parliament. In the past, the PM has himself criticised CAG. "We live in a world of uncertainty and ex-post whether it is the Comptroller and Auditor-General, whether it is a parliamentary committee then they analyse post facto. They have a lot more facts which were not available to those who took the decision."

Reforms and changes in the functioning and powers of CAG and such agencies are necessary to ensure that the funds reach where they are required most. Only then one can expect efficient governance and economic stability in the country. <https://www.thehansindia.com/hans/opinion/bold-talk/lofty-budget-aims-remain-just-that-769728>

14. Urban India trapped in systemic dystopia (*newindianexpress.com*) 19 November 2022

Obituaries of cities are a constant in India's urban landscape. Every few years cities are declared dying or dead. The sentiments reflect the spectre of a tense future for urban India. The year is split into seasons of crises. Cities gasp during the winter due to air pollution. Summers are heralded by water scarcity and monsoon arrives with live telecast of floods in cities. And potholes bridge the weeks between monsoon and winter.

Every 'seasonal crisis' is followed by a parade of alibis. Air pollution in the National Capital Region, for instance, is blamed on stubble burning. When a partial drought results in a shortage of drinking water in Pune or Mumbai, the fault lies with the rising numbers of migrants. Floods, like the one seen in Bengaluru, are described as 'extreme weather events' and blamed on that global phenomenon called climate change.

Typically in the Indian context, the political rhetoric converges on centre-state blame games and failures in governance are presented as a function of poor allocations. Earlier this week, the World Bank released a report on what needs to be done and what it would cost. The 78-page report, dotted with data and prescriptions, says, "India will need to invest \$840 billion over the next 15 years—or an average of \$55 billion per annum—into urban infrastructure if it is to effectively meet the needs of its fast-growing urban population."

There is no disputing that urban development needs higher allocations—it is manifest in the ratio of allocations in the states and the Centre. The chaotic state of urbanisation, where habitations mushroom without infrastructure, though, is not the outcome of just poor funding. The translation of allocations into outcomes rests on the architecture of governance. The current state of sub-optimal outcomes stems from political and administrative fault lines.

The Constitution of India states that urban development is a state subject – and governments state this in Parliament with uncommon religiosity. That said, the biggest programmes and allocations for urban development emanate from the Union Government. The 74th Amendment to the Constitution promised the transfer of funds and functions from the Centre and states to local governments. In over a quarter of a century, the promise has been waylaid by politics. As

the late Vilasrao Deshmukh once said, the states do to local governments what the Centre does to states.

The divorce of authority and accountability has left urban India trapped in a systemic dystopia. Every five years, citizens of Mumbai vote to elect councillors in municipal elections. The Brihanmumbai Municipal Corporation of Mumbai is the largest and richest municipal body with a budget of over Rs 45000 crore. How empowered is the body? The budget is presented by appointed officials. The 227 elected corporators can scarcely define how the money is spent.

The overarching power of allocations remains colonial and lies with the state government under the regional town planning act – and this is true for municipal corporations in many states. Indeed, the latest RBI report on municipal finances reveals there was “no distinct rise in overall municipal revenue in India, which remained broadly unchanged from 1946-47.” Much depends on the munificence of states and the Centre.

There has been no dearth of grand announcements. The UPA government came up with the Jawaharlal Nehru Urban Renewal Mission in 2005. The CAG Audit informs how that movie played out. The 2014 manifesto of the BJP promised the creation of 100 new cities. What was a smart futuristic idea morphed into a ‘smart city’ programme for 100 cities. How has it panned out? In seven years, 100 cities received Rs 30,751.41 crore, out of which Rs 27,610.34 crore was spent. Of the 7822 projects worth Rs 1.90 lakh crore, the cities tendered out only 4085 projects worth Rs 66,912 crore have been completed. Cities lack funding and the capacity to execute.

Definitions matter, for they define outcomes. There are towns and cities, and then there are Census Towns – areas with a minimum population of 5000 which fall between rural and urban definitions. In 2001 India had 1362 Census Towns. The 2011 Census informs that the number of Census Towns has grown to 3892. In 2015, the Urban Development Ministry under Venkaiah Naidu asked states to convert the Census Towns into urban local bodies. In 2022 the Census Towns illuminate systemic sloth and remain a symbol of unplanned urbanisation.

The embedded bias in the political system has rendered urban India a lesser constituency. This is despite the fact that urban India accounts for nearly 480 million or 35 per cent of India’s 1.4 billion people. Urban India contributes 60 per cent of India’s GDP – and ostensibly the bulk of the average monthly GST collections of Rs 1.4 lakh crore.

Urbanisation is a known force multiplier for social development and economic growth. The dividends though will follow only if urban development is enabled. This calls for systemic empowerment of elected urban local bodies, redesign of the architecture to realign authority and accountability and, most importantly, the induction of political ownership of promise and onus of failure. <https://www.newindianexpress.com/opinions/columns/shankkaraiyar/2022/nov/19/urban-india-trapped-in-systemic-dystopia-2520028.html>

15. कल्याणकारी योजनाओं और 'मुफ्त की रेवड़ियों' में है बड़ा अंतर (msn.com) News 18
| Nov 21, 2022

दफ्तर में मेरे 2 सहकर्मी जोरदार तर्क-वितर्क में मशगूल थे. उनकी तेज-तेज आवाज मेरी सीट तक आ रही थी. सोचा क्यों ना इनके पास जाकर ही समझा जाए कि इनकी बहस का मुद्दा है क्या? दोनों के तर्क क्या हैं? मैं उठकर दोनों के पास पहुंचा, पूछा- क्या हो गया, दोनों बहुत ग

रम लग रहे हो? किस बात पर बहस चल रही है? उनमें से एक ने कहा- बताइए, केंद्र सरकार जो मुफ्त राशन दे रही है, वो रेवड़ी कल्चर वाली राजनीति कैसे हो गई? क्या सरकार कोरोना काल में लोगों को भूखे मरने के लिए छोड़ देती? गरीबों को सामुदायिक स्वास्थ्य केंद्रों में मुफ्त इलाज, फ्रीबीज कैसे है? बच्चों को मुफ्त में प्राथमिक शिक्षा की व्यवस्था कई दशकों से चली आ रही है, फिर ये मुफ्त की सियासत क्यों हो गई?

लोगों को एलपीजी गैस का कनेक्शन उपलब्ध करवाकर उन्हें धुएं से आजादी दिलाना, राजनीतिक हित साधना कैसे हो गया? रेवड़ी कल्चर वाली राजनीति तो ये लोग कर रहे हैं, जो सुविधा संपन्न लोगों को भी मुफ्त में सुविधाएं बांटकर उन्हें मुफ्तखोरी की आदत लगा रहे हैं, उसका इशारा दिल्ली की आम आदमी पार्टी की सरकार की तरफ था. उसने आगे कहा- बताइए,

200 यूनिट बिजली और 20 हज़ार लीटर पानी आप फ्री में दे रहे हैं. जबकि, इस सुविधा का लाभ उठाने वाले लाखों लोग सक्षम हैं, वो अपना बिजली का बिल चुका सकते हैं, पानी खर्च करने के पैसे दे सकते हैं. फिर भी आप टैक्स पेयर्स के पैसों से अपने राजनीतिक हित साध रहे हैं.

कल्याणकारी योजना और मुफ्त की सौगात में फर्क

अपनी बातों को और पुख्ता करने के लिए उसने मुझसे कहा- आप अमित शाह को सुन लीजिए. आप भी समझ जाएंगे कि कल्याणकारी योजनाओं और मुफ्त की सुविधाओं में फर्क क्या होता है? दरअसल, 14 नवंबर को अहमदाबाद में नेटवर्क 18 के एडिटर इन चीफ राहुल जोशी को दिए गए इंटरव्यू में एक सवाल के जवाब में केंद्रीय गृह मंत्री अमित शाह ने कहा था- 'कल्याणकारी योजनाओं और मुफ्त की रेवड़ी, दोनों चीजों में मूल रूप से फर्क है, भारत सरकार की कथित फ्रीबीज जैसे, किसी को घर देना, किसी को गैस का कनेक्शन देना, किसी के घर में बिजली पहुंचाना, किसी को आयुष्मान भारत का कार्ड देना, कोरोना के बाद फ्री राशन देना. किसी को बिजली देना रेवड़ियां बांटना नहीं है लेकिन बिजली का बिल ना देना रेवड़ियां बांटना है. किसी को घर देना उसके जीवन स्तर को ऊपर लाने की कोशिश है, हम वही कोशिश कर रहे हैं. हम घर दे रहे हैं, लेकिन घर का टैक्स माफ नहीं करते हैं. जहां तक मुफ्त में अनाज देने की बात है, तो पूरी दुनिया जानती है कि कोरोना के स्लोडाउन का सबसे ज्यादा असर अगर किसी पर पड़ा है तो देश के गरीब तबके लोगों पर पड़ा है. समाज का कोई भी तबका अगर किसी प्राकृतिक आपदा या महामारी की वजह से प्रभावित होता है तो सरकार की ये नैतिक जिम्मेदारी बनती है कि वो उस तबके की मदद करे. ये मदद फ्रीबीज नहीं है.'

'मुफ्त की सौगात' का इतिहास

मुफ्त की सौगात यानी फ्रीबीज पर इतनी बहस क्यों हो रही है, इसपर चर्चा आगे करेंगे, लेकिन उससे पहले यहां ये समझना जरूरी है कि फ्रीबीज है क्या, देश की राजनीति में इसकी अहमियत क्या है और इसकी शुरुआत कब और कहां से हुई? तो समझिए, चुनावों से पहले राजनीतिक पार्टियां प्रचार के दौरान तरह-

तरह के वादे करती हैं. कोई कहता है, सरकार में आने पर बच्चियों को मुफ्त साइकिल बांटेंगे, छात्रों को मुफ्त में टैबलेट या लैपटॉप देंगे. महिलाओं के लिए साड़ियों और धोतियों के वादे किए जाते हैं. चुनाव से जनता के टैक्स से बने सरकारी खजाने को निजी संपत्ति समझकर मनचाही सौगात बांटने का ये ऐलान ही मुफ्त की सौगात वाली राजनीति है. राजनीतिक दलों की ये प्रवृत्ति लोकतंत्र को रिश्ततखोरी तंत्र में बदलने की एक कोशिश है, जो ज्यादातर राजनीतिक पार्टियां इस दौर में कर रही हैं और सत्ता सुख पाने में कामयाब भी हो रही हैं. आज़ाद भारत में रेवड़ी कल्चर वाली राजनीति की शुरुआत दक्षिण भारत से मानी जा सकती है. तमिलनाडु में मुफ्त भोजन, रियायती दर पर भोजन, मुफ्त में साड़ी और धोती, फ्री में टीवी बांटने का वादा. इस तरह के वादों में एक-

दूसरे से प्रतियोगिता कर डीएमके और एआईएडीएमके ने कई बार सरकारें बनाईं. इसका असर, दूसरे दक्षिण भारतीय राज्यों पर भी पड़ा.

सबसे पहले आंध्र प्रदेश में 1982 में अभिनेता से नेता बने एनटीआर की TDP के उभरने के बाद महिलाओं को मुफ्त साड़ी से लेकर 2 रुपये प्रति किलोग्राम की दर पर चावल तक देने के वादे किए गए. तमिल नाडु से शुरू हुआ ये कल्चर अब देश भर में और हर राजनीतिक दल में घर कर चुका है. दिल्ली में आम आदमी पार्टी की सरकार तो चल इसी मुफ्त की सौगात वाले वादों पर रही है. चुनावों में आम आदमी पार्टी के संयोजक अरविंद केजरीवाल ने दिल्लीवालों के लिए हर महीने 200 यूनिट बिजली और 20 हज़ार लीटर पानी फ्री देने के वादे पर ही प्रचंड बहुमत वाली सरकार बनाई. लंबे समय तक दिल्लीवालों ने मुफ्त बिजली और पानी का फायदा भी उठाया. हालांकि, अब इसके लिए आवेदन मंगाए जा रहे हैं यानी जो लोग आवेदन करेंगे, मुफ्त बिजली और पानी योजना का लाभ उन्हें ही मिलेगा.

आम आदमी पार्टी ने तो मौजूदा गुजरात चुनाव में भी 300 यूनिट फ्री बिजली, महिलाओं के लिए 1000 रुपये प्रतिमाह, बेरोजगारों के लिए 3000 रुपये प्रतिमाह का भत्ता और किसानों के लिए 2 लाख रुपये तक की कर्जमाफी का ऐलान किया है. इसी तरह उत्तर प्रदेश में 2012 में समाजवादी पार्टी ने मुफ्त लैपटॉप और साइकिल का वादा किया, बहुमत वाली सरकार बनी तो नए-

नए मुख्यमंत्री बने अखिलेश यादव ने छात्रों को मुफ्त लैपटॉप और साइकिल बांटी भी. बिहार में अलग-अलग गठबंधन के साथ सरकार चलाने वाले मुख्यमंत्री नीतीश कुमार ने भी स्कूली छात्रों को मुफ्त साइकिल बांटी. आज के दौर में कोई भी राज्य हो या फिर कोई भी पार्टी हो खासतौर पर क्षेत्रीय पार्टियां, कोई भी मुफ्त की सौगात का ऐलान करने में पीछे नहीं है. एक तरह से कहें तो वोटर्स को रिश्त देने में पीछे नहीं है. कई ऐसे राज्य हैं जहां राजनीतिक पार्टियां मुफ्त सौगात वाले वादों पर सत्ता में काबिज हुईं लेकिन खजाने खाली हो गए और सरकारें कर्ज में डूब गईं.

प्रधानमंत्री ने छेड़ी नई बहस

दरअसल,

‘मुफ्त की सौगात’ वाली राजनीति पर ये बहस 16 जुलाई के बाद और तेज हो गई है. 16 जुलाई को उत्तर प्रदेश में बुंदेलखंड एक्सप्रेस-

वे के उद्घाटन के मौके पर प्रधानमंत्री नरेंद्र मोदी ने रेवड़ी कल्चर और इसको बढ़ावा देने वालों पर करा रा प्रहार किया था. पीएम मोदी ने कहा था ‘रेवड़ी कल्चर देश के विकास के लिए बेहद घातक है. मुफ्त की रेवड़ी बांटकर वोट बटोरने की भरसक कोशिश हो रही है. इससे देश के युवाओं को बहुत सावधान रहने की जरूरत है. रेवड़ी कल्चर वाले कभी नए एक्सप्रेस-

वे नहीं बनाएंगे. उन्हें लगता है कि जनता को रेवड़ी बांटकर खरीद लेंगे. लेकिन हमें रेवड़ी कल्चर को देश की राजनीति से हटाना है.’ यहां रेवड़ी शब्द से प्रधानमंत्री का मतलब उन योजनाओं, सुविधाओं और सब्सिडी से था, जो राजनीतिक दल वोटर्स को लुभाने के लिए देते हैं.

मुफ्त की सौगात दिवालियापन को आमंत्रण

प्रधानमंत्री के बयान के बाद ‘मुफ्त की सौगात’ वाली राजनीति पर नई बहस छिड़ी. मामला पहले से सुप्रीम कोर्ट में जनहित याचिका के तौर पर था. अगस्त में सुप्रीम कोर्ट के तत्कालीन मुख्य न्यायाधीश एनवी रमना ने मुफ्त की सौगात पर रोक लगाने की मांग करने वाली याचिका को 3 सदस्यीय पीठ को भेजा था. मुख्य न्यायाधीश की अगुवाई वाली बेंच ने ऐसा करते हुए बेहद तल्ख टिप्पणी भी की थी, बेंच ने कहा था- ‘ये मुफ्त की सुविधाएं आगे चलकर सरकार को दिवालियापन की ओर धकेल सकती हैं, जिसकी वजह से सरकार फंड की कमी का हवाला देते हुए बुनियादी सुविधाएं भी मुहैया नहीं करा सकेगी.’

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%E0%A4%82-%E0%A4%AE%E0%A5%87%E0%A4%82-%E0%A4%B9%E0%A5%88-
%E0%A4%AC%E0%A4%A1%E0%A4%BC-
%E0%A4%85%E0%A4%82%E0%A4%A4%E0%A4%B0/ar-AA14IL4n

STATES NEWS ITEMS

16. Punjab government approve the implementation of Old Pension Scheme ([livemint.com](https://www.livemint.com)) Nov 18, 2022

At a time when the Old Pension Scheme (OPS) is turning into a political issue with political parties promising restoration of scheme during elections, the Bhagwant Mann-led Punjab government approved the notification for implementation of the OPS in the state.

An official of the government claimed that the decision will benefit 1.75 lakh government employees and currently, about 1.26 lakh employees are already covered under the Old Pension Scheme. The official said, that it was a long-pending demand of the employees who are currently working under the New Pension Scheme (NPS).

"The scheme is aimed at safeguarding the future of government employees and recognizing their immense contribution towards the state. In order to ensure that the scheme being introduced is financially sustainable for the exchequer in the future also, the state government will be contributing proactively towards the creation of a pension corpus which will service the pension in future to the beneficiaries of the scheme," the spokesperson said.

The government will contribute Rs. 1000 crore towards the pension corpus annually which will increase in the future. It will also request Pension Fund Regulatory and Development Authority (PFRDA) to refund the current accumulated corpus of NPS which is ₹16,746 crore.

The cabinet also emphasized that the scheme will be made self-sustainable from the resources of the exchequer and the future of employees will not be risked.

The decision of the Punjab government came at a time when many financial experts are warning against the restoration of the Old Pension Scheme (OPS). On Thursday, the Comptroller and Auditor General of India (CAG), Girish Chandra Murmu also warned against the restoration of the scheme and stressed that it can risk the fiscal health of states.

The issue of OPS has now become politically sensitive, with parties like Congress and Aam Aadmi Party (AAP) keeping restoration of the scheme as part of their election promises. The Congress-led governments of Rajasthan and Chhattisgarh are also in the process to restore the scheme. <https://www.livemint.com/news/india/punjab-government-approve-the-implementation-of-old-pension-scheme-11668779628882.html>

17. Bihar: Pathetic State of Govt Hospitals Unchanged Despite Tejashwi Yadav's 60-day Ultimatum ([newsclick.in](https://www.newsclick.in)) 19 Nov 2022

Patna: Nothing seems to have changed on the ground despite Bihar deputy CM and Health Minister Tejashwi Yadav's ultimatum to improve health facilities in the state within 60 days. This was reflected on Friday when the minister paid a surprise visit to the government-run sub-divisional hospital in Bagaha in West Champaran district only to face angry attendants.

When Yadav was at the hospital, the attendants accompanying patients expressed their grievances and informed him of the lack of basic facilities at the hospital – exposing the abysmal state of healthcare services in the state. They claimed that the doctors have not been visiting the patients. Due to the alleged unavailability of medicines, they had been asked to purchase medicines from outside. Some had been asked to go outside for diagnostic tests as well.

“Tejashwi expressed displeasure over the lack of sanitation, dirt, and filth on the hospital premises. When he entered different wards of the hospital, he was irate over the unhygienic conditions and the lack of cleanliness. He warned the hospital officials and the NGO working there,” an official of the health department who accompanied Yadav, told NewsClick.

Yadav was on a two-day visit to West Champaran when he went for an inspection of the government hospital. In the past two months, he has paid surprise visits to half a dozen hospitals in the state.

In early September this year, Yadav's surprise midnight visit to Patna Medical College and Hospital (PMCH) had revealed that doctors and medical staff were absent from duty and that there was a lack of sanitation on the premises. He even saw dogs inside the wards of the hospital, which is the largest government-run health centre in Bihar. During his interaction with patients and attendants, they complained about the unavailability of medicines and other facilities to him.

Taking serious note of it, Yadav had called a high-level meeting of all the civil surgeons in the state to ensure proper treatment in the government hospitals. During the meeting, he reportedly gave an ultimatum of 60 days to improve the conditions in the government-run hospitals.

But a month after the meeting, the minister visited Patna-based Nalanda Medical College and Hospital (NMCH) on Thursday to check among other things treatment being provided to the dengue patients and found utter negligence. Several patients and their close relatives informed him that they were not getting medicines and were asked to purchase those from outside. They were even forced to buy a drinking water bottle, and nurses, during night duty, allegedly refused to attend to them.

After the visit, Yadav suspended Dr Vinod Kumar Singh, medical superintendent of NMCH, for negligence and failure to implement the health department's rules. The Indian Medical Association (IMA) Bihar has denounced the action.

Yadav revealed that 705 government doctors were absent from duty or work for more than six months over five to 12 years. Yet, they continued to draw their salary in Bihar. He made it clear that the government will act against such doctors.

Yadav admitted that there are several government doctors posted in rural health centres who hardly work there and instead continue to practice in urban areas.

Hundreds of doctors in government-run hospitals and other health facilities in Bihar went on strike on October 6 to protest against the government's decision to make biometric attendance mandatory. The state health department has directed officials of medical colleges and hospitals and concerned district officials to manage the situation amid the strike.

Contrary to the state government's claims, the health infrastructure remains poor, with thousands of patients – primarily poor and marginalised – visiting OPDs and returning without treatment due to the unavailability of doctors and defunct ultrasound and X-Ray machines, etc. As per local dailies, in the past two months – since the new Mahagathbandhan government has been formed – hundreds of patients who queued up for hours in different districts had to return without even basic check-ups as doctors were absent. Similarly, several seriously ill patients could not be hospitalised due to either unavailability of medical staff or lack of equipment.

This year's latest report by the Comptroller and Auditor General of India (CAG) has shone a light on the alarming healthcare situation in the state. The report stated that the government-run hospitals – mainly the district hospitals – suffered from a severe lack of resources, workforce, and plans for the growing population. It also clarified that the number of doctors, nurses and other paramedic staff was significantly less.

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

The report shows a shortfall of beds, ranging from 52% to 92%. Actual bed strength was not raised to the sanctioned level even after a decade passed.

According to the CAG report, the district government-run hospitals could hardly provide patients with basic health facilities. The situation was noticed during the audit of the functioning of hospitals in five districts - Biharsharif, Hajipur, Jehanabad, Madhepura, and Patna, for the period 2014-15 to 2019-20. <https://www.newsclick.in/biha-pathetic-state-govt-hospitals-unchanged-despite-tejashwi-yadav-60-day-ultimatum>

18. Fish Workers' Agitation: Kerala's Vizhinjam Anti Adani Port Struggle For Survival (countercurrents.org) Subrahmanian N | November 19, 2022

The historical agitation by the coastal people of Trivandrum has crossed 120 days. The struggle has been going on at Vizhinjam all these days under the leadership of the Trivandrum Latin archdiocese raising 7 demands including the demand that construction of the harbour has to be stopped and the destruction it has already caused to the coast to be enquired into by an expert committee acceptable to fish workers also. The new phase of the agitation started on 5 June 2022 when a joint committee formed by Kerala Independent Fishermen's Federation (KSMTF), SEWA and Rashtriya Kisan Mahasangh started the indefinite satyagraha in front of the first terminal of the Thiruvananthapuram International Airport, a government-owned airport which was handed over to Adani. Following this, a Satyagraha was started at the Adani-owned Vizhinjam port gate too led by the archdiocese of Thiruvananthapuram

In addition to the demand of constituting an expert committee, the fish workers are also demanding the following:

Find a permanent solution for the general loss of coastal area due to unscientific constructions for various projects and for the severe coastal erosion caused by the construction of Vizhinjam harbour;

Provide cost of rent required for the rehabilitation of those who have been put up temporarily in schools, go downs etc for years as a result of loss of land and houses due to coastal erosion;

Plan projects necessary for the permanent rehabilitation of those who have lost land and houses to the sea;

The government should intervene to withdraw the price hike of kerosene and should plan projects to make kerosene available to fish workers, as Tamilnadu has done.

Minimum wages should be paid to fish workers for days on which they lose work due to weather warnings;

Find a permanent solution to problems caused by the unscientifically constructed fishing harbour at Muthalappozhi

The historical relevance of the Vizhinjam struggle is that the fish workers are fighting against the biggest economic powers of the world and governments controlled by them. Not only fish workers but experts too confirm that the basic reason for the highly destructive coastal erosion in Trivandrum is the construction of the harbour. The Chief Minister says that it is due to global warming and climate change. This agitation is to expose the social economic and environmental hazards caused by the harbour project under construction at Vizhinjam and to protect the lives property and means of livelihood of the coastal population. All of us have to recognize the deep crisis and challenges of survival faced by Kerala's coastal region and its people.

At the time of conceiving the project itself, different study groups had expressed their dissent on the desirability of the project. Even the union environment ministry had expressed their disagreement more than once. Assessing that it will be a loss even economically, no other harbour construction company at the global level participated in the tender for this project.

On 16th May 2015, today's chief minister Pinarayi Vijayan wrote in his Facebook post: "what is being implemented through the Vizhinjam project is colossal corruption by exchanging land worth Rs 6000 crore to the Adani group under the pretext of Malayali's desire for development."

When the Vizhinjam project had been proposed the Trivandrum archdiocese and the coastal people pointed out the disastrous consequences it could cause to the coastal area. In May 2017, the Comptroller and Auditor General released a report pointing out serious irregularities and corruption in the project. It was recorded clearly in it that "the Vizhinjam international multipurpose deep water Harbour project being established at the capital of Kerala is against the best interests of the state."

V.S Achuthanandan, the then Chairman of the Administrative Reforms Commission gave a letter to chief minister Pinarayi Vijayan demanding to stop the harbour work and to conduct a judicial enquiry on the subject.

All these facts shatter the government's argument that the struggle had started only after reaching halfway in the process of construction. As the construction work is progressing, damage and destruction increase on a large scale and it is evident that the project is a threat to the coast. Hundreds of families on the coastal belt have turned landless and homeless.

Shamkhumukham beach and Veli tourist village have lost their shores to erosion. The Trivandrum International Airport, Kovalam tourist village and Thumba Rocket Launching Station are on the brink of ruin. When only one-third of the construction of the breakwater of Adani's port has been completed, several accidents occurred due to wave intensification and more than 60 fish workers lost their lives in these accidents. The coastal erosion in the Trivandrum district will endanger the future life of thousands of fish workers. The construction of the port has already affected the biodiversity and fish population of the sea. It has been since the construction of the Vizhinjam port in 2015 that the coastal erosion has become so severe.

The environmental study report states that the area near the coast has to be dredged to a depth of 20.4 meters to enable the entry of mother ships. Besides, 66 hectares (165 acres) of the sea have to be reclaimed for containers and other facilities. This coast has already started experiencing the terrible consequences of building an artificial port based on breakwaters as distinct from the natural ports such as Cochin, Mumbai, Goa etc constructed by factoring in the natural estuaries, straits, islands and backwaters etc. If constant dredging (sand mining) and construction of the 3.2 k.m long breakwaters for the Vizhinjam commercial port continue, the consequences will be tenfold what they are today. When one-third of the port construction has been completed, the shore has been lost by 600 meters. At Valiyathura alone 5 rows of houses have been swallowed by the sea. If this state of affairs is allowed to continue, gradually, fishing will become impossible for more than 50,000 fish workers in the Trivandrum district.

The Basic Demands of the Agitation and Government's Responses

Find out a solution for the coastal erosion caused by the construction of the Vizhinjam port. There has been no serious approach on the part of the government of Kerala to prevent coastal erosion, reclaim lost shore or solve the problems associated with it. The government did neither consider nor implement the report submitted after a study in august 2007 by Prof V Sundar and Dr.K. Murali of the Ocean Engineering Dept of IIT, Madras in collaboration with the Kerala Irrigation Department. As part of the efforts to protect the shore from Shamkhumukham to Valiyathura, It was in 2019, during the tenure of this government, that attempts to deposit geo tubes in the sea slightly away from the coast, as recommended by the IIT on an experimental basis started. But, the government was not able to go ahead far with this experiment. Really, the government is groping in the dark about the protection and reclamation of coastal lands.

Families living in inhuman conditions in relief camps after losing their homes in coastal erosion should be rehabilitated immediately, giving them the full rent required for payment. For the rehabilitation of families who have been in inhuman conditions in relief camps for years together, the government has offered a meagre rent of Rs 5500/-. In the suburb of the city, no house will be available for this amount. The government is not willing to raise the amount of rent and offer the necessary advance for the deposit. The govt. says that the sufferers should also meet the beneficiaries' share of the expense.

Rehabilitate those who have lost land and home after giving due compensation for the losses. Though government land has been located in Muttattthara, away from where they now reside, Government is trying to build flats to accommodate them. The land and houses they earned and owned have been lost to the sea. The government is not considering any compensation for these. "However, you have lost land; you should be satisfied with what you get now". This is what ministers and officers tell them.

Suspend the construction of the Adani port which has caused coastal erosion, and threatened the Vizhinjam fishing harbor and the beaches at Shamkhumukham and Kovalam and conduct a transparent study involving local experts also in it. Govt. has ignored the proposal of the agitation council to include local experts suggested by fish workers while constituting a committee for study. If the backgrounds of some of these experts are traced, they are people who support the hidden agenda of the govt. to attribute coastal erosion to climate change emphatically. The govt is also not willing to suspend the construction of the port till the study is completed.

The govt. should intervene to withdraw the uncontrolled rise of kerosene price. Kerosene should be provided to fishworkers as has been done in Tamilnadu. The govt has not yet been willing to revise and enhance the meager subsidy that has been allowed long ago.

Pay minimum wages to fish workers when they lose work due to weather warnings. when asked to compensate fish workers by paying wages for work lost due to weather warnings, the govt just repeats the refrain that they have to study.

Solve the problems at Muthalappozhi. Though 60 fish workers have lost their lives in Muthalappozhi, there have not been any positive directives from the part of the govt to study and solve the issues.

Even though this is the truth, the govt propaganda is that they have met six out of the seven demands raised by the agitation council. This claim can only be viewed as a heinous attempt by the govt to mislead the people of Kerala and to defeat the struggle.

We have been informed that the total investment for the construction of Adani port would come to Rs7525 crores. But, now figures have changed utterly so that the govt. will have to spend approximately Rs 5000 crore more now. According to the CAG report, Adani has to invest just Rs2454 crores (i.e.32.6%); the balance of Rs 5071 crore (67.4%) will have to be spent by the govt. of Kerala. Even though the total amount of Rs 1635 crore allocated as a grant under VGF to Adani, is to be equally shared by the Union govt. and the govt .of Kerala, there is a provision that the Union's share should be repaid by the govt. of Kerala. The total capital investment except the amount spent by Adani should be considered as that of the Govt. of Kerala. Even then, after the commencement of the project, up to 15 years, Adani need not pay a single paisa to the govt. If there is profit after that period only 1% of it goes to the govt. There is also the provision in the agreement that Adani can pledge for raising money the 190 acres of land transferred to him by the govt. Information revealed recently shows that the actual investment by govt. of Kerala will be much more than that. The expense newly estimated for land acquisition is Rs 2829 crores and that for road construction is Rs 2039 crores. The railway ministry has estimated Rs 2104 crores for building a new railway line.

Anyhow, according to these estimates, it is clear that a total of Rs 6972crores will be required for the road (Rs4868 crores) and rail (Rs2104 crores). If that is so, the govt of Kerala will have to allocate Rs 4999 crores more instead of the earlier estimated Rs 1973 crores for road and rail. Thus there will be a net increase of Rs 5000 crores in the total investment. It is by spending taxpayers' money that all these will have to be done for the sake of Adani. Out of the total expenditure of Rs 12500 crores

Adani needs to invest only Rs 2454 crores. In these circumstances, 81% of the total investment is going to be people's money. This will increase the debt burden of the govt of Kerala which

is already facing a debt crisis and will create a situation in which there will be no money to implement social welfare schemes.

The experience from the Vallarpadam port project is a lesson for us. The Cochin port under Port trust was privatized and Vallarpadam was handed over to Dubai Port World with much fanfare. We know the condition of Vallarpadam today which does not handle commodities at an average of even 30% of its capacity. Vallarpadam terminal was started with a promise that Kochi would be converted into another Singapore. Those wild fancies for such a development have disappeared today. Only about 100 people have got permanent employment at Vallarpadam. The state of Hambantota Port in our neighbouring Srilanka has also appeared in recent news. Even when infrastructures are being built by borrowing money and squandering public wealth, none of their promised benefits seems to materialize.

The economic and environmental challenges raised by the consequences of the construction of the Vizhinjam port will have to be examined. The govt has an obligation to agree to the fish workers' demand, as a precautionary principle, that the port building should be suspended till the study is completed honestly and transparently. The govt should abandon false pride and listen to people's wishes.

Protection of the coast is not the need nor responsibility of fish workers only. Millions of tonnes of granite are mined by destroying midland hills and the Western Ghats, which are brought and dumped on the seashore. People in hilly areas are also suffering from different environmental problems caused by this activity. All Keralites should express their solidarity with this just and righteous struggle of the coastal people for survival. <https://countercurrents.org/2022/11/fish-workers-agitation-keralas-vizhinjam-anti-adani-port-struggle-for-survival/>

19. Squeezed Expenditures? (kashmirilife.net) November 19, 2022

JK: Regardless of the House, they present their budgets to, the Finance Ministers at the centre or in the states are used to being known by the volume of the estimates they make. In the case of Jammu and Kashmir, it has always been the size that newspaper front pages talked about.

The last budget that was presented for Jammu and Kashmir state was in January 2018, when the then Finance Minister, Dr Haseeb Drabu presented an Rs 80313 crore budget. In 2018 spring, he was sacked and the berth was filled by Syed Altaf Bukhari. The BJPDP government collapsed under its own weight and Bukhari could not present any budget.

The 2020-21 budget was drafted by the bureaucracy in Jammu and Kashmir and presented in Lok Sabha by Finance Minister, Nirmala Sitharaman. The key feature of its volume was that for the first time in history, it was Rs 101428 crore. In her second budget for 2021-22, the budget estimates were put at Rs 108621 crore. For the current fiscal 2022-23, Sitharaman's third consecutive budget, the budget estimates were put at a historic high of Rs 112290 crore (the media reported 1.42 lakh crore).

Jammu and Kashmir: Income						
	2017-18	2018-19	2019-20			2020-21
			Up to October 30, 2019	Up to March 31, 2020	Total	
Own Tax						
Taxes on Sales, Trade etc	7104.57	1757	2432.23	732.45	6321.41	1,495.61
IGST		5124		2,115.75		4,839.35
State Excise	532.16	1291	764.05	557.67	1355.72	1,347.42
Taxes on Vehicles	228.11	239	162.59	246.06	403.67	452.35
Stamp duty and Registration fees	307.45	265	340.75	117.54	252.32	225.54
Land Revenue	29.07	41	26.06	45.32	154.35	60.57
Taxes and Duties on electricity	179.2	129	97.74	0.25	97.97	
Taxes on Goods and Passengers	252.62		174.06	152.47	722.55	0.9
Other Taxes	2.44	910	0.0002	0.25		319.22
Total	9126.4	9324		4,054.49	9467	2,576.99
Own Non Tax						
Interest Receipts	19.44	21	9.52	9.24	12.22	17.26
Power Development Department	2150.94	2246	1692.97	1,196.66	2829.63	2,349.74
Medium Irrigation				606.72		996.66
Non-Ferrous Mining and Metallurgical Industries	47.46		22.27	14.61	42.93	227.91
Water Supply and Sanitation	92.07		15.54	39.54	75.02	92.29
Education, Sports, Art and Culture						41.22
Police	22.7		29.44	25.25	75.29	29.91
other Misc.	926.62	962	265.46	77.41		209.02
Pension and Misc. Gov Service				62.72		
Forestry and Wildlife	12.12	20	14.25			
Public Works	47.96		14.21			
Medical and Public Health	26.02		16.91			
Total Non Tax	4562.54	4549	2194.22	2062.77	4259.6	4076.22
From Centre						
Share from Central tax Pool	11911.65	12929.5	6501.21	0	6501.21	0
Grants in Aid	22701.49	23066	15442.23	16432.02	22020.91	29,542
Total	24612.14	27055.5	22444.64	16432.02	28522.12	29542
Savings					10250	10,692
Source: Audit reports of the Comptroller and Auditor General of India.						

Budgets are presented and the public interest is over as the expectations start about the next one. Though every budget offers details about what happened last year, nobody takes it more seriously than the Comptroller and Auditor General (CAG), the constitutional authority to audit public funds. There have been protracted issues between the finance ministries of states and the country and the CAG but it is eventually the latter that prevails.

In a series of audit reports, the CAG has busted the myth that Jammu and Kashmir has ever crossed one lakh crore spending in its history. Off late, however, the CAG has pointed out that the administration has not been able to raise all the resources identified by the Finance Minister of the Government of India and voted by the Lok Sabha. This has almost emerged sort of a trend after the erstwhile state of Jammu and Kashmir was converted into two Union Territories. The CAG data is based on actual income and actual expenditure, though it also mentions that a chunk of funds does move from the federal pool to Jammu and Kashmir directly under various schemes, a system that existed in the pre-2019 era as well. However, it does not take into account the expenditure booked by the Government of India on projects of national importance being executed in Jammu and Kashmir in communication, energy and other sectors.

The slide in revenue generation eventually witnesses a nosedive in the expenditure booked for asset creation and developmental activities. This is the key catch in a series of reports that CAG placed before the parliament in 2022.

Fiscal 2019-20

In the five months starting October 31, 2019, to March 31, 2020, the Jammu and Kashmir administration was supposed to spend Rs 46292 crore. It could only spend Rs 28179 crore, which is 40 per cent less.

Interestingly, however, the first seven months of fiscal 2019-20 were better as the erstwhile state led by the then governor, had managed to mobilise the resources and spend them. The CAG reported that between April 1, 2019, and October 30, 2019, the administration was tasked to spend Rs 34131 crore and it ended up spending Rs 34782 crore, thus overachieving the target. The pace could not be retained after Jammu and Kashmir became the UT.

The shift witnessed two major changes in the public finance system. On one hand, the administration could not mobilise all the resources and on the other end, it failed to spend much on developmental activities.

The CAG pointed out that certain expenditures incurred lacked the authority of law. “No money shall be withdrawn from the Consolidated Fund except under appropriation made by law passed in accordance with the provisions of Section 43 of J&K Reorganisation Act 2019,” the CAG audit report reads. “An expenditure of Rs 257.71 crore was incurred under 79 schemes/ Sub Heads in 15 Grants without Budgetary Provisions during 2019-20 (31 October 2019 to 31 March 2020) which needs to be regularised.”

Besides, it pointed out that the administration changes the classification of certain revenue expenditures to capital expenditures and vice versa, which “results in overstatement/understatement of revenue expenditure and revenue deficit/surplus”. It located Rs 271.31 crore of revenue expenditure that was disbursed as capital expenditure.

Pre-August Scene

In the first seven months of the financial year, the administration mobilised all the income resources. Though the budget estimates suggested the administration to get Rs 27738 crore of non-debt creating incomes, it ended up getting Rs 30052 crore. This included Rs 5410 crore of own tax, Rs 2197 crore on own non-tax from various services that government provides, Rs 6802 crore as its share from the federal tax pool and Rs 15643 crore of grant in aid from the central government. This helped the administration, raise less debt than it was supposed to. The budget approved by the parliament had permitted it to raise Rs 6424 crore loan and it lifted only Rs 4728 crore.

With this strategy, it could spend Rs 4538 crore on asset creation (capex) against a target of Rs 5960 crore. The achievement was 76 per cent, according to a CAG audit.

The situation changed in the next five months. Resource mobilisation took the main hit. It could barely manage to recover the tax and non-tax locally (Kashmir was closed for most of the time and there was no business activity). Against estimated earnings of Rs 7894 crore from own tax and Rs 3432 from non-tax, the Jammu and Kashmir administration could get only Rs 40546 crore and Rs 2063 crore, respectively, thus achieving the targets barely halfway. This was acknowledged by the Finance Minister in the next year's budget speech as well.

The budget had suggested that it will get Rs 5462 crore as its share from the central tax pool but not a single penny came. Against the grant-in-aid of Rs 23710 crore, the administration could barely manage to get Rs 16438 crore.

Jammu and Kashmir: The Expenditure						
	2017-18	2018-19	2019-20			2020-21
			Up to October 31	Upto March 31	Total	
Budget Expenditure			34331	46292	80623	1,01,428
Salaries and Waages	16143	24154	13087	10708.03	23795.03	23,851.70
Pensions	5408	7519	4903	2095.31	6998.31	9,078.11
Interest payments	4663	5209	3355	2531.63	5886.63	6,372.46
Non Committed Expenditures						13,331.48
Subsidy	1306	1304	706	87.69	793.69	128.24
Capital outlay	10353	8413	5948	5422	11370	10,470
Loan and advances	25	69	12	38	50	62.00
Appropriation to Contingency Fund						25.00
Actual Expenditure	51294	64572	34782	28179	62961	63,318.99

This left the Jammu and Kashmir administration with a kitty of Rs 22557 crore against a budget estimation of Rs 40498 crore a fall of around 45 per cent. This led to low spending and the government lifted loans liberally. After a very long time in the history of public finances, the Jammu and Kashmir administration lifted Rs 5620 crore against a target of Rs 5691 crore. Eventually, the capital expenditure nosedived to a low of 36.68 per cent. The administration was supposed to book Rs 14885 crore on capital expenditure (asset creation) but it could only spend Rs 5460 crore.

A Year Later

Fiscal 2020-21 did not see any major shift either.

Tensions in the year remained the same – failure in a better collection of the resources already identified by the parliament in the budget, thus pushing the administration to liberally lift loans and resort to other market borrowings.

In the 12 months ending March 31, 2021, the Jammu and Kashmir administration could only collect a tax of Rs 8877 crore against the budget estimate of Rs 13241 crore – an achievement of 67 per cent. However, on the collection of non-tax, the situation improved. Against the budget estimation of collecting Rs 4065 crore, the administration actually raised Rs 4077 crore.

The budget estimates suggest that Jammu and Kashmir will draw Rs 15200 crore from the central tax pool but in reality, nothing came. Against an estimated Rs 54594 of grant in aid from the centre, only Rs 39542 crore was received.

Jammu and Kashmir, it may be recalled had a fixed percentage from the central tax pool, a provision that fundamentally changed after it became a UT with the legislature. Though the central government increased the grant in aid allocations, the Jammu and Kashmir administration could not avail all of it, according to the CAG reports.

The administration had set a target of additional resource mobilisation of Rs 4000 crore but not a single penny could be mobilised.

So, against an estimated revenue receipt of Rs 91100 crore, only Rs 52496 crore would land in the consolidated fund of Jammu and Kashmir – a fall of more than 32 per cent.

This led the government to fully utilise the debts and it lifted Rs 10693 crore against the Lok Sabha permission for Rs 10240 crore only.

Most of the funds went to the committed expenditures (revenue expenditure) involving salaries, wages, pensions and interest payments, leaving only a small portion for asset creation (capital expenditure).

Eventually, against the budget estimation of Rs 101428 crore of total expenditure, Jammu and Kashmir spent only Rs 63191 crore only. Of this, Rs 52634 was spent as revenue expenditure and only Rs 10532 crore as capital expenditure.

Fiscal 2018-19

The trend started in 2018, when in June; the BJPDP government was undone. Though part of the year had passed, the direct central rule eventually could not spend the entire sum that the Jammu and Kashmir legislature had given to the government.

The budget for the year 2018-19 was of the tune of Rs 109479.22 crore but the actual expenditure that was booked was Rs 85241.37 crore. This made a saving of Rs 24237.85 crore. <https://kashmirilife.net/squeezed-expenditures-vol-14-issue-33-303796/>

20. Exhibition of Audit Reports evokes good response (thelivenagpur.com) November 20, 2022

Nagpur: Large Public and students with teachers of Rashtrasant Tukadoji Maharaj Nagpur University, are visiting the Exhibition on Audit Report being held in the office of AG (Audit)-II, Maharashtra, Audit Bhavan, Civil Lines, Nagpur daily. The students had a very interactive session with the organizers and showed keen interest in knowing more about IA&AD.

The Audit week celebrations started with an inauguration of “Exhibition of Audit Reports”, on 14th of November 2022. The exhibition is depicting the glory of the Comptroller & Auditor General of India (C&AG) institution and its contribution towards the good governance. Audit Reports contributed by office of Accountant General (Audit)-II, Maharashtra, Nagpur from the year of its existence, as an independent office, since 1984 has been put on display.

The authority, purpose, functions, international stature, audit tools and techniques, types of audits and its outcome has been highlighted in the exhibition. On the display are also the posters, audio visuals, various reports of C&AG. The citizens of Nagpur can walk in and win the gift prize by answering the quiz which is based on the exhibition slides. School and Colleges can contact the Organizers/Administration of office of AG (Audit) for booking their time slots. The exhibition is open on all working days from 9.30 am to 6.30 pm till 30th Nov, 2022.

Students and teachers can take this opportunity to visit the exhibition. For further queries they may contact Sr. Audit Officer, Audit Exhibition on email agaumarashtra2@cag.gov.in.

Shri R. Thirupathi Venkatasamy, Accountant General (Audit)-II, Nagpur, along with his officers and staff has worked hard for this audit exhibition to create more awareness about audit amongst the citizens of Nagpur. <https://thelivenagpur.com/2022/11/20/exhibition-of-audit-reports-evokes-good-response/>

21. Lilaram, Rita, Datta, Pramila crowned winners (thehitavada.com) 20 Nov 2022

Nagpur: Lilaram Bawne and Rita Tarare emerged champions of the AG (Audit) organised Audit Endurance Run of 10 kms, as a part of Audit Day celebrations. Bawne clocked 34 min in open men (up to 40 age) while Rita Tarare clocked 44 min 30 secs in the women section to bag the titles. Datta Kumar Sonawle (44 min 20 secs, men above 40) while Pramila (1 hr 3 min, women above 40) were crowned winners in their respective categories. Earlier, the run was flagged off by Praveer Kumar, Accountant General (A&E)-II, Maharashtra, Nagpur. Around 400 runners including the office staff and fitness enthusiasts participated in the run. R Thirupathi Venkatasamy, Accountant General (Audit), Pallavi Holkar, Senior Deputy Accountant General Manimozhi, Deputy. Accountant General, Dinesh Mate, Sr Dy, Accountant General (A&E), Sunita Gunashekhar, Dy Director (Audit), Finance and Communication, Shankar Narayanan, Adl.

Commissioner, CGST, Rajendra Joshi, Jt. Commissioner, Income Tax were also present. Ranjit Sharma conducted the proceedings while Naresh Kumar Manne, Deputy Accountant General proposed a vote of thanks. The event was managed by Race Director, Mitesh Rambhia and his team. Results: Men (up to 40): Lilaram Bawane (34 min), Sunny Pusate (34 min 2 secs), Sagar Sindhpure (37 min). Women (up to 40): Rita Tarare (44 min 30 secs), Tejaswini Lamkane (34 min 20 secs), Vidya Lohi (49 min 30 secs). Men (above 40): Datta Kumar Sonawale (44 min 20 secs), Ganesh Sinku (51 min), Narendra Lamkane (51 min 23 sec). Women (above 40): Pramila (1 hr 3 min), Renu Siddhu (1 hr 3 min 5 secs), Revati Shivbalan (1 hr 25 min 3 secs). <https://www.thehitavada.com/Encyc/2022/11/20/Lilaram-Rita-Datta-Pramila-crowned-winners.html>

22. Inter-college ‘duet singing competition’ in Kohima (morungexpress.com) 18 Nov 2022

The Accountants General, Audit and A&E office will be organising an inter-college ‘duet singing competition’ for colleges located in and around Kohima on November 23 at 2:00 PM in the State Academy Hall.

The competition will be for both in Hindi and English and cash awards along with certificates would be given to the winners, Sr. Deputy Accountant General (A&E) O/o Accountant General, Nagaland stated in a press release.

The competition will be organised to mark the ‘audit awareness week.’ Last year, Accountants General, Audit and A&E organised an inter-college extempore speech competition on various topics revolving around ‘Accountability, Transparency and Good Governance.’ <https://morungexpress.com/inter-college-duet-singing-competition-in-kohima>

23. महालेखाकार कार्यालय मेंरंगोली प्रतियोगिता, तीन टीम विजयी (livehindustan.com) Nov 18, 2022

रांची। प्रधान महालेखाकार (लेखा एवं हकदारी) झारखंड के कार्यालय द्वारा रंगोली प्रतियोगिता कराई गई। पहला पुरस्कार शर्मिष्ठा राय व श्रद्धा ओझा की टीम ने जीता। संध्या की टीम उपविजेता रही। मृणालिनी व नमिता की टीम को तीसरा स्थान मिला। निर्णायकों सपना दास, केका बोस व तपन कुमार दास थे। प्रतियोगिता केवल महिला प्रतिभागियों के लिए थी। लेखा परीक्षा सप्ताह के आयोजन के रूप में भारत के नियंत्रक और महालेखापरीक्षक के अधीन सभी कार्यक्रमों के विजेताओं को सामूहिक रूप से 24 नवंबर को पुरस्कृत किया जाएगा। <https://www.livehindustan.com/jharkhand/ranchi/story-rangoli-competition-in-accountant-general-39-s-office-three-teams-victorious-7371734.html>

SELECTED NEWS ITEMS/ARTICLES FOR READING

24. Cop out at COP27 (financialexpress.com) November 21, 2022

UN secretary general Antonio Guterres’s deep disappointment with the outcome of the 27th Conference of Parties (COP 27) is sure to be echoed across the world. Guterres said on Sunday that the planet continues to be in the “emergency room” and the COP “did not address” the need to drastically reduce emissions urgently.

To be sure, the agreement on establishing a “loss and damage” fund through which rich nations—accounting for a disproportionate share of the historical post-industrial emissions—can help vulnerable nations cope with disaster wrought by climate change can be considered a win. More so, as it was the result of the G-77, a group of 134 developing nations, staying united on this. But the decision took decades after the concept was first mooted; this is testimony that developed nations continue to remain reluctant on assuming meaningful climate responsibility. Instead, they urge the developing world to take on the mantle of “climate leadership”. This is further evidenced by the fact that details on how the fund is to be operationalised remain hazy. The COP27 text doesn’t indicate when it is to be finalised, and how exactly it is to be funded—rich nations have agreed to it on the proviso that the donor base is to be a “broad” one. Though there is mention of a transitional committee that will work on those details, there are no deadlines set for the committee. Also, the language on the loss and damage fund carefully avoids allowing any interpretation that could facilitate climate “reparations” or “compensations”. This shows the developed world is unwilling to shoulder responsibility for historical emissions and will continue to focus on current emissions, to the detriment of developing nations pursuing growth.

Worse, even as COP27 reaffirmed the goal of limiting warming to 1.5°C above pre-industrial levels, once again, there could be no agreement reached on phasedown of all fossil fuels. COP26 at Glasgow had agreed on a phasedown of unabated coal power and “phase-out of inefficient fossil fuel subsidies”. India, which has made substantial commitments on adoption of renewables, had insisted fossil fuels meant oil and natural gas were included and the focus can’t be just on coal.

Even as the EU agreed—though it said this shouldn’t mean a weakening of existing coal reduction agreements—bear in mind that European nations have been reverting to coal-based power following the energy crisis due to Russia’s war against Ukraine. This points at the outsized and continuing influence of the fossil fuel lobby, significant as the UAE, a petro-state, assumes the presidency of the COP next year. The mitigation work programme to bring emissions down in line with the 1.5°C goal was also washed out in the talks, with a focus on keeping it “non-prescriptive, non-punitive, facilitative, respectful of national sovereignty and national circumstances”, though the blame for this is shared amongst emerging economies.

Against this backdrop, India’s Long Term Low Emissions and Development Strategy (LTLEDS), submitted to the UNFCCC on Monday can’t be faulted too much. There are obvious misses—it doesn’t mention any interim goal-post and could have included a plan for reducing emissions from agriculture. At the same time, it rightly focuses on the history of emissions, and the need for “climate justice” that balances developing countries’ responsibilities with their development needs. The scepticism on carbon capture may not be entirely merited, but if it does indeed become a tool for the fossil fuel lobby to defer mitigation action, India may be on the right side of history. <https://www.financialexpress.com/opinion/cop-out-at-cop27/2866029/>

25. Draft data protection Bill needs improvement ([thehindubusinessline.com](https://www.thehindubusinessline.com)) Nov 20, 2022

The Centre has once again fallen short in putting in place a strong Personal Data Protection Bill that ensures adequate protection to citizens against the misuse of personal data. Given the proliferation of digital platforms where consumers of Internet services are increasingly being subjected to surveillance by the state and data mining by private entities, a data protection law

must be regarded as a critical piece of legislation of our times. When the Minister of State for Electronics and Information Technology (MeitY) withdrew the earlier version of the draft Bill in August, there were wide expectations that the policymakers will fill the gaps pointed out by various entities, including the Joint Parliamentary Committee (JPC).

One of the major criticisms of the earlier draft was around the powers given to the Centre to exempt any agency of the government from the application of the Act. But Clause 18 of the revised draft carries forward this provision by giving the Centre wide-ranging powers to exempt any entity, and granting immunity to the state machinery from the application of the law. This would expose the citizens to potential surveillance by the Centre with no recourse to misuse of data. The other major concern in the new Bill is that it has done away with the setting up of a Data Protection Authority and has proposed to create a Data Protection Board instead. This perhaps implies that the tenure of its members and appointment of the Chairperson will be determined by the Centre, rather than through a process laid down by the law. If the Board is to be independent, the Centre should appoint a committee comprising government officials, judicial members, and industry experts to make appointments. Various other provisions of the Bill have been left ambiguous, giving the Centre discretionary powers. For example, the proposed law rightly prohibits processing children's data but gives the Centre the power to make exceptions. The controversial data localisation rules have also been relaxed which would enthrone the industry, but here also the Centre will determine the countries with which data can be shared.

To be fair, there are some improvements over the earlier version. For instance, the draft Bill makes it mandatory for data fiduciaries to inform users in the event of a data breach. The earlier version of the Bill did not have this provision. Clearly, the draft Bill will have to go through a number of iterations before it can be made into law. The first version went through multiple rounds of consultations and scrutiny by different bodies over four years before it was withdrawn. While regulators in the US, China and the EU have put in place laws to address concerns around privacy and data protection, India has so far adopted a piecemeal approach.

The Centre should fix the gaps in the new draft quickly and ensure that citizens get a strong data protection law at the earliest. It is also critical to bring a balance between the individual, the companies which hold and process our data, and the State. <https://www.thehindubusinessline.com/opinion/editorial/draft-data-protection-bill-needs-improvement/article66161433.ece>

26. Army Issues Tenders to buy over 62,000 Bulletproof Jackets to Boost Defence Capabilities ([republicworld.com](https://www.republicworld.com)) Nov 21, 2022

The Indian Army has floated tenders for getting 62,500 bulletproof jackets (BPJs) for its frontline troop amid the mounting risk of steel core bullets that are being used by terrorists in India.

"The Ministry of Defence issued the tenders for the jackets under the Make-in-India initiative including one for 47,627 jackets under the normal route and the other one for 15,000 jackets under emergency procurement procedures which would be finalised in the next three to four months, the Army officials said. The procurement would be done after all the modalities have been finalised with user trials concluded, the officials stated.

Bulletproof jackets to be procured for Army in phases

The process of procurement of 47,627 jackets is planned in phases and would be completed in the next 18 to 24 months.

The specifications mentioned by the Army includes overall protection of a soldier from a 7.62 mm armour piercing rifle ammunition and also steel core bullets fired from a distance of 10 metres.

It has been witnessed in some incidents that the bulletproof jackets of Indian soldiers were breached by militants using American armour-piercing bullets in Kashmir Valley.

The use of ABPs along with the M-16 Assault rifles and carbines have been left behind by the American troops who withdrew from Afghanistan, 20 years after starting the war against terror. Following this, Aghanistan also fell into the hold of Taliban.

These Army jackets which are going to be procured in two phases would first be given to the troops deployed in Jammu and Kashmir where usual terror operations take place. BPJs will be level 4 which are assumed to be effective against the steel core bullets.

"The force would ensure that the jackets have been made in India and the materials are not source from any of the adversaries," sources in the Army confirmed.

Interestingly, to bolster the surveillance system in the northern border, the Indian Army earlier floated tenders to procure 750 remotely-piloted aerial vehicles or drones along with complete accessories through fast track procedure under emergency procurement. <https://www.republicworld.com/india-news/general-news/army-issues-tenders-to-buy-over-62000-bulletproof-jackets-to-boost-defence-capabilities-articleshow.html>