NEWS ITEMS ON CAG/ AUDIT REPORTS (09.12.2022)

1. The CAG's G20 opportunity *(financialexpress.com)* By Girish Chandra Murmu | December 9, 2022

The CAG is proposing that G20 Supreme Audit Institutions collaborate on two priority areas—the blue economy and responsible artificial intelligence

The SAI20 Engagement Group, a group of Supreme Audit Institutions of G20 countries, works towards strengthening governance institutions to respond with improved, agile, and reliable methods to the emerging problems of our times, as well as to enable governments to deliver a good quality of life to citizens. The establishment of this engagement group has led to the creation of an ecosystem where the SAIs articulate strategies through multi-stakeholder engagements to deliver as partners in governance through positive and rigorous people-centric policies while also advancing greater transparency and accountability.

With India's assumption of the G20 presidency on December 1, 2022, CAG of India, i.e., SAI India shall take the chairmanship of SAI20. SAI India shall remain dedicated to the recognition of independence, transparency, accountability, collaboration, and continuity as the vital pillars of this engagement group. Under the guiding philosophy for India's presidency of G20, Vasudhaiva Kutumbkam, which sees the world as "One Earth, One Family, and One Future", the Comptroller and Auditor General (C&AG) of India is proposing the collaboration of G20 SAIs on two priority areas— blue economy and responsible artificial intelligence.

Blue economy is an economic system that encompasses a spectrum of policy and operational dimensions aimed at conserving marine and freshwater environments while promoting their sustainable use, producing food and energy, supporting livelihoods, and acting as a driver for economic advancement and welfare. Blue economy takes forward the concept of Lifestyle for Environment (LiFE), introduced by India at the COP26 Glasgow summit, which emphasises the need for 'mindful and deliberate utilisation' to sustain and revitalise the marine and freshwater environments.

As a priority area, it serves to bring the focus of SAIs to particularly (but not exclusively) SDG 14, viz. Life Below Water. The objective is to collaborate on auditing policies and programmes that influences the blue economy in a way that is impactful and progressive with an appreciation of its strong interlinkages that span communities, sectors as well as nations. Considering that fishery is majorly the occupation of economically vulnerable sections, SAIs are compelled to exercise their oversight more effectively in the interest of greater inclusiveness in society and their immediate relevance to the people.

The C&AG of India shall strive to formulate consensual and widely applicable standards or guidelines that shall enable SAIs to evaluate and guide, within their respective mandates, the development and effective implementation of policies and programs which balance sustainability on the one hand with economic progress and welfare on the other. We seek to develop a body of research, best-practice compilations, toolkits, or audit guidelines, as well as foster possible modalities for closer collaboration between SAIs as also with other stakeholder communities.

The focus on the second priority area, responsible AI, is in sync with the fast-snowballing role that AI systems are playing in the lives of citizens while also appreciating its deeply disruptive potential. As with the blue economy, the problems related to responsible AI are topical, multidimensional, and interdependent. The concerns span issues of legality, ethicality, and the philosophical choices of human versus non-human agency. Apart from concerns of privacy, AI poses issues of biases and discrimination on account of the lack of comprehensibility of the algorithms to the common man, as the systems progressively auto-evolve.

There has been extensive recognition and strong advocacy to generate awareness on the use of responsible AI across governments, businesses, and civil society organisations. During the G20 Ministerial Statement on Trade and Digital Economy in June 2019, and per recommendations on the Ethics of AI by UNESCO in November 2021, the articulation of the fact that a digital society must be built on trust among all stakeholders has begun.

While the application of AI continues to encompass more and more areas of our lives, it poses challenges of complexity to both governments as well as SAIs in its understanding, regulation, and auditability to ensure its responsible use. It is important for SAIs to develop responsive capabilities to address the core questions in the use of AI systems to position themselves essentially as an agent of effective oversight and provide evidence-based support in comprehensive policy formulations and implementation.

C&AG of India’s endeavour shall be to generate broad consensus on the nature and extent of interventions that SAIs can exercise towards promoting the values of responsible AI while staying within their respective mandates. We shall attempt to jointly develop audit-support literature as well as explore ways in which the G20 SAIs can help each other through mutual capacity building and experience sharing. The general philosophy that shall guide our direction shall be the necessity to regulate the development and use of AI systems in a way that enables the full realisation of its potentially life-changing benefits while at the same time keeping in check its potential for deliberate or even accidental misuse.

Taking forward the highly pertinent priority areas, as the chair of SAI20, C&AG of India intends to undertake strong, successful, and widely participative collaboration of G20 SAIs for an efficacious and unmatched G20 presidency. https://www.financialexpress.com/opinion/the-cags-g20-opportunity/2906902/

2. SAI 20 – Towards a Blue Economy and Responsible AI *(sentinelassam.com)* Updated: December 9, 2022

G20 is a strategic multilateral platform connecting the world's major developed and emerging economies. The G20 holds a strategic role in securing future global economic growth and prosperity. Together, the G20 members represent more than 80 per cent of the world's GDP, 75 per cent of international trade and 67 per cent of the world's population.

The SAI 20 Engagement Group, a group of Supreme Audit Institutions of G20 member countries, works towards strengthening governance institutions to respond with improved, agile and reliable methods to the emerging problems of our times as well as to enable governments to deliver a good quality of life to citizens. The establishment of this engagement group has led to the creation of an ecosystem where the SAIs coordinate and articulate strategies through multi-stakeholder engagements to deliver as partners in governance through positive and rigorous people-centric policies while also advancing greater transparency and accountability.

With India's assumption of the G20 presidency on 1st December, 2022, CAG of India, i.e., SAI India shall take the chairmanship of SAI20. SAI India shall remain dedicated to the recognition of Independence, Transparency, Accountability, Collaboration, and Continuity as the vital pillars of this engagement group. Under the guiding philosophy for India's presidency of G20, i.e., Vasudhaiva Kutumbkam, which sees the world as "One Earth, One Family, and One Future", Comptroller and Auditor General (C&AG) of India is proposing the collaboration of G20 SAIs on two priority areas of Blue Economy and Responsible Artificial Intelligence (AI).

Blue Economy is an economic system that encompasses a spectrum of policy and operational dimensions aimed at conserving marine and freshwater environments while promoting their sustainable use, producing food and energy, supporting livelihoods and act as a driver for economic advancement and welfare. Blue Economy takes forward the concept of LiFE, i.e., Lifestyle for Environment, introduced by India in the COP 26 Glasgow summit which emphasizes the need for 'mindful and deliberate utilization' instead of mindless and wasteful consumption in order to sustain and breathe new life into the marine and freshwater environments.

As a priority area, it serves to bring the focus of SAIs in achievement of the UN 2030 agenda, particularly (but not exclusively), Goal 14, viz., Life Below Water. The objective is to collaborate on auditing policies and programmes that influence the Blue Economy in a way that is impactful and progressive with an appreciation of its strong inter-linkages that span communities, sectors as well as nations. Considering the fact that fishery, for the most part, is the occupation of economically vulnerable sections also compels SAIs to exercise their oversight more effectively in the interest of greater inclusiveness in society and their immediate relevance to the people.

C&AG of India shall strive to formulate consensual and widely applicable standards or guidelines that shall enable SAIs to evaluate and guide, within their respective mandates, the development and effective implementation of policies and programmes which balance sustainability on the one hand with economic progress and welfare on the other. We seek to develop a body of research, best-practice compilations, tool-kits, or audit guidelines as well as foster possible modalities for closer collaboration between SAIs as also with other stakeholder communities.

The focus on the second priority area, i.e., responsible AI is in sync with the fast-snowballing role that Artificial Intelligence systems are playing in the lives of citizens, while also appreciating its deeply disruptive potential. As with Blue Economy, the problems related to responsible AI are topical, multidimensional and inter-dependent. The concerns span issues of legality, ethicality as well as the philosophical choices of human versus non-human agency. Apart from concerns of privacy, AI poses issues of biases and discrimination on account of lack of comprehensibility of the algorithms to the common man, as the systems progressively auto-evolve.

There has been extensive recognition and strong advocacy to generate awareness on the use of Responsible Artificial Intelligence across governments, businesses and civil society organizations. During the G20 Ministerial Statement on Trade and Digital Economy in June, 2019, and as per recommendations on the Ethics of Artificial Intelligence by UNESCO in November, 2021, a beginning has been made towards articulating that a digital society must be built on trust among all stakeholders.

While the application of AI continues to encompass more and more areas of our lives, it poses challenges of complexity to both governments as well as SAIs in its understanding, regulation and auditability to ensure its responsible use. It is important for SAIs to develop responsive capabilities to address the core questions in use of AI systems to position themselves essentially as an agent of effective oversight and provide evidence-based support in comprehensive policy formulations and implementation.

C&AG of India's endeavor shall be to generate broad consensus on the nature and extent of interventions that SAIs can exercise towards promoting the values of responsible AI while staying within their respective mandates. We shall attempt to jointly develop audit support literature as well as explore ways in which the G20 SAIs can help each other through mutual capacity building and experience sharing. The general philosophy that shall guide our direction shall be the necessity to regulate the development and use of AI systems in a way that enables the full realization of its potentially life-changing benefits while at the same time keeping in check its potential for deliberate or even accidental misuse.

Taking forward the highly pertinent priority areas, C&AG of India as the chair of SAI20, intends to undertake strong, successful and widely participative collaboration of G20 SAIs for an efficacious and unmatched G20 presidency. https://www.sentinelassam.com/editorial/sai-20-towards-a-blue-economy-and-responsible-ai-627106

STATES NEWS ITEMS

3. Why Congress's promise of return to Old Pension Scheme poses a huge challenge to its new Govt in Himachal *(indianexpress.com)* Updated: December 8, 2022

The trends of the Himachal Pradesh Assembly election results indicate a defeat of the ruling BJP and a win for the Congress, which has promised to restore the Old Pension Scheme (OPS) in the state.

The OPS figured as a prominent election promise in the Assembly elections in the two states, triggering debates that went beyond the political arena. Two Congress-ruled states — Rajasthan and Chhattisgarh — have already decided to implement the OPS, and the party had promised to restore it in Gujarat and Himachal Pradesh if it came to power.

The Congress has crashed to its worst defeat in Gujarat, but if its likely new government in Himachal follows through on the party's campaign promise, managing the state's finances may prove to be an uphill task. Here is a look at state of finances of Himachal Pradesh — and the challenge that it poses to the new finance minister.

Mounting committed expenditure means shrinking scope for spending on development.

As per data in the latest State Finances Audit Report of Himachal Pradesh for the year ended March 31, 2021, the committed expenditure of the state — which comprises interest payments, expenditure on salaries and wages, and pensions — had increased from Rs 17,154.75 crore in 2016-17 to Rs 22,464.51 crore in 2020-21.

As a percentage of the revenue receipts, the committed expenditure has increased from 65.31 per cent to 67.19 per cent over the last five years. The committed expenditure has been hovering around 67 per cent of the total revenue expenditure of the government during the last five years (2016-21).

The rising committed expenditure means that a lesser revenue is available with the state government for development expenditure. For instance, during 2020-21, only about one-third of the state's total revenue receipts were available for developmental outlay.

One-fifth of the state's revenue expenditure is now spent on paying the pensions bill.

During 2020-21, the expenditure on pensions stood at Rs 6,088 crore, which was almost 50 per cent higher than Rs 4,114.17 crore in 2016-17. In fact, as a percentage of revenue receipts, the expenditure on pension has increased from 15.66 per cent in 2016-17 to 18.21 per cent in 2020-21.

As a percentage of revenue expenditure, the pension expenditure has increased from 16.23 per cent to 18.16 per cent in the last five years.

Own Tax Revenues make up only a small share of the state's total revenues.

Only about a fourth of the state's revenue comes from its Own Tax Revenues (OTR). During 2020-21, out of the total revenue (Rs 33,438 crore) of the state, only Rs 8,083 crore came from the state's OTR.

In Himachal Pradesh, the growth in OTR, which comprises taxes like State GST, State Excise, Stamp Duty and Registration Fees, Land Revenue, Taxes on Vehicles, Goods and Passengers, has remained very low in recent years.

Data from the Comptroller and Auditor General of India (CAG) show that Himachal Pradesh's OTR increased by 14.84 per cent to Rs 8,083 crore in 2020-21 from Rs 7,039 crore in 2016-17. In the year preceding the pandemic (2019-20), Himachal Pradesh's own taxes as a ratio of total revenue receipts stood at just 24.80 per cent, which was lower than the all-state average ratio of states' own tax to total receipts (38.04 per cent) in that year.

Revenue buoyancy, or efficiency of revenue mobilisation in response to growth, is declining.

There has been a decline in the revenue buoyancy of the state. The revenue buoyancy ratio refers to the elasticity or degree of responsiveness of a fiscal variable with respect to a given change in the base variable. For example, if revenue buoyancy with respect to Gross State Domestic Product (GSDP) is 1.21, it means that revenue receipts tend to increase by 1.21 percentage points if the GSDP increases by 1 per cent. During 2020-21, revenue buoyancy with respect to the GSDP in Himachal Pradesh was minus 2.27 per cent. https://indianexpress.com/article/explained/explained-politics/himachal-congress-promise-of-return-to-old-pension-scheme-poses-a-huge-challenge-8313485/

4. Old Pension Scheme A 'Revdi' or Pan-India Poll Plank? For 2024, Congress to Take a Leaf out of Priyanka's Himachal Playbook *(news18.com)* DECEMBER 09, 2022

It may cause a fiscal catastrophe but the Himachal Pradesh win could have given the Congress a pan-India issue for pitching in the 2024 Lok Sabha elections — bringing back the Old Pension Scheme (OPS) nationwide.

It was the OPS promise of the Congress that caught the fancy of the electorate in Himachal Pradesh, a state where government employees are the most influential section and hence, the issue was put on electoral test. The party's star campaigner, Priyanka Gandhi Vadra, promised in election rallies that the new Congress government would implement OPS in its first cabinet meeting. To the BJP's charge that the promise was 'financially unfeasible', Vadra cited how OPS was being implemented in Congress-ruled Rajasthan, Chhattisgarh and Jharkhand.

"OPS is definitely a major issue, not just in a few states but nationwide. In BJP-ruled states like Madhya Pradesh and others, employees want the restoration of OPS. Himachal Pradesh result has shown the way. OPS will be a major plank for us in the run-up to 2024," a senior Congress leader involved in the Himachal campaign told News18.

He cited how the BJP's stand on OPS remained ambivalent, with outgoing chief minister Jai Ram Thakur promising a committee to look into it while former BJP chief minister Prem Kumar Dhumal openly backed the employees' demand for OPS. Meanwhile, central BJP leaders kept citing the financial unviability of the scheme.

It was the Atal Bihari Vajpayee government in 2003 that had done away with OPS to reduce the burgeoning pension liabilities of the government. The New Pension Scheme came into being from 2004. The former Planning Commission chief in the UPA era, Montek Singh Ahluwalia, also recently advocated that returning to OPS was not feasible fiscally and in fact remarked that "bringing back the old pension system is one of the biggest revdis (doles) that are now being invented".

Prime Minister Narendra Modi has been slamming the 'revadi politics' of opposition parties. The Aam Aadmi Party has also decided to implement OPS in Punjab. Under the OPS, pension to government employees was fixed at 50 per cent of the last drawn basic pay. The NPS from 2004 changed this, where the government reduced its contribution to the pension the retired employee would get. The NPS was made mandatory for all new recruits to the Central Government Service (except the armed forces) from 2004. This meant less money in the hands of retired employees.

Comptroller and Auditor General of India (CAG) Girish Chandra Murmu has also recently warned of fiscal risks for states if they revert to OPS. "Even the free ration scheme that has run for almost three years by the NDA during the Covid-19 pandemic has caused a big fiscal burden but brought electoral results for them in states like Uttar Pradesh," argued the Congress leader quoted earlier. Amidst inflation concerns, Congress feels the OPS promise at a national level could resonate with vote-block of government employees and their families. https://www.news18.com/news/elections/old-pension-scheme-a-revdi-or-pan-india-poll-plank-for-2024-congress-to-take-a-leaf-out-of-priyankas-himachal-playbook-6577087.html

5. How Congress' Promise of Old Pension Might Back Bite them *(newsx.com)* 8 December, 2022

Managing the state's finances may prove to be a challenge if the next Congress administration in Himachal sticks to the party's old pension vow. Why? Read on.

The Congress, which pledged to reinstate the Old Pension Scheme (OPS) in the state, is likely to win the Himachal Pradesh Assembly election, according to trends in the results.

The OPS was a key campaign pledge in the two states' Assembly elections, sparking discussions outside of the political sphere. The OPS has already been agreed to be implemented in two Congress-ruled states, Rajasthan and Chhattisgarh, and the party had pledged to reinstate it in Gujarat and Himachal Pradesh if it won power.

The Congress suffered its worst loss in Gujarat, but if the anticipated new government in Himachal upholds the party's election pledge, handling the state's finances might prove challenging. Here's a look at the status of Himachal Pradesh's finances and the difficulty it presents for the incoming finance minister.

Reduced room for development spending results from rising committed expenditure

The committed expenditure of the state, which includes interest payments, expenditure on salaries and wages, and pensions, increased from Rs 17,154.75 crore in 2016–17 to Rs 22,464.51 crore in 2020–21, according to data in the most recent State Finances Audit Report of Himachal Pradesh for the year ended March 31, 2021.

Over the past five years, the committed spending as a proportion of revenue collections has gone up from 65.31 to 67.19 percent. Over the past five years, the committed spending has generally been approximately 67% of the government's overall revenue expenditure (2016-21).

The increased committed spending implies that the state government has less money to spend on development. For instance, just around one-third of the state's total income receipts for 2020–21 were allocated for development expenditures.

The state currently spends one-fifth of its earnings on paying the pensions debt.

The amount spent on pensions for 2020–21 was Rs 6,088 crore, about 50% more than Rs 4,114.17 crore during 2016–17. In actuality, the expenditure on pensions has climbed from 15.66% in 2016–17 to 18.21% in 2020–21 as a proportion of tax collections.

In the previous five years, the pension expense as a share of revenue expenditure climbed from 16.23% to 18.16%.

Only a minor portion of the state's overall revenues come from own taxes.

Only approximately a quarter of the state's income is generated from its own taxes (OTR). Only Rs 8,083 crore of the state's total income (Rs 33,438 crore) during 2020–21 came from the OTR.

In recent years, the development of OTR in Himachal Pradesh, which includes taxes like State GST, State Excise, Stamp Duty and Registration Fees, Land Revenue, Taxes on Vehicles, Goods, and Passengers, has stayed remarkably low.

According to data from the Comptroller and Auditor General of India (CAG), Himachal Pradesh's OTR climbed from Rs 7,039 crore in 2016–17 to Rs 8,083 crore in 2020–21, a 14.84 percent rise. Himachal Pradesh's own taxes as a percentage of total revenue receipts in the year prior to the pandemic (2019–20) were just 24.80%, which was lower than the 38.04% national average for that year among all states. https://www.newsx.com/congress-old-pension-might-back-bite-them/

SELECTED NEWS ITEMS/ARTICLES FOR READING

6. Govt hopes to meet Rs 65,000 cr FY23 disinvestment goal via offer for sale *(business-standard.com)* December 9, 2022

The central government is aiming to meet its disinvestment target of Rs 65,000 crore in FY23 by completing its first tranche of proceeds from the sale of Hindustan Zinc Ltd (HZL).

"We are working on the Hindustan Zinc offer for sale (OFS) and expect some stake dilution to happen in the current fiscal," a senior government official said. He added that other stake sales in the pipeline, including IDBI Bank and Concor, would take time and may not be completed this year, and that the Hindustan Zinc OFS is likely to come from a minority stake sale.

At the current market cap, the government's stake in HZL is worth nearly Rs 35,000 crore. However, since the stake sale will happen in tranches, the Centre may get some portion of the expected receipts in the current financial year itself.

The Department of Investment and Public Asset Management (DIPAM) has so far raised Rs 62,433 crore from stake sales and dividends. This includes disinvestment receipts of Rs 28,382 crore.

"We are very mindful of value-based disinvestments, rather than chasing targets. We have already raised Rs 62,000 crore this year, including dividends of Rs 34,000 crore," Disinvestment Secretary Tuhin Kanta Pandey said at a global policy event organised by CII.

Speaking about central public sector enterprises (CPSE), Pandey said that the government wants them to improve their market cap and return on assets (RoA), among other criteria. He stressed on the need to hive off non-core assets that are not linked to the operating companies' main lines of business.

Talking about the disinvestment pipeline going forward, the disinvestment secretary said that IDBI Bank, Shipping Corporation of India, and BEML are some of the ongoing transactions that need to be completed.

Meanwhile, the government is hopeful of floating some offers for sale in order to achieve its current disinvestment target.

According to the official quoted above, an expression of interest (EOI) for Container Corporation of India (Concor) could be invited by January 2023, while the ongoing transaction of Shipping Corporation and BEML would likely close next financial year FY24. https://www.business-standard.com/article/companies/govt-hopes-to-meet-rs-65-000-cr-fy23-disinvestment-goal-via-offer-for-sale-122120900457_1.html

7. Govt seeks Parliament nod for net additional spending of Rs 3.25 lakh crore this fiscal *(moneycontrol.com)* 09 Dec 2022

The Government on Friday sought Parliament nod for net additional spending of over Rs 3.25 lakh crore in the current fiscal.

As per the first batch of supplementary demands for grants tabled in the Lok Sabha by Minister of State for Finance Pankaj Chaudhary, approval is being sought for gross additional expenditure of about Rs 4.36 lakh crore.

Of this, proposals involving net cash outgo aggregates to over Rs 3.25 lakh crore and gross additional expenditure, matched by savings of ministries/departments or by enhanced receipts aggregates to over Rs 1.10 lakh crore. https://www.moneycontrol.com/news/economy-2/govt-seeks-parliament-nod-for-net-additional-spending-of-rs-3-25-lakh-crore-this-fiscal-9677591.html

8. Govt meets 39% of FY23 highway construction target till November *(livemint.com)* 08 Dec 2022

The Ministry of Road Transport & Highways has set a target of constructing 12,200 km National Highways during 2022-23, while 4,766 km has been constructed till November.

In a written reply to the Lok Sabha, Union Minister of Road Transport and Highways Nitin Gadkari said, "Under Bharatmala Pariyojana, apart from development of Highways/Expressways in the country which facilitate logistic efficiency to India economy, 35 Multi Modal Logistics Parks (MMLPs) are to be developed."

These MMLPs would act as major cargo consolidation and distribution hubs, it added.

According to the ministry, the implementation of Bharatmala Pariyojana along with 35 MMLPs in the country is expected to further increase the logistics efficiency. The list of 35 MMLPs approved under Bharatmala Pariyojana, state-wise including Maharashtra and Odisha.

"Under Bharatmala Pariyojana 191 such points of congestion were identified on the entire network. Of the 191 choke points, de-congestion projects have already been completed in 56 congestion points and de-congestion projects are under implementation in 83 congestion points," Ministry of Road Transport & Highways said quoting the minister.

The work on remaining 52 congestions points will be awarded for construction by FY 2024-25. The status of congestion points and its improvement across the country including Maharashtra & Odisha is enclosed.

No proposal has been approved so far to securitise National Highways and expressways, it said.

The Bharatmala Pariyojana was announced by Gadkari to improve the road network in the country. The project covering a whopping 34800 km of the road would be completed in a phased manner. https://www.livemint.com/news/india/govt-meets-39-of-fy23-highway-construction-target-till-november-11670495003879.html

9. One crore PMUY beneficiaries didn't opt for 3 or more LPG refills in FY22 *(thehindubusinessline.com)* 09 Dec 2022

The number of beneficiaries under Pradhan Mantri Ujjwala Yojana (PMUY), who opted for three or more refills of liquefied petroleum gas (LPG), declined by one crore on an annual basis in the last fiscal.

PMUY beneficiaries choosing three or more LPG refills fell by 17 per cent y-o-y to around 4.99 crore in FY22 as compared with around 5.99 crore in FY21, the Parliament was informed on Thursday.

However, the per capita consumption of PMUY beneficiaries has been consistently rising and has increased from 3.01 refills in FY20 to 3.68 in FY22, Minister of State for Petroleum & Natural Gas Rameshwar Teli said in a written reply to a query in Lok Sabha. The number of PMUY beneficiaries opting for three or more LPG refills in FY22 was higher by 45 per cent as compared with 3.45 crore in FY20, the data provided by the Minister showed.

"Consumption of domestic LPG by households depends on several factors like food habits, household size, cooking habits, price, availability of alternate fuels etc," Teli informed the lower house.

LPG prices are based on Saudi Contract Prices (CP) which has risen from $236 per tonne in April 2020 to $750 in June 2022, a rise of 218 per cent. However, government continues to modulate the effective price to consumers for domestic LPG. At present a 14.2 kg LPG cylinder costs ₹1,053 in Delhi.

Fewer refills

Even as the number of PMUY beneficiaries taking more than two LPG refills fell in FY22, the beneficiaries opting for a single refill more than doubled in the last fiscal as compared with FY21. Similarly, beneficiaries taking two refills was higher by 20 per cent y-o-y during the same review period.

Around 1.62 crore PMUY beneficiaries opted for a single refill in FY22, against a mere 0.67 crore refills in FY21, and 1.83 crore LPG refills in FY20.

Likewise, about 1.49 crore PMUY beneficiaries chose two refills of LPG in FY22, compared with 1.24 crore and 1.31 crore beneficiaries in FY21 and FY20, respectively.

Govt's efforts

"The government has taken several steps to encourage consumption of LPG by PMUY beneficiaries, which include subsidy of ₹200 per 14.2 kg refill upto 12 refills a year for PMUY beneficiaries for FY23, option of 5 kg double bottle connection (DBC), swap option from 14.2 kg to 5 kg, up to 3 free refills to PMUY beneficiaries under Pradhan Mantri Garib Kalyan Package from April to December 2020 etc," Teli said.

In FY21, the government had provided upto 3 LPG refills for free to PMUY beneficiaries under Pradhan Mantri Garib Kalyan Package (PMGKP). Under this scheme, 14.17 crore free refills were provided to beneficiaries, resulting in an increase in consumption of LPG by PMUY beneficiaries during FY21. https://www.thehindubusinessline.com/economy/one-crore-pmuy-beneficiaries-didnt-opt-for-3-or-more-lpg-refills-in-fy22/article66239651.ece

10. Parliament: Over 1,35,000 Vacancies in Army, IAF, Navy; Only 46,000 Posts Advertised in 2022 *(newsclick.in)* 09 Dec 2022

There are a total of 1,35, 891 vacancies in the three Armed Forces wings – Indian Army, Indian Air Force and Indian Navy, the government has informed Parliament.

The total number of over a lakh vacancies are the highest in the Indian Army at 118,485, as on July 1, 2022, a total of 11,587 vacancies in the Indian Navy (sailors) as on September 30, 2022 and 5,819 vacancies in the Indian Army, according to a written reply in Lok Sabha by Ajay Bhatt, Minister of State for Defence.

As per the minister, a total of 40,000 vacancies have been advertised for JCOs/OR in the Indian Army, 3,000 vacancies have been advertised for Agniveer in 2022 in Indian Navy, and 3,000 vacancies have been advertised in IAF as Agniveervayu under Agnipath Scheme in the year 2022.

When asked by Deepak Baij, Congress MP from Chhattisgarh's Bastar how many youths had been recruited so far, the MoS Defence said: "All the recruitments at the level of jawans are being done under the Agnipath Scheme presently under progress…"

Low Women's Participation in Defence

In reply to another question on the recruitment of women as officers in defence sector, Bhatt said they made up for 3.7% of officers (excluding AMC/ADC) in the Army, 21.25% of AMC (Army Medical Corp)/ADC – Aide De Camp (basically medical and assistant) officers, 100% of MNS (military nursing service) officers and 0.01% in the category of JCO/OR, as on July 1, 2022.

In the Indian Navy, about 6% women were part of the personnel, while in the IAF 13.69% were officers (excluding the dental branch), as on December 1, 2022.

When asked if the government had done any survey of low participation of women in the defence sector, the MoS Defence said: "No study has been undertaken regarding the low participation of women as there has been a steady growth in the induction of women in the armed forces."

However, he pointed out that in the Indian Navy, with effect from this year, was recruiting women as sailors under the Agnipath Scheme and 20% posts had been reserved for them. https://www.newsclick.in/parliament-over-135000-vacancies-army-iaf-navy-only-46000-posts-advertised-2022

11. Rafale-M 'More Suitable' Than Super Hornet For Meeting Operational Needs, Navy Tells MoD As Battle For Fighter Jet Deal Enters Next Stage *(swarajyamag.com)* Dec 8, 2022

Rafale-M, the naval variant of the Rafale fighter in service with the Indian Air Force, has emerged as the frontrunner in the battle for the Indian Nav's lucrative fighter aircraft deal, reports say.

The Indian Navy evaluated French aircraft manufacturer Dassault Aviation's Rafale-M and US-based Boeing's F/A-18 Super Hornet earlier this year as it is looking to augment its dwindling fleet of fighters currently made up of the troubled Russian-origin MiG-29Ks.

The Navy has submitted a detailed report to the Defence Ministry after the trials. The report has identified Rafale-M as "more suitable in meeting the operational requirements" of the Indian Navy, the Times of India says.

Interestingly, French Defence Minister Sebastien Lecornu, who was in India last month, was given a detailed tour of the newly inducted aircraft carrier INS Vikrant off the coast of Mumbai.

Earlier this year, the two fighters participated in trials at the shore-based test facility at INS Hansa in Goa to showcase their capabilities to take off from a ski-jump platform of the kind that Indian aircraft carriers have.

Rafale-Ms and Super Hornets have been in service with the French Navy and the US Navy, respectively, for years. The two navies operate these from their nuclear-powered aircraft carriers.

Unlike India's two carriers, which use ski-jump (short take-off but arrested recovery or STOBAR) to help aircraft take off from their decks, the US and French carriers use catapult-assisted take-off (catapult assisted take-off but arrested recovery or CATOBAR) to operate aircraft.

In the STOBAR system, aircraft are launched from a carrier using their own power with a ski-jump ramp on the bow of the carrier assisting take off. However, in the CATOBAR system, mechanical assistance is provided to the aircraft for take-off using a catapult, which is built into the carrier's flight deck. In both these systems, arrestor wires, which rapidly but smoothly decelerate an aircraft as it lands on deck, are used for recovery.

With the induction of the first indigenous aircraft carrier Vikrant on 15 August this year, the Indian Navy will have two aircraft carriers but not enough fighters to keep both warships operational.

In 2017, the Navy had projected a requirement of 57 new fighters. But it has since downsized the requirement to 26 fighters as an indigenous fighter for aircraft carriers — the Twin-Engine Deck-Based Fighter — is being developed by the Aeronautical Development Agency.

Dassault's Rafale-M has an edge over Boeing's F/A-18 as the Indian Air Force has already inducted two squadrons of the fighter, has set up maintenance facilities in the country and may contract for more Rafale.

India's rapidly expanding defense partnership with France, which also has interests in the Indian Ocean, will also be considered when New Delhi decides on the procurement of fighters. https://swarajyamag.com/defence/rafale-m-more-suitable-than-super-hornet-in-meeting-operational-needs-navy-tells-mod-as-battle-for-fighter-jet-deal-enters-next-stage

12. Indian Navy Re-Initiates Stalled Programme to Buy 6 More P8I Aircraft from US *(businessworld.in)* 09 Dec 2022

The Indian Navy has re-initiated the programme to buy 6 more Boeing P8I Long Range Maritime Reconnaissance (LRMR) aircraft from the US under a multi-billion-dollar Government-to-Government deal which stalled after the expiry of the price offer on July 31.

"A restated Letter of Offer and Acceptance (LOA) has been sought from USG (US Government)," Chief of Naval Staff Admiral R Hari Kumar told Businessworld in an exclusive interview.

This is the first public statement from the Indian Navy affirming that the P8I deal is still on the table. It also provides a clear indication that the decks have been cleared for fresh price negotiations for the procurement of additional numbers of this key force multiplier, which is a prominent symbol of India-US military cooperation.

"Based on the response from US side, the case would be progressed further for procurement under Buy Global route," Admiral Hari Kumar stated.

Under its Foreign Military Sales (FMS) process for Government-to-Government Defence deals, the Letter of Offer and Acceptance is issued by the US Government for signature after the conclusion of price negotiations with the buying country. It is akin to a contract document.

The Indian Navy Chief's statement indicates that the two sides will pick up the thread from where it was left on July 31, and that this procurement programme would not have to be run afresh. The re-negotiated price would first have to be cleared by India's Defence Acquisition Council (DAC) headed by the Defence Minister and then the case put up for final approval to the Cabinet Committee on Security chaired by the Prime Minister before the deal can be signed.

The stalling of the deal following the expiry of the initial price offer validity was first reported by Businessworld on August 1. It represented a setback to the Indian Navy's plan to beef up its maritime reconnaissance and anti-submarine warfare capability.

Several critical military procurements though the import route were either scrapped or put on a deferred list after India's Aatmanirbhar Bharat (self-reliant India) policy reinforcement last year. Admiral Hari Kumar's statement is an indication that the Indian Navy stood its ground on the import of the P8Is and was able to convince the political decision-makers about the necessity of these force multipliers representing a capability which cannot be indigenised in the near term.

As reported by Businessworld earlier, the Indian Navy operates 12 P8Is, of which 8 are based at the naval airbase INS Rajali in Arakonam on the Eastern Seaboard and 4 at INS Hansa in Goa on the West. The additional P8Is are meant to augment numbers on the Western Seaboard.

The induction of the P8I in 2013 has often been hailed as a game-changer for the Indian Navy's long-range reconnaissance and anti-submarine warfare capabilities, giving it a clear edge over adversaries in the Indian Ocean Region.

A big takeaway is the high availability rate of the P8I for missions, which is reported to be an impressive 85 per cent. This enables intense and sustained reconnaissance operations.

"In the 9 years since 2013, the Indian Navy has done more flying on the P8I than it did on the Soviet-origin Tupolev-142 and Ilyushin-38 fleets combined for four decades," informed sources pointed out. The Soviet-origin Tu-142 and the Il-38 were the backbones of the Indian Navy maritime reconnaissance operations before the induction of the American P8I. https://www.businessworld.in/article/Indian-Navy-re-initiates-stalled-programme-to-buy-6-more-P8I-aircraft-from-US/09-12-2022-457370/

13. Union Budget may propose 100,000 km of new railway tracks: Report *(moneycontrol.com)* Dec 9, 2022

The Union Budget is likely to propose laying of 100,000 km of new railway tracks over the next 25 years, according to a report by Mint. The new tracks will modernise the network and boost train speeds, the report added quoting people aware of that matter.

The budget is also likely to set aside Rs 10,000 crore to electrify 7,000 km of broad gauge line in FY24 and will complete the electrification of the entire network.

Laying the new tracks will be part of a new vision document for the national transporter and will be done in phases over 25 years with a new track construction target of around 4,000 km in FY24 itself.

The budget for new tracks may also be doubled to over Rs 50,000 crore, the report added.

At current costs, laying normal 100,000 km tracks would cost Rs 15-20 trillion. This could vary depending on the movement of prices of basic inputs such as steel.

The new lines will be constructed keeping in mind the requirements of high-speed and semi-hi-speed trains, such as new-generation Vande Bharat trains that can touch 180 kmph.

In November, ET reported that the government is also likely to announce 300-400 new Vande Bharat trains in the Union budget for 2023-24.

In the long run, the aim is to run most Indian Railways trains at 160 kilometres per hour (kmph). Cargo growth is estimated at 8.5-10% this year and is expected to grow to 12-14% per annum as the railway routes are decongested.

The Indian Railways' revenue, for the financial year 2021-22, has grown 11 percent. The Railways said it recorded a freight revenue of Rs 13,560 crore in November 2022, as compared to Rs 12,206 crore clocked in the corresponding month last year. https://www.moneycontrol.com/news/business/economy/union-budget-may-propose-100000-km-of-new-railway-tracks-report-9675741.html

14. Frail at the bottom *(millenniumpost.in)* Dec 8, 2022

The Indian labour force is becoming more and more exposed. There are two key causes for this vulnerability, in my opinion. Both are somewhat related to one another. But I'd prefer to deal with them separately for a greater understanding. Economic distress and climate change are the two justifications.

Recent research has revealed that India's household position has been declining for years, since even before the pandemic. Over the past few decades, consumption growth has exceeded income growth. This is a direct outcome of less saving and more debt.

Although regular wage earners and the salaried class are superior to independent contractors and temporary employees, only approximately 23 per cent of the whole workforce — 437 million people — fit this description. The remainder are either self-employed (around 50 per cent) or temp workers (27 per cent). Even according to the World Bank, more than 75 per cent of the workforce in India works in "vulnerable" jobs. For the majority of modern economic theories, this ratio is under ten.

The effects of climate change pose another set of dangers. Although everyone on the planet is impacted by climate change, developed nations, on account of their superior public health, social security, and infrastructure, are currently able to handle it and its effects more effectively. The effects on developing and underdeveloped nations are disastrous and tragic. Rain or excessive heat disrupt many things. However, the impact on the vulnerable workforce is much greater. The effect on health and income is also significant. The worker frequently becomes sick, as does his family. This results in absenteeism from work or school. Children miss school, and employees lose their daily wages. Because of inadequate infrastructure, the likelihood of accidents also increases significantly, which results in loss of payment.

These climatic fluctuations, which include extreme rain and heat, have an impact on the quantity and quality of the foodgrains produced. Numerous studies have been conducted, with the results showing that not only is the per-hectare production declining but that the quality of several crops, especially rice and wheat, is also declining. In addition to the poor losing their meals as a result of the shortage in grain supply, prices are also skyrocketing. Income has not kept pace with actual inflation. The long-term health of the vulnerably employed labour is impacted by this inadequate and unhealthy diet.

Another significant effect of this rural economy is that it prevents the migrant workforce from being vulnerable in light of the issues in metropolitan centres.

To solve these difficulties, we require a comprehensive and all-encompassing approach. Additionally, the vulnerable workforce must also be informed about the many government programmes that could be accessible to them.

The functions of the government, civil society, and labour unions have grown significantly since yesterday. https://www.millenniumpost.in/opinion/relieving-the-overburdened-501572?infinitescroll=1

15. Farmers allege scam in crop loan disbursal *(orissapost.com)* Dec 9, 2022

Jajpur: Cooperative banks have been caught on the wrong foot after farmers of this district alleged large-scale irregularities in sanctioning crop loans in the name of fake farmers. The matter came to the fore after farmers alleging irregularities demanded a high-level inquiry to unravel the wrongdoings.

Reports said that farmers here have borrowed from the cooperative societies as well as central cooperative banks to raise their Rabi crops but the loan amounts, instead of being handed over to them, are being used to repay previous loans. The loans sanctioned for Rabi crops are adjusted against the previous Kharif loans. This is being done in violation of the directives issued by the Registrar of Cooperative Societies in June, this year.

Notably, the Registrar of Cooperative Societies (RCS) issued a direction to all the Deputy Registrars of Cooperative Societies (DRCS), Assistant Registrars of Cooperative Societies (ARCS), and the heads of all central cooperative banks in June, this year. In the letter, he had said that the secretaries or managing directors of Primary Agriculture Cooperative Societies (PACS) or Large Area Multipurpose Societies (LAMPS) shall not keep the loan passbooks or the Kishan Credit Card (KCC) chequebooks of farmers with them or use them for any means under any circumstances. It is alleged that the loan books of farmers who had taken loans for 2022- 23 Kharif season are only being renewed.

As many as 1,01,739 farmers had taken Rs 54,115.59 lakh as a loan during the last Kharif season. The amount farmers had taken in previous loans is now being paid as Rabi loan. According to available reports, so far only 30,244 farmers have been sanctioned with Rs 14,959.37 lakh Rabi loan. The loan is only being recovered in pen and paper as the amount each farmer had taken in the previous loan is being sanctioned as loan for Rabi crops. Fearing that the cooperative banks might charge them more interest, the farmers keep their mouth shut and agree to this wrongdoing.

In reality, not a single penny is being paid to the farmers as loan for Rabi crops. While the pockets of farmers remain empty, the burden of additional Rabi loan and the accruing interest has shaken the farmers to the hilt. Moreover, if the satellite report is taken into consideration, 10,158 acres of farmlands have gone uncultivated in the district during this period. The shrinking of farmlands is also indicative of a decline in the number of farmers. This ultimately gives rise to doubts on large scale irregularities in sanctioning of loans in the name of fake farmers. Farmers claimed that a clear picture could emerge if a high-level inquiry is undertaken to unravel the corruption.

Reports said over 122 PACS affiliated 10 cooperative banks operate in Jajpur district. The farmers are sanctioned loans for cultivation in Kharif and Rabi seasons through cooperative banks. Farmers alleged that it is nothing but a bait or allurement for them. The banks are not directly recovering the Kharif loan but collecting it on the pretext of sanctioning Rabi loan. Farmers alleged that they had suffered crop loss during the last Kharif season due to floods and cyclonic storms. They were planning to make good of the loss and waiting for the disbursal of Rabi loan.

However, the manipulative practice by the cooperative banks has hit them hard. A farmer Gopinath Biswal alleged that he is now repaying his due for Kharif loan by taking the Rabi loan. He is forced to do this as he will have to pay 13 per cent more interest for the Kharif loan.

He is not receiving a pie towards the Rabi loan. Left with no option, he has to borrow from the local money lenders. https://www.orissapost.com/farmers-allege-scam-in-crop-loan-disbursal/