NEWS ITEMS ON CAG/ AUDIT REPORTS (19.01.2023)

1. **केंद्रीय मदद के बावजूद पूंजीगत व्यय में पीछे रहे राज्य** *(hindi.business-standard.com)* January 18, 2023

कोविड-19 महामारी की वजह से निजी क्षेत्र के निवेश की योजनाएं प्रभावित हुई हैं, वहीं सार्वजनिक क्षेत्र पर पूंजीगत व्यय का पूरा भार आ गया है। पिछले कुछ साल से अर्थव्यवस्था में नए बुनियादी ढांचे पर खर्च बढ़ा है। वहीं चालू वित्त वर्ष में केंद्र सरकार के समर्थन के बावजूद कई राज्यों ने पूंजीगत व्यय में सुस्ती दिखाई है।

मुख्य आर्थिक सलाहकार वी अनंत नागेश्वरन ने पिछले महीने कहा था कि पिछले 10 साल के दौरान सार्वजनिक क्षेत्र का पूंजीगत निवेश 6.8 लाख करोड़ रुपये से बढ़कर 21.2 लाख करोड़ रुपये हो गया है। यह ऐसे समय में हुआ है, जबकि वित्तीय क्षेत्र की कंपनियां अभी भी अपने बही-खाते को दुरुस्त करने में लगी हैं।

सार्वजनिक क्षेत्र से नागेश्वरन का मतलब केंद्र व राज्य सरकारों और सरकारी उद्यमों से है। चालू वित्त वर्ष 2023 में वित्त मंत्री निर्मला सीतारमण ने 7.5 लाख करोड़ रुपये पूंजीगत व्यय आवंटन की घोषणा की थी, जो वित्त वर्ष 2022 के बजट अनुमान से 35.4 प्रतिशत ज्यादा था। इसमें राज्यों को पूंजीगत व्यय की जरूरतें पूरी करने के लिए दिया जाने वाला 1 लाख करोड़ रुपये का ब्याज रहित दीर्घावधि ऋण शामिल है। राज्यों को ब्याजरहित ऋण देने के पीछे यह विचार था कि राज्यों को परियोजनाओं में निवेश करने के लिए प्रोत्साहित किया जाए क्योंकि पूंजीगत व्यय का प्रशासनिक या योजनाओं पर व्यय की तुलना में ज्यादा असर होता है।

बहरहाल 10 बड़े राज्यों (सकल राज्य घरेलू उत्पाद के हिसाब से) के बारे में बिजनेस स्टैंडर्ड के विश्लेषण से पता चलता है ज्यादातर राज्यों ने अब तक पिछले साल की तुलना में वित्त वर्ष 23 में कम खर्च किया है। भारत के नियंत्रक एवं महालेखा परीक्षक (सीएजी) की वेबसाइट पर उपलब्ध आंकड़ों से पता चलता है कि वित्त वर्ष 23 (अप्रैल-नवंबर) के पहले 8 महीनों के दौरान 10 बड़े राज्यों में से 7 राज्यों ने कुल मिलाकर या पूरे साल के पूंजीगत व्यय के प्रतिशत के हिसाब से देखने पर ज्यादा पूंजीगत व्यय नहीं किया है। केंद्र सरकार के अतिरिक्त समर्थन और केंद्र के नीति निर्माताओं द्वारा पूंजीगत व्यय बढ़ाने को लेकर लगातार संदेश देने के बावजूद कम खर्च किया गया है।

अर्थशास्त्रियों का कहना है कि ऐसा कई वजहों से हुआ है। इसमें एक वजह यह भी है कि तेजी से पूंजीगत व्यय बढ़ाने की राज्यों की क्षमता नहीं है और 2022 और 2023 में राज्यों में हुए चुनाव भी एक वजह है, जिसके कारण राज्यों ने योजनाओं और सब्सिडी पर व्यय करने में

ज्यादा ध्यान दिया। ईवाई इंडिया में मुख्य नीति सलाहकार डीके श्रीवास्तव ने कहा, 'मुझे लगता है कि यह क्षमता से जुड़ा मसला है। राज्यों के पास पूंजीगत व्यय करने का कोई ढांचा नहीं है कि वे ऐसा कर सकें। इसलिए वे पूंजीगत व्यय बढ़ाने में सुस्त हैं।'

चार्ट से पता चलता है कि 10 बड़े राज्यों में केवल 3 राज्यों गुजरात, कर्नाटक और पश्चिम बंगाल ने अप्रैल-नवंबर के दौरान हर हिसाब से ज्यादा खर्च किया है। इन 3 राज्यों ने राज्यों ने पिछले साल की समान अवधि और पूरे साल के खर्च के लक्ष्य दोनों हिसाब से ज्यादा खर्च किया है। श्रीवास्तव ने कहा कि यह भी हो सकता है कि कई राज्यों में केंद्र सरकार ने पूंजीगत व्यय अधिक किया हो और बड़ी बुनियादी ढांचा परियोजनाओं में धन लगाया हो।

उत्तर प्रदेश ने इस साल कुल खर्च के हिसाब से पिछले साल की तुलना में ज्यादा पूंजीगत व्यय जारी किया है, जबकि लक्ष्य के प्रतिशत के हिसाब से नहीं बदला है। महाराष्ट्र ने अप्रैल-नवंबर 2022 के दौरान ज्यादा खर्च किया है, लेकिन बजट अनुमान के प्रतिशत के हिसाब से व्यय कम है। https://hindi.business-standard.com/economy/states-lagging-behind-in-capital-expenditure-despite-central-assistance

2. उपेक्षित धरोहरों की सुध लेने का समय, विरासतों पर गर्व की बातें नहीं, उन के संरक्षण के लिए ठोस कदम उठाने का वक्त *(jagran.com)* January 18, 2023

ऐतिहासिक धरोहरें सभ्यता और संस्कृति की जीवंत दस्तावेज होती हैं, जिन्हें देख-पढ़कर हम अतीत के अनछुए पहलुओं का आकलन कर सकते हैं। ऐसी ही एक धरोहर का पता लगाने के लिए भारतीय पुरातत्व सर्वेक्षण (एएसआइ) दिल्ली स्थित पुराना किला की एक बार फिर खोदाई करने जा रहा है। इसके जरिये यह पता लगाया जाएगा कि पांडवों की राजधानी इंद्रप्रस्थ पुराना किला के टीले पर थी या नहीं। यह पहल स्वागतयोग्य है। स्मरण रहे कि भारत ऐतिहासिक एवं सांस्कृतिक दृष्टि से अत्यंत समृद्ध राष्ट्र है। यहां की प्राचीनता दुनिया को आकर्षित करती है।

भारतवर्ष की सामाजिक-सांस्कृतिक धारा प्राचीन काल से ही अविरल रूप से चली आ रही है। भारत की इस अति प्राचीन सांस्कृतिक धारा की प्रत्यक्ष अनुभूति हमें अपनी ऐतिहासिक धरोहरों एवं पुरातात्विक अवशेषों को देखकर होती है। ऐतिहासिक धरोहरों में मुख्य रूप से स्थापत्य की दृष्टि से महत्वपूर्ण भवन, शिलालेख, अभिलेख, स्तंभ, स्मारक, समाधि-स्थल, दुर्लभ चित्र, मंदिर, महल, मूर्तियां, किले और मकबरे आदि आते हैं। ये हमें हमारी जड़ों एवं गौरवशाली परंपराओं से जोड़ते हैं। इन्हें देखकर हम तत्कालीन सामाजिक, सांस्कृतिक, राजनीतिक, धार्मिक एवं आर्थिक स्थितियों एवं व्यवस्थाओं का सहज अनुमान लगा सकते हैं। साथ ही

सभ्यता के ज्ञात एवं उपलब्ध इतिहास के भी पार झांक सकते हैं। यही कारण है कि हर सजग देश अपनी ऐतिहासिक धरोहरों की विशेष देखभाल करता है, परंतु दुर्भाग्य से अपने देश में ऐतिहासिक महत्व की इन धरोहरों के संरक्षण में घोर लापरवाही का मामला संज्ञान में आया है। निःसंदेह ऐसी उपेक्षा के लिए सरकारें अधिक उत्तरदायी होती हैं, परंतु अपनी इन ऐतिहासिक-सांस्कृतिक धरोहरों के प्रति नागरिक-समाज की उदासीनता भी कचोटती है।

संप्रति देश भर में ऐतिहासिक एवं पुरातात्विक महत्व के 3,693 स्मारक हैं, जिन्हें केंद्र सरकार संरक्षित करती है। इनमें से 50 गायब हो गए हैं। गत वर्ष केंद्रीय संस्कृति मंत्रालय द्वारा गठित संयुक्त संसदीय समिति की ओर से प्रस्तुत रिपोर्ट में कहा गया,
'...यह गंभीर चिंता का विषय है कि एएसआइ के संरक्षण में राष्ट्रीय महत्व के कई स्मारक तेजी से गायब हो गए हैं। ये स्मारक शहरीकरण, जलाशयों और बांधों के पानी में जलमग्न होने के कारण खो गए हैं। कुछ स्मारकों की जगह नहीं मिलने और घने जंगलों में उन्हें खोज न पाने की वजह से भी गायब हो गए हैं।' इन लापता स्मारकों में 11 उत्तर प्रदेश के हैं। दिल्ली और हरियाणा के दो-दो स्मारक लापता होने वाले स्मारकों में शामिल हैं।

इस सूची में असम, बंगाल, अरुणाचल प्रदेश और उत्तराखंड के स्मारकों के भी नाम हैं। इन स्मारकों में से 14 तेजी से शहरीकरण के कारण खो गए हैं। वहीं 12 जलाशयों या बांधों की वजह से पानी में डूब गए और बाकी 24 की जगह को खोज पाना असंभव बताया गया है, क्योंकि ये अनट्रेसेबल (अप्राप्य) हैं। एएसआइ के अनुसार,
'आजादी के बाद सरकारों की प्राथमिकताएं स्वास्थ्य और विकास थीं, इसलिए विरासत की घोर उपेक्षा की गई। अब भी कई स्मारक देखभाल की कमी के कारण अस्तित्व के संकट से जूझ रहे हैं।' अभी 3,693 संरक्षित स्थलों में से केवल 248 स्थलों पर 2,578 सुरक्षाकर्मी तैनात हैं। सभी संरक्षित स्थलों की सुरक्षा के लिए निश्चित ही अधिक कर्मियों की आवश्यकता होगी।

उल्लेखनीय है कि 2013 में नियंत्रक एवं महालेखा परीक्षक यानी कैग ने भी अपनी तरह के पहले भौतिक सत्यापन अभ्यास के पश्चात देश भर में 92 स्मारकों को 'लापता' घोषित किया था। कैग की रिपोर्ट में तब यह भी रेखांकित किया गया था कि एएसआइ के पास संरक्षित स्मारकों एवं कलाकृतियों का कोई लिखित ब्योरा नहीं है। स्मारकों के गायब होने का मामला 2017 में लोकसभा में भी उठा था। तत्कालीन केंद्रीय संस्कृति मंत्री महेश शर्मा ने तब ऐतिहासिक एवं संरक्षित स्मारकों की विलुप्ति एवं अतिक्रमण के प्रश्न पर उत्तर देते हुए कहा था कि 'अरुणाचल में कापर टैंपल, असम के तिनसुकिया में शेरशाह की बंदूकें, दिल्ली में बाराखंभा और बंगाल के नदिया जिले में बमनपुकुर किले के खंडहर गायब हो चुके हैं और उनका पता नहीं लगाया जा सकता।

जिन स्मारकों का पता नहीं लगा है, उन्हें खोजने के लिए पुराने रिकार्ड का सत्यापन, रेवेन्यू मैप , प्रकाशित रिपोर्ट, भौतिक निरीक्षण और टीमों की तैनाती की गई है।' सुखद है कि कैग द्वारा लापता घोषित 92 स्मारकों में से 42 को पुनः ढूंढ़ लिया गया है। इसके लिए एएसआइ ने पिछले आठ वर्षों में 8,478 गांवों का सर्वेक्षण किया है। इन गांवों में 2,914 पुरातात्विक अवशेष पाए गए हैं, जिन्हें सहेजने का काम चल रहा है। अब तक 19 राज्यों और केंद्रशासित प्रदेशों में स्थित केंद्र संरक्षित स्मारकों एवं स्थलों से चोरी की 210 घटनाएं हुई हैं, जिनमें 486 वस्तुएं अपने स्थान से गायब हुईं, उनमें से 91 वस्तुएं बरामद कर ली गई हैं और अन्य की बरामदगी के प्रयास चल रहे हैं।

सरकार को यह याद रखना होगा कि ये धरोहरें देश की ऐतिहासिक-सांस्कृतिक पहचान एवं गौरव की जीवंत प्रतीक हैं। ये अतीत, वर्तमान और भविष्य को जोड़ने वाली कड़ी हैं। ये वर्तमान द्वारा भविष्य को सौंपी जाने वाली अमूल्य थाती हैं। इनका क्षरण देश की सभ्यता-संस्कृति का क्षरण है। इनका संरक्षण केवल जागरूकता एवं जिम्मेदारी का ही नहीं, अपितु यथोचित राष्ट्रभक्ति एवं सम्यक राष्ट्रबोध का भी विषय है। दुर्भाग्यपूर्ण है कि विरासतों पर गर्व की बातें तो खूब की जाती हैं, पर उन्हें संरक्षित करने की दिशा में ठोस एवं आवश्यक कदम नहीं उठाए जाते। https://www.jagran.com/editorial/apnibaat-time-to-take-care-of-neglected-heritage-time-to-take-concrete-steps-for-their-protection-23301135.html

STATES NEWS ITEMS

3. CAG report shows the fiscal danger that Goa is facing *(thegoan.net)* January 19, 2023

The report of the Comptroller and Auditor General of India (CAG) presented in the Legislative Assembly on Tuesday painted a bleak growth story of Goa. CAG reports are historically known to critically assess finances based on audits it conducts and suggest corrective measures. However, governments tend to see the figures in these reports as a smear on governance and pick up areas that suit their comfort.

The current CAG report has made some glaring observations in its audit report for the year ending March 31, 2021. 1. It has shown that the Gross Domestic Product growth rate has declined from 14.39 per cent in 2016-17 to 1.31 per cent in 2020-21. 2. The outstanding debt has shot higher than the 25 per cent limit of economic output. 3. The spike in borrowings in 2020-21 has led to a quantum jump in fiscal deficit from Rs 529 crore in 2019-20 to Rs 2,058 crore in 2020-21. 4. The off-budget borrowings have led to a sharp increase in the overall debt. 5. The maturity profile is alarming because within the next seven years, as on March 31, 2021, Goa will have to settle 49 per cent of its total public debt. 6. Loans increased drastically during the assessment period, while revenues showed an 8 per cent slump, with even the tax collections and central taxes showing a decline.

The positives are that the State's growth rate during 2020-21 was higher than the national GDP. Industrial contribution to the economy of the State has increased by more than 4 per cent in the last five years even though the agriculture and services sectors showed a decline. The per capita income of Goa is far higher at Rs 5.23 lakh than the national average of Rs 1.45 lakh. Another positive is that the report showed an increase in population from 15 lakh in 2011 to 16 lakh in 2021. This is much against the theory of out-migration and the exodus of Goans leaving the State. Lastly, the fiscal deficit was contained below 3 per cent of GDP during 2016-20 and below 5 per cent in 2020-21.

The negatives far outweigh the positives in the report, throwing crucial questions on the financial health of the State. Goa has a mountain to climb if the government contemplates bridging the financial deficit. The argument that borrowings are well within the permissible limits is hollow against the figures projected by the CAG. Also, the GDP bettering the national average and positive industrial statistics is hardly a consolation.

The government understands the struggle over finances which has led to uncertainty in payments to some welfare and social schemes, besides the staggered salary bills of contract and temporary employees, leave alone the pension pay-outs. A rosy picture is painted from the outside, but Goa's financial story stands in complete contrast.

In a grim situation, the government will have to consider ways to cut down on borrowings and spending while focusing on upscaling revenue. Signs of mining resumption in the next financial are too feeble to take comfort in, and tourism continues to be a major revenue contributor. Prudent fiscal management that includes drastic capital expenditure cuts and austerity measures should be the way forward. The CAG notings cannot be taken lightly. https://www.thegoan.net/editorial/%EF%BB%BFcag-report-shows-the-fiscal-danger-that-goa-is-facing/94103.html

4. Goa: Decline in Goa's GDP growth rate, says CAG report *(freepressjournal.in)* January 18, 2023

In worrying signs for the State, the Comptroller and Auditor General of India has revealed that Goa's Gross Domestic Product growth rate has declined from 14.39 per cent in 2016-17 to 1.31 per cent in 2020-21.

The CAG report was report presented in the State Legislative Assembly on Tuesday.

The State's current year's growth rate of 1.31 per cent was significantly lower than its growth rate of 9.95 per cent (2019-20). However, the State's growth rate during 2020-21 was higher than the national GDP, states the CAG report.

The CAG report further points out that industrial sector is the primary driver of the State's economy and its contribution to GSDP has increased by more than 4 per cent in the last 5 years. https://www.freepressjournal.in/goa/goa-decline-in-goas-gdp-growth-rate-says-cag-report

5. Appropriation Bill passed, allows govt to withdraw over Rs 1,200cr *(timesofindia.indiatimes.com)* Jan 19, 2023

The Goa Appropriation Bill, 2023, was passed in the House on Wednesday. The Bill empowers the government to withdraw over Rs 1,200 crore from the state's Consolidated Fund as supplementary grants for the financial year 2022-23.

Chief Minister Pramod Sawant said that CAG has pointed out that Goa's GSDP is 1.1% which is higher than the national rate. "CAG stated that Goa economy is having positive rate," Sawant said.

Sawant said that over Rs 100 crore will be utilised for pension and salaries and over Rs 160 crore would be utilised for schemes. Sawant said that revenue from mining will start in two to three years. Sawant said that the state government will make budgetary provision of funds for the Konkani Bhavan.

Fatorda MLA Vijai Sardesai said that considering the utilisation of funds by the government this year, 20% budget will remain unutilised.

Sardesai questioned why the state government did not retender the mining block after the export duty was withdrawn. "The last date for purchase of tender was November 15, 2022 and the central government withdrew the export duty on November 18. To get maximum revenue for the state, why the government did not re-tender the blocks to get optimum value for natural resources?" Sardesai said.

Opposition leader Yuri Alemao demanded allocation of funds for the Konkani Bhavan, among other projects. https://timesofindia.indiatimes.com/city/goa/appropriation-bill-passed-allows-govt-to-withdraw-over-rs-1200cr/articleshow/97102200.cms

6. महामारी ने गोवा की अर्थव्यवस्था पर कहर बरपाया, राज्य को और कर्ज में धकेल दिया, CAG रिपोर्ट से पता चलता है *(jantaserishta.com)* January 18, 2023

गोवा की अर्थव्यवस्था को कोविड - 19 महामारी का खामियाजा भुगतना पड़ा क्योंकि राज्य की वृद्धि 2020-21 में मात्र 1.31 प्रतिशत रही, जबकि 2019-20 में यह 9.95 प्रतिशत थी। राज्य के सकल घरेलू उत्पाद (एसजीडीपी) की वृद्धि दर 15वें वित्त आयोग के 10.90 प्रतिशत के अनुमान से काफी कम थी।

नियंत्रक एवं महालेखा परीक्षक (CAG) द्वारा जारी आंकड़ों से पता चलता है कि राज्य 2016 से 2019 के राजस्व अधिशेष से 2019-20 के दौरान 325 करोड़ रुपये के राजस्व घाटे में चला गया, जो 2020-21 के दौरान बढ़कर 1,653 करोड़ रुपये हो गया। महामारी के लिए। गोवा के कृषि और सेवा क्षेत्र में बड़ी गिरावट देखी गई।

साथ ही, मार्च 2021 के अंत में राज्य सरकार का कुल बकाया कर्ज 27,310 करोड़ रुपये था।

"यह देखा जा सकता है कि राज्य की जीडीपी विकास दर 2016-17 में 14.39 प्रतिशत से घटकर 2020-21 में 1.31 प्रतिशत हो गई। कोविड-19 महामारी के कारण राज्य की चालू वर्ष की विकास दर 1.31 प्रतिशत इसकी विकास दर 9

.95 प्रतिशत (2019-20) और एफसी XV के 10.90 प्रतिशत (2020-21) के अनुमान से काफी कम थी। हालांकि, 2020-21 के दौरान राज्य की विकास दर राष्ट्रीय जीडीपी से अधिक थी, "कैग ने 31 मार्च, 2021 को समाप्त अपनी रिपोर्ट में कहा।

आंकड़ों से पता चलता है कि इस अवधि के दौरान उद्योग क्षेत्र राज्य की अर्थव्यवस्था का प्राथमिक चालक था और जीएसडीपी में इसका योगदान पिछले पांच वर्षों में चार प्रतिशत से अधिक बढ़कर 2016-17 में 47.82 प्रतिशत से बढ़कर 52.43 प्रतिशत हो गया है। 2020-21 में।

दूसरी ओर, कृषि और सेवा क्षेत्र के योगदान में इसी अवधि के दौरान क्रमश: 2.38 प्रतिशत और 2.39 प्रतिशत की गिरावट देखी गई।

कैग ने बताया कि केंद्र से हस्तांतरण 2011-12 में 917 करोड़ रुपये से बढ़कर 2020-21 में 3,386 करोड़ रुपये हो गया। वहीं, पिछले साल के मुकाबले 2020-21 में केंद्रीय करों में राज्य की हिस्सेदारी 184 करोड़ रुपये और केंद्र से मिलने वाले अनुदान में 290 करोड़ रुपये की कमी आई है।

"2020-21 के दौरान, पिछले वर्ष की तुलना में कुल ऋण में 3,967 करोड़ रुपये की वृद्धि हुई; मुख्य रूप से बाजार उधारी में वृद्धि के कारण, जो कि 3,054 करोड़ रुपये है। समग्र ऋण-जीएसडीपी अनुपात 2016-17 में 26.71 प्रतिशत से बढ़कर 2020-21 में 31.51 प्रतिशत हो गया, "कैग ने कहा। https://jantaserishta.com/local/goa/pandemic-wreaked-havoc-on-goas-economy-pushed-state-further-into-debt-reveals-cag-report-1943582

7. Revenue mobilisation, fiscal consolidation measures to feature high in State Budget *(thehindu.com)* January 18, 2023

Kerala: The Minister on Tuesday hinted at the possibility of tax revisions in the Budget, saying that many slabs have been left untouched for years. The Budget is expected to list measures for shoring up own tax and non-tax revenues through timely revisions and improving collection, official sources said.

As example, Mr. Balagopal had pointed to professional tax and stamp duty as not having undergone timely modification. The revamp of the State Goods and Services Tax (SGST) Department, which has now been completed, is expected to add teeth to the government's efforts to plug tax leaks and improve collection in the 2023-24 fiscal.

The Budget is not likely to feature financing of new projects via the Kerala Infrastructure Investment Fund Board (KIIFB) route, given the Centre's categorisation of KIIFB and Kerala State Social Security Pension Ltd (KSSPL) borrowings as direct debt of the State and the consequent reduction of ₹14,312.80 crore from the open market borrowing (OMB) limit of the State.

This amount is being deducted in four annual instalments. The government is likely to go in for rationalisation and prioritisation of the 960-plus approved KIIFB projects worth a little over ₹70,000 crore, according to sources.

According to Mr. Balagopal, Kerala will be deprived of around ₹24,000 crore in the current fiscal compared to last year due to the discontinuation of GST compensation, dip in revenue deficit grant, and cuts due to the Centre's stand on 'off-budget' borrowings.

That said, the State has registered 67.02% and 31.55% increase in own tax revenue respectively in the first and second quarters of 2022-23 compared to the previous fiscal, show Assembly documents.

Resource mobilisation is also key to keep the growth engine chugging. The GSDP had registered a post-pandemic growth of 12.01% in 2021-22, mostly spurred by rapid growth in tourism-related industries.

The real estate segment has registered a 39.47% increase in registration of new projects in 2022 over the previous year, according to the Kerala Real Estate Regulatory Authority.

The Budget is expected to make an attempt at reducing government expenditure, sources said. Revenue expenditure rose from ₹91,096.31 crore in 2016-17 to ₹1,23,446.33 crore in 2020-21, a 35.51% spike, the Comptroller and Auditor General (CAG) had noted in the State Finances audit report tabled in the Assembly in July 2022.

The CAG had pegged the overall debt of the State at ₹3,24,855.06 crore, urging the government to ''formulate a realistic Budget based on reliable assumptions of the needs of the departments and their capacity to utilise the allocated resources".

At the pre-Budget consultations convened by Mr. Balagopal, experts also urged the government to tone down spending. https://www.thehindu.com/news/national/kerala/revenue-mobilisation-fiscal-consolidation-measures-to-feature-high-in-state-budget/article66398179.ece

8. Activists stage protest against non -implementation of RTE Act in Punjab in letter & spirit in Punjab *(babushahi.com)* Jan 18, 2023

A group of activists led by Kirpal Singh, a retired officer of AG Punjab and activist staged protest against non -implementation of RTE Act in Punjab in letter & spirit in Punjab. Kirpal Singh said that they were demanding the implementation of Right to free and compulsory Education Act 2009 (RTE Act 2009) in the state in letter and spirit.

Kirpal Singh and these activists have been fighting for the implementation of the fundamental right of poor students of Punjab to get quality education in unaided private schools as per the provisions of the Right to free and compulsory Education Act 2009 (RTE Act 2009).

"The Punjab which is the land of Saints and Gurus is deprived of the right of poor students in the age group of 6 to 14 years to get quality education from pre-nursery to 8th standard despite fundamental right under the Right to Education under Article 21A granted by the Indian constitution," said Kirpal Singh.

He further stated that the RTE Act 2009 has been implemented in the entire country except for Punjab. According to this Act, there is a provision of providing free and compulsory quality education to at least 25 percent of poor students from pre-nursery to 8th standard in unaided private schools. This Act has been implemented with effect in the country with effect from 01.04.2010.

"This Act has been passed by the Indian Parliament. However, this Act has not been implemented in Punjab due to a defective notification issued by the then Akali Dal Government of Punjab on 01.10.2011. According to this notification issued by the Punjab Government, poor students can be admitted to unaided private schools if NOC is issued by government schools concerned to the effect that the admission cannot be done due to lack of vacant seats. This notification is unconstitutional as it is against the RTE Act 2009 passed by the Indian Parliament. According to the RTE Act, 2009, there is no mention of the issue of NOC by the government schools for getting admission to the extent of a minimum of 25 percent seats from pre-nursery to 8th standard in unaided private schools. There are no specified seats in government schools for admission from pre-nursery to 8th standard as is the case for admission in MBBS or engineering courses. All the students are admitted to the government schools in Punjab in all classes and no student is denied admission. As such, the question of the issue of NOC by government schools to the students does not arise. Due to this reason, not even a single poor student has been admitted in Punjab from 01.04.2010 till date against the minimum requirement of 25 percent admission in unaided private schools.There are about 9500 unaided private schools in Punjab. There are 362 such schools in Mohali alone. Due to the non-implementation of the RTE Act 2009 by successive governments, lakhs of poor students have been deprived of their constitutional right in getting quality education despite constitutional protection," said Kirpal Singh.

He stated that the Comptroller and Auditor General of India (CAG of India) has also made a serious comment in his report for the Government of Punjab ended for the year 31.03.2016. It has been mentioned in CAG's report that the poor students belonging to the weaker sections and disadvantaged groups have not been admitted to Government schools for providing a minimum of 25 percent admission in various classes. This report was submitted to the Punjab Assembly in the year 2017 for taking further necessary action. But unfortunately, this issue of admission of poor students in unaided private schools as per the RTE Act of 2009 did not get any priority during the previous governments.

"The Akali Dal Government had issued the notification about RTE Act late by about one and half years on 01.10.2011 though this Act was applicable with effect from 01.04.2010. This fact also shows a lack of seriousness on the part of the then Government. Apart from avoidable delays, the said government is responsible for issuing defective notifications playing with the life of lakhs of poor students who have been deprived of their opportunity in getting quality education during the last 12 years since 01.04.2010. Surprisingly, even the present Aam Admi Party government of Punjab headed by Mr. Bhagwant Singh Mann did not give any heed to this serious issue though this government attaches great importance to the education sector. It is important to note that the directions of the National SC Commission for the implementation of the RTE Act have also been violated by the Punjab government from time to time. Besides, the appeals and memorandums submitted by various individuals and organizations to CMs of Punjab and authorities like the PM, President, NCSC, etc. have failed to get any justice for the poor students belonging to the weaker sections and disadvantaged groups of the society," he said. https://www.babushahi.com/education.php?id=158635

SELECTED NEWS ITEMS/ARTICLES FOR READING

9. Budget 2023: Divestment remains a dilemma *(forbesindia.com)* UPDATED: Jan 18, 2023

The government has so far missed its Rs 65,000 crore divestment target for FY23 by a significant margin despite the LIC IPO. Economists believe it's an uphill task ahead and the number for FY24 may be scaled down in the upcoming budget

With less than a quarter left for FY23 to end, the government is likely to fall short of its divestment target of ₹65,000 crore by a significant margin. As a result, it is expected to set a more realistic target for FY24 during Budget 2024. Economists also believe that, with an eye on the general elections next year, privatisation of government's existing assets may not be on the agenda.

Madan Sabnavis, chief economist, Bank of Baroda, expects the government to scale down the disinvestment target to around ₹40,000 crore for FY24. There are two reasons for this. One is that most of the low-hanging fruits have been plucked and hence, it would, progressively, be more challenging to divest its stake in PSUs (public sector undertakings). Second, with the global situation still uncertain—which has a bearing on oil prices—the government will tread carefully on getting one of the OMCs (oil marketing companies) for sale, as planned earlier. The last PSU sale in 2022 did not meet market expectations and, therefore, the target will be more pragmatic, Sabnavis says.

"The divestment target for FY24 will be lower for sure. However, with other income streams like corporate and Goods & Services Tax (GST) being buoyant, there would be no undue pressure on fiscal balances. The more important thing is to get the number right for 2023-24 because the same buoyancy in taxes may not be available," Sabnavis tells Forbes India.

The minority stake sale of companies by the government or divestment is when the government intends to sell a part of a PSU from its overall shareholding. After the stake sale, the government's ownership remains above 51 percent in such cases.

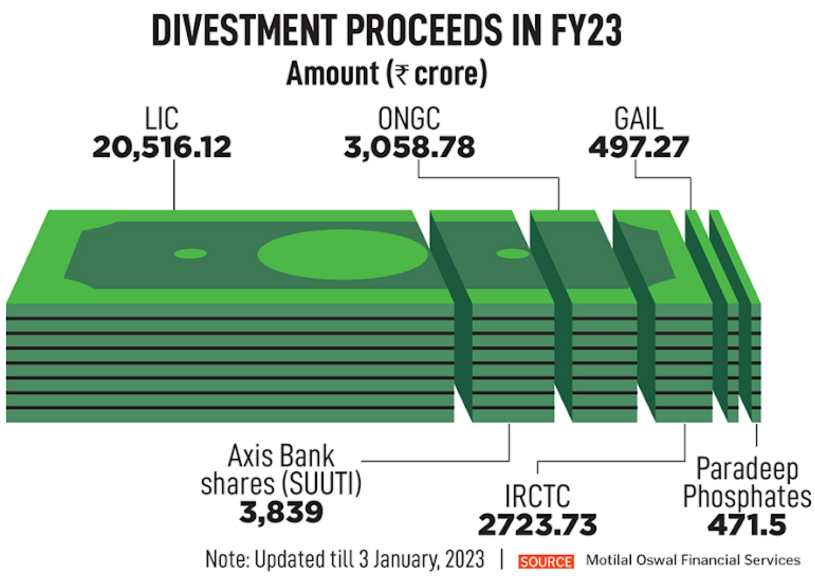
In FY23, the government has divested ₹31,106.4 crore, according to Department of Investment and Public Asset Management (Dipam) data. Of this, ₹20,516.12 crore was raised by selling its stake in Life Insurance Corporation of India (LIC) via an initial public offering (IPO). The government offloaded 3.5 percent stake in LIC.

The government in FY23, as of January 4, has raised ₹3,058.78 crore through offer-for-sale in ONGC and ₹3,839 crore by sale of shares in Axis Bank held by SUUTI (specified undertaking of the Unit Trust of India or UTI). SUUTI, which has minority stakes in several listed and unlisted companies, was created after UTI was bifurcated by the government in 2002. In addition to the stake sale, the government has received ₹36,637.78 crore through dividends from PSUs, according to Dipam data on its website.

Suvodeep Rakshit, senior economist, Kotak Institutional Equities, expects the FY24 divestment target to be modest. "There are holdings across sectors and SUUTI holdings which the government would aim to divest out of… assuming the markets are supportive," he says.

According to Garima Kapoor, economist-institutional equities, Elara Capital, the government is likely to project a more realistic target of ₹40,000-45,000 crore for disinvestments in FY24. She says the lacklustre progress in disinvestment this fiscal suggests the need to be pragmatic with targets. "Due to market conditions, the proposed sale of Bharat Petroleum Corporation (BPCL) couldn't go through, but realisation from the LIC divestment was lower than expected and proceeds of the IDBI Bank sale are unlikely to materialise in FY23," she adds.

Aditi Nayar, chief economist, ICRA, estimates that the FY24 divestment target could be pegged at ₹60,000 crore to ₹1 lakh crore in the Budget as a pipeline of disinvestment would add credibility to the government's fiscal deficit targets.



Roadblocks in FY23

The ambitious LIC IPO sailed through, but meeting the ₹65,000 crore divestment target appears to be an uphill task. Historically, the government has been missing divestment targets for the full year. It had made a drastic cut in the target for FY22 to ₹78,000 crore from ₹1.75 lakh crore. "Improvement in the pace of economic recovery would provide new avenues for enhancing disinvestment receipts in the financial year," the government had said in Budget documents in February 2022.

Big-ticket strategic stake sales in PSUs like BPCL, BEML, Container Corporation of India and Shipping Corporation of India are still pending. "There is still some time to meet the target of ₹65,000 crore. However, unless the government chooses to divest out of the larger companies, meeting the target may be difficult," says Rakshit.

"There have been gains in direct taxes and GST which will more than cover up for any shortfall in divestments in FY23. The expenditure side has also expanded on certain items, but with some expenditure savings and a higher-than-budgeted nominal GDP growth, the government will be able to stick to its gross fiscal deficit/GDP target of 6.4 percent."

With a collection of ₹1.5 lakh crore in December (for sale in November), GST collections have now exceeded the ₹1.4 lakh crore-mark for 10 months in a row. The GST collections for December were up by 15.2 percent year-on-year, and 2.5 percent from November, reflecting the festive demand. A total of 7.9 crore e-way bills (electronic bills for movement of goods across the country) were generated in November, higher than 7.6 crore in October.

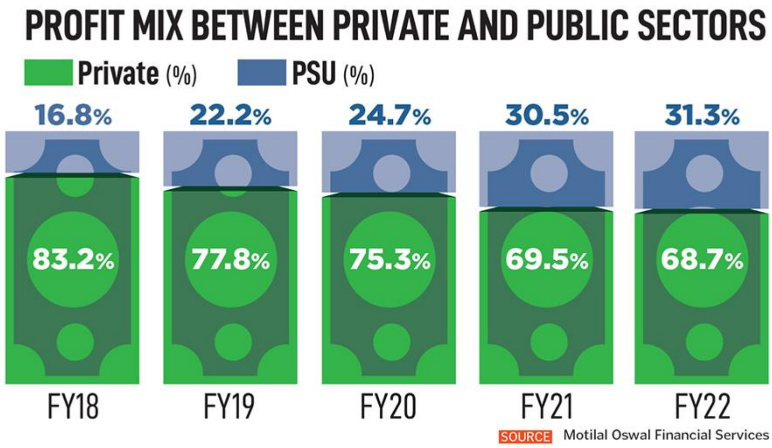
A slew of factors such as the Russia-Ukraine war as well as commodity prices delayed the government’s divestment plans in FY23. “It was mainly a combination of uncertain global environment and the whimsical nature of the markets that came in the way. Also, the performance of the big disinvestment of 2022-23 was less than market expectations which came in the way of accelerated disinvestment this year. The oil economics was also distorted with inflation causing the government to partly pass on the burden to the OMCs,” Sabnavis explains.

Additionally, the lack of due diligence and proper planning have also been partly responsible for slow divestments. “For instance, the Pawan Hans deal was put on hold after a report revealed that the consortium to which it was sold is led by a financial company based in tax haven Cayman Islands; the company had defaulted in payment in an acquisition case under the Insolvency and Bankruptcy Code,” says Kapoor.

Another reason for the delay in divestment in government-run listed companies is the weak performance of PSU shares on the stock markets. However, that is now improving. According to an analysis by Motilal Oswal Financial Services, during FY12-17, profitability and market cap performances were extremely tepid with overall PSU profits declining at 5 percent compound annual growth rate (CAGR) and BSE PSU index generating returns at 3.3 percent CAGR. Between FY17 and FY22, PSU profits expanded at 22 percent CAGR while BSE PSU index remained flat. Subsequently, PSU index rose by 17 percent post April 2022.

During FY17-22, the BSE PSU index (flat) underperformed the Nifty (13.7 percent growth). PSUs’ share in India’s market cap dropped to 10 percent in FY22 from 28 percent in FY12, but it is now recovering and currently stands at 13 percent. Over a similar period, India’s market cap multiplied to ₹265 lakh crore in FY22 from ₹58 lakh crore in FY12, and it currently stands at ₹289 lakh crore.

“Loss pools of PSUs have reduced consistently over the last five years. The contribution of loss-making companies has dwindled over the past few years, which is currently at 1 percent of the profit pool versus 47 percent in FY18. The share of PSUs in the profit pool expanded to 31.3 percent in FY22 after hovering in the range of 17 to 30 percent during the past few years,” says Gautam Duggad, head, research, Motilal Oswal Institutional Equities.



Privatisation: Why not?
"Privatisation means selling fully to a third party while disinvestment would be selling part holding in any company. There is active talk on privatisation of a private bank held jointly by the government and LIC, which will show the way forward for such decisions. From a purely political point of view, disinvestment is always a safer option just before the elections. But we should remember that during the announcement of the Atmanirbhar schemes, the government was clear about privatisation of non-strategic companies and hence that could be considered as a medium-term goal," says Sabnavis.

As privatisation of government-run companies typically take longer, it may not be a top priority after completion of the IDBI Bank sale in FY24, according to economists. "Privatisation is more challenging as it has a large employee base as well as inter-company synergies need to be taken into account. While privatisation will remain an active agenda, divestment will be an easier approach in the short term," Rakshit explains.

After Air India's sale, the government's privatisation process has been slow. Other than IDBI Bank, it had proposed to take up the privatisation of two public sector banks and one general insurance company in 2021-22. The needle hasn't moved much there.

"The government's intent towards privatisation of companies under the non-strategic sector remains intact," says Arora. She believes more than the elections, market conditions will determine the ability to successfully privatise. "We are likely to confront global recession even as global central banks, especially in advanced economies, are likely to continue the path of quantitative tightening," she says.

On October 7, the government had invited expression-of-interest (EoI) offering to sell a total of 60.72 percent stake in IDBI Bank, which includes 30.48 percent held by the government directly and 30.24 percent by state-run LIC, along with the transfer of management control. Currently, the government and LIC hold 45.48 percent 49.24 percent respectively in IDBI Bank. The stake sale is not completed yet and the EoI deadline was extended from December 16 to January 7. "On immediate basis, even if the government can deliver on the IDBI Bank's sale, it would end up sending the right message with respect to reforms," says Arora. https://www.forbesindia.com/article/budget-2023-special/budget-2023-divestment-remains-a-dilemma/82615/1

10. Highway ministry asset monetisation peaks at ₹61,000 cr in 2 years *(fortuneindia.com)* Jan 18, 2023

Innovative financing mechanisms by the ministry of road transport and highways, including asset monetisation through various routes, has helped the government realise ₹61,037 crore from the road sector in the past two years. The government hopes to raise an additional ₹9,600 crore by March 2023 to supplement the public resources deployed for highways construction in the country.

According to the ministry of finance, the highway ministry has realised a total of ₹14,268 crore till October in the current financial year. A total of ₹7,518 crore has been realised by monetising 241 km via toll operation and transfer (ToT) model of asset monetisation of the road projects.

Under the toll operate and transfer model, the concessionaire bags the tolling rights of a highway stretch by making a lump sum payment upfront to the government. Thereafter the investor earns the revenues and is also responsible for the upkeep of the stretch, while the incremental toll revenue serves as the return on investment.

Sources in the ministry of road transport and highways have pointed out the ministry is working on a large bunch of projects that will be offered under the ToT model of monetisation in FY24.

On the other models and the funds raised, the ministry of finance said ₹2,850 crore (248 km) has been raised via infrastructure investment trust. Additionally, ₹3,800 crore has been raised through project based financing for the Delhi-Mumbai expressway, an eight-lane Greenfield expressway having a total length of 1,386 km. The capital cost of building the expressway is ₹1,01,420 crore.

Sharing the construction update of the expressway, the ministry of finance said the construction work of 1,368 km has been awarded to various construction agencies and 724 km of the project has be completed by October 2022. The ministry said the balance of 18 km will be awarded by March 2023. The ministry said a substantial portion of the expressway will be completed in FY24. https://www.fortuneindia.com/macro/highway-ministry-asset-monetisation-peaks-at-61000-cr-in-2-years/111195

11. India to become a $26 trillion economy by 2047: EY report *(moneycontrol.com)* Jan 19, 2023

India is expected to become the fastest-growing large economy with a gross domestic product (GDP) size of $26 trillion by 2047, according to a forecast by EY.

The 'Big Four' accounting firm also forecasts India witnessing a six-fold increase in its per capita GDP that would cross $15,000 by 2047, putting the country among the ranks of developed economies.

The report, India@100: Realizing the potential of a $26 trillion economy, was launched by Union railway minister Ashwini Vaishnaw on the sidelines of the World Economic Forum at Davos, Switzerland.

“In line with Prime Minister Narendra Modi’s vision, India has commenced its journey into 'Amrit Kaal', a uniquely auspicious period, representing India’s opportunity to herald a new world era. There is an unparalleled impetus on developing world-class infrastructure supported by growth and investment-oriented policies and reforms to establish India as a manufacturing and technology hub," Vaishnaw said.

"Over the next decade, India will not only be the fastest growing economy but will also play an integral role in leading the world into a sustainable future.”

The report states India would have a significant advantage owing to its strong domestic demand, digitalization, largest talent pool globally, financial inclusion, global competitiveness, and sustainability transition.

Macroeconomic stability, ease of doing business, power sector reforms and greater energy independence are key to economic resilience, it added.

The report also cites key enablers that will underpin the country's development over the next 25 years that will unleash business opportunities across sectors and will significantly enhance India's global competitiveness.

It recommends ensuring macro-economic stability and resilience and continued thrust on reforms, which will be especially relevant in the backdrop of on-going geo-political conflicts, inflationary pressures and slowing global growth.

Using International Monetary Fund's (IMF) medium-term projections and Organization for Economic Co-operation & Development (OECD)'s long-term forecasts, EY has made projections under alternative assumptions covering the period FY2023 to FY2061.

Under the most preferred scenario, India is likely to cross the critical thresholds of $5 trillion, $10 trillion and $20 trillion in market exchange rate terms in FY2028, FY2036 and FY2045, respectively. https://www.moneycontrol.com/news/india/india-to-become-a-26-trillion-economy-by-2047-ey-report-9891651.html

12. Govt proposes slew of changes to insolvency law *(indianexpress.com)* Jan 18, 2023

The government on Wednesday proposed a slew of changes to the insolvency law, including fast-tracking the process and expanding the scope of pre-packaged framework.

The Insolvency and Bankruptcy Code (IBC), which came into force in 2016, provides for a market-linked and time-bound resolution of stressed assets. The Code has already undergone various amendments.

"To strengthen the functioning of the IBC, changes to the Code are being considered in relation to the admission of corporate insolvency resolution process (CIRP) applications, streamlining the insolvency resolution process, recasting the liquidation process, and the role of service providers under the Code," the ministry said in a notice.

Among other changes, the corporate affairs ministry has suggested developing a state-of-the-art electronic platform that can handle several processes under the Code with minimum human interface.

"It is being considered that this e-platform may provide for a case management system, automated processes to file applications with the AAs, delivery of notices, enabling interaction of IPs (Insolvency Professionals) with stakeholders, storage of records of CDs (Corporate Debtors) undergoing the process, and incentivizing participation of other market players in the IBC ecosystem," the notice said.

The ministry has also proposed redesigning the Fast-Track Corporate Insolvency Resolution Process (FIRP) to allow financial creditors to drive the insolvency resolution process for a CD outside of the judicial process while retaining some involvement of the Adjudicating Authority (AA) to improve the legal certainty of the final outcome.

"It is being considered that the provisions dealing with FIRP may be amended to provide that unrelated FCs (Financial Creditors) of a CD may select and approve a resolution plan through an informal out-of-court process and involve the AA only for its final approval (or a moratorium, if needed).

"Insolvency resolution through this procedure will be available for CDs with such asset size as notified by the central government. Further, the resolution plan approved through this procedure will have the same sanctity as a regular plan approved during the CIRP (Corporate Insolvency Resolution Process)," the notice said.

Another proposal is to expand the pre-packaged insolvency resolution framework to certain categories of corporate debtors in addition to Micro, Small and Medium Enterprises (MSMEs). https://indianexpress.com/article/business/govt-proposes-slew-of-changes-to-insolvency-law-8390160/

13. Oxfam's latest report is a wake-up call on the ever-increasing gulf between India's haves and have-nots *(downtoearth.org.in)* 19 Jan 2023

Oxfam released the Survival of the Richest report January 16, 2023 at the start of the World Economic Forum in the Swiss resort town of Davos. The document has brought to light the ever-increasing economic inequalities between the different sections of society in various countries of the world.

The report also has data on some important aspects of the ever-increasing economic inequalities in India.

Some 40.5 per cent of the wealth generated between 2012 and 2021 went to the top 1 per cent of the population, while only 3 per cent went to the bottom 50 per cent, according to the report.

Of the total goods and services tax collected in India, only 4 per cent came from the top 10 per cent, while 64 per cent came from the bottom 50 per cent.

Wealthy people benefit from reduced corporate tax rates, tax breaks and other concessions. During the COVID-19 pandemic, the income and wealth of the bottom 50 per cent of people have decreased.

The number of billionaires in India increased to 166 in 2022 from 102 in 2020. The wealth of Indian billionaires increased by Rs 3,608 crore per day from the start of the pandemic to November 2022. This, even as workers struggled to make ends meet.

The report also brought to light the poor economic condition of women workers, scheduled castes and rural workers.

A planned economy
After the independence of the country, the Planning Commission was formed in 1950. The five-year plans began in 1951. The economic progress of India and the welfare of its people were made the main issue in these plans.

Monitoring and regulation over private sector units was ensured, with priority given to public sector units.

The period from 1951-80 is considered as the planning period. During this period, economic inequalities between the different sections of Indian society decreased. After 1980, planning was put in reverse gear. Since 1991, new economic policies have been adopted in favour of the capitalist / corporate world.

During 2015, the Planning Commission was replaced by the pro-corporate NITI Aayog. There has been a continuous increase in economic inequalities between the different sections of Indian society from 1981 to the present day.

During 1951, about 81 per cent of the country's population was dependent on the agricultural sector for its livelihood, which was given about 55 per cent of the national income.

In 2018-19, about 50 per cent of India's population, which was dependent on the agricultural sector for its livelihood, was given only about 16 per cent of the national income.

The country's agricultural production depends on farmers, agricultural labourers and rural artisans. During the 1960s, when the country was facing a severe shortage of food grains, the government decided to adopt the New Agriculture Technology to overcome this problem.

This technology was a package of high-yielding seeds, assured irrigation, chemical fertilisers, pesticides, fungicides, herbicides and other chemicals, machinery and modern methods of farming.

The hard work of farmers, agricultural labourers and rural artisans and the excessive use of natural resources solved India's huge shortage of food grains. However, the economic conditions of these groups have deteriorated due to the agricultural policies adopted by the country.

According to official data, farmers and agricultural labourers continue to die by suicide in various states of the country. Among farmers, the deaths of marginal and small farmers by suicide is particularly high, while agricultural labourers are also increasingly dying by suicide.

A very sad aspect in this regard is that women and children from the families of marginal and small farmers as well as agricultural labourers are also dying by suicide. Such families are not even being rehabilitated properly. No data are being collected on rural artisans dying by suicides.

According to the 2011 census, there are 118.8 million farmers and 144.3 million agricultural labourers in India. Some 68.45 per cent of India's farmers are marginal (farming on less than a hectare), 17.62 per cent are small (1 hectare to less than 2 hectare) and the remaining 13.93 per cent are semi-medium, medium and large farmers.

Among these different categories of farmers, the economic conditions of marginal and small farmers are very poor. Most of the farmers in these categories have very few commodities to sell in the market.

Some farmers even sell a part of the grains stored for the whole year in the market to meet their needs of clothes, medicines and other products. Some farmers are also compelled to sell their A-grade agriculture products and buy the lowest grade ones from the market for their consumption.

As a result of the New Agriculture Technology adopted to overcome the problem of huge shortage of food grains in India, the ever-increasing use of herbicides and machinery has reduced employment opportunities for all sections dependent on agriculture.

But it has hit agricultural labourers and rural artisans particularly hard because both these landless classes have no other means of production except to sell their labour.

With the passage of time, there has been industrial progress in the country. Large industrial units are being given more concessions than micro, small and medium industrial units.

Larger industrial units mostly use automated machinery, which results in fewer employment opportunities for industrial workers. Micro, small and medium industrial units provide more employment opportunities. But the neglect of such units by the government compared to large industrial units is reducing employment opportunities in the industrial sector.

Rapid privatisation of public sector industrial units is also one of the reasons responsible for widening economic inequalities.

From 1991 to the present day, there has been considerable progress in the service sector — education, health care, finance and some others. The corporate sector has benefited greatly because of this progress.

The average Indian cannot even dream of availing the services being provided by the corporate sector. A large number of young people migrate to other countries due to the ever-increasing decline in employment in the agricultural, industrial and service sectors in India and the low quality of available employment.

The migration of young people from India to other countries is creating major problems for the country in the form of brain drain, capital drain and loss of demographic dividend.

About 90 per cent of India's workers are in informal employment. Their economic conditions are very poor. They do not get annual promotion, dearness allowance, bonus and many other facilities. The uncertainty of employment for the coming day keeps haunting them.

What is the solution?
It is the need of the hour to control the rapidly increasing economic inequality for the welfare of India's people.

The share given to the agricultural sector from the national income must be increased at least to such an extent that all classes dependent on the agricultural sector for their livelihood can meet the basic needs of life in a respectable manner.

Adequate concessions for the promotion of micro, small and medium industrial units should be ensured. Priority should be given to the re-establishment of public sector units in the industrial and services sectors.

Oxfam's 2023 report calls for public education and health services to be prioritised, along with recommending an increase in taxes on corporates as well as ensuring their collection to reduce economic inequalities.

In order to implement these suggestions, the prosperity line also needs to be defined in addition to redefining the poverty line. It is necessary to shift towards a mixed economy in which the public sector is the main priority and there is monitoring and regulation of the private sector's functioning.

To do this, it is necessary to adopt a pro-people and nature-friendly economic development model instead of a pro-corporate world economic development model. https://www.downtoearth.org.in/blog/governance/oxfam-s-latest-report-is-a-wake-up-call-on-the-ever-increasing-gulf-between-india-s-haves-and-have-nots-87210

14. Global minimum tax could bring governments higher revenues than thought *(livemint.com)* 19 Jan 2023

Governments could get a bigger windfall than previously estimated if they implement a planned overhaul of international tax rules, the Organization for Economic Cooperation and Development said Wednesday.

The Paris-based body guided lengthy talks that eventually led to the October 2021 international tax agreement. The plan set a minimum tax rate of 15% on the profits of large businesses and shifted some tax revenues to where companies sell to consumers, rather than where they are based.

Adopted by 137 countries, the tax deal is the most significant to be agreed by such a large group of countries in a century. But progress toward translating it into national laws has been slow, including in the U.S., where it is stranded in Congress.

In its second analysis, the OECD significantly raised its estimates both for the additional revenues generated by the minimum tax rate and for the revenues to be reallocated under the second plank of the plan.

It now expects the minimum tax to boost revenues by $200 billion annually, rather than the $150 billion forecast previously. And it sees $200 billion in existing revenues that would be reallocated, up from $125 billion previously. The OECD also thinks the reallocation of taxing rights would generate new revenue of between $13 billion and $36 billion.

OECD officials said the higher estimates reflect larger profits for big companies over recent years, changes to the proposed taxes and better data.

"This all increases our confidence in the results," said David Bradbury, head of tax policy at the OECD.

The prospect of a bigger increase in revenues could give governments an added incentive to implement the international agreement.

The most significant implementation move so far was a December agreement among the European Union's 27 members to start collecting revenues under the minimum tax from 2024.

One feature of the 2021 agreement is that a country can collect taxes on profits made by companies based in other jurisdictions to ensure that the goal of 15% is reached if those other jurisdictions don't collect the tax themselves.

The OECD said that steps to implement the minimum tax have featured in the budgets of the U.K. and Canada, and are in South Korean law. The body said Singapore, South Africa, Switzerland, and Hong Kong have announced plans to implement the tax, while Australia, Malaysia, and New Zealand have opened public consultations.

However, the Biden administration failed in its attempt last year to get the plan through Congress with narrow Democratic majorities. Prospects look even dimmer next year, with Republicans taking control of the House of Representatives in January.

U.S. Republicans aren't the only critics of the agreement. Nigeria, Kenya, Pakistan and Sri Lanka have refused to sign up. That group argues that the minimum tax rate has been set too low to give them the additional tax revenues they need, and has similar criticisms of the new way of sharing out tax revenues, which focuses only on the very largest international companies.

The OECD's latest estimates indicate that poor countries will see the largest percentage increase in their tax revenues as a result of the reallocation, while recent changes to the way the minimum tax will be collected should boost their income from that source. It hopes to have firmer estimates of the degree to which developing countries will benefit when it provides its final estimates "in the next few months," Mr. Bradbury said. https://www.livemint.com/economy/global-minimum-tax-could-bring-governments-higher-revenues-than-thought-11674059332216.html

15. Why demonetisation verdict is significant for India's digital currency pilot project *(scroll.in)* 19 Jan 2023

A five-member Constitution bench of the Supreme Court on January 2 upheld, by a four to one majority, the Indian government's decision in November 2016 to demonetise old currency notes of Rs 1,000 and Rs 500. The legality of the policy was the subject of judicial review – not its wisdom or soundness.

Demonetisation was held to be a valid exercise of power by the Central government under Section 26(2) of the Reserve Bank of India Act, following the proper procedure of consultation with the bank.

The judgement, coming six years after demonetisation, was largely an academic exercise as there could be no redressal of any injury to the public caused by the measure. However, it was a missed opportunity to discuss the trust and public confidence in the currency of the nation. This question is likely to become more critical as the government proceeds to introduce digital currency, a fundamental transformation of the nature of money as we know it.

It could have provided an occasion to discuss if the government may unilaterally cease to guarantee the value of the currency, by a notification or by an act of Parliament. By the same logic, could a government also modify or limit the character of the currency as legal tender, at will or in the name of public welfare, by limiting its exchange or the duration of circulation?

These are not hypothetical questions, but matters of deep public concern in view of the unprecedented scale of demonetisation in India, where 86% of the value of currency in circulation ceased to be legal tender overnight. Millions faced severe hardships in exchanging or depositing the demonetised notes. The unconditional promise embodied on the currency note became an act of grace and favour to be conferred under arbitrarily imposed conditions for different groups of people.

Section 26 of the Reserve Bank of India Act deals with currency notes as legal tender. Sub-section 26(1) declares that every bank note issued by the Reserve Bank of India will be a legal tender at any place in India, and will be guaranteed by the Central government. Sub-section 26(2), confers power on the Central government, in consultation with the Reserve Bank of India, to withdraw the legal tender character of any of the series of banknotes issued.

Once withdrawn, the banknotes cannot be legally used as a medium of exchange or to settle financial obligations. A currency note is also a promissory note, a store of value guaranteed by the Central government. The guarantee under Section 26 of the Reserve Bank of India Act is unconditional and not limited by time.

The government issued several notifications directing the manner in which the demonetised notes could be exchanged or deposited in bank accounts. An ordinance issued on December 30, 2016, later ratified by an Act of Parliament, Specified Bank Notes (Cessation of Liabilities) Act, 2017, declared that the specified bank notes which had ceased to be legal tender will also cease to be liabilities of the Central bank under Section 34 of the Reserve Bank of India Act and will cease to have the guarantee of the Central government under sub-section (1) of Section 26 of the Reserve Bank of India Act.

The act effectively extinguished the guarantee and the right of the holder to redeem the value of the cancelled notes. The act provided for discretionary and conditional exchange for certain classes of people.

A fiat currency – currency that is not backed by a commodity – has no intrinsic value. It is grounded entirely on trust that the sovereign nation through the government or a lawfully designated agency will guarantee the value of the currency note. The public has the confidence that they can reclaim its full value without undue burden or loss.

Demonetisation is a legitimate public policy tool used by countries around the world. But it should be used in a way that the trust in the currency is not eroded. The public should be facilitated rather than constrained in exchanging the demonetised notes. Other considerations, such as tax evasion or money laundering, could easily be checked or tracked without infringing the rights of the people.

For context, with the introduction of the Euro in 2002, 11 member states of the Eurozone (currently 20 countries) demonetised their national currencies. Even after 20 years, the Deutsch mark or Belgian franc or Spanish peseta can be exchanged at their fixed value in the offices of the respective national central banks.

The Supreme Court discussed at length the meaning of the word “any” to construe whether it refers to “any” or “all” series of bank notes. This is in reference to sub-section 26(2) of the Reserve Bank of India Act on the central government’s powers to withdraw the legal tender character of “any” of the series of banknotes issued.

The Supreme Court also held that the measure satisfied the test of proportionality, and that there was a reasonable nexus between the measure and the objectives it sought to achieve.

However, the question of guarantee was not discussed but only mentioned in reference to the 2017 Act. Justice BV Nagarathna, in her dissent, held that the guarantee would remain as long as the notes remained in circulation even after the legal tender character of the bank note was withdrawn. However, it was not clarified when the guarantee would cease.

The question of guarantee is an important one especially in the context of central bank digital currency, which is being introduced on a pilot basis in India. Among its many attributes, the most powerful aspect of a digital currency is its programmable feature.

A digital currency is not a digital substitute for paper currency – it can be modified, withdrawn, restricted or limited in its usage. Limits can be imposed on how much of and for what purpose and for how long the currency can be used. Although this was not within the scope of the judicial review, the court may have perhaps missed an opportunity to clarify the true extent or limits to the guarantee of the currency by the state. https://scroll.in/article/1041612/as-india-launches-digital-currency-pilot-project-demonetisation-verdict-is-especially-significant

16. Why Saab Pulled Out of Its Deal with Adani to Make Fighter Jets in India *(thewire.in)* Jan 19, 2023

Chandigarh: Sweden's aerospace and materiel vendor, Saab, has terminated its nearly six-year long association with Adani Defence to jointly manufacture its Gripen-E fighters indigenously, to meet the Indian Air Force's (IAF) long-deferred $17-19 billion tender for 114 multi-role fighter aircraft (MRFA).

"We have decided not to pursue the arrangement with the Adani's," Saab India head Mats Palmberg told reporters in New Delhi earlier this week, but declined to elaborate on the reason behind the break. But he did not rule out Saab forging a new partnership with an unnamed domestic manufacturer later, provided it was permitted to hold 74% equity in the venture, which Palmberg said was permitted under the foreign direct investment regulations concerning defence and aerospace projects.

Saab had entered into a collaborative memorandum of agreement (MoU) with Adani Defence in August 2017 to locally build, via a transfer of technology, 114 NE (Next Generation) Gripen-Es to augment the IAFs depreciating combat fleet, that had precipitously declined from a sanctioned strength of 42 squadrons to around 29-30 presently.

The Saab-Adani Defence agreement was forged eight months before the IAF had requested for information for the MRFA in April 2018, which elicited responses later that year from seven original equipment manufacturers (OEMs). These included Eurofighter (Typhoon), France's Dassault Aviation (Rafale F3R), Saab (Gripen-E), Russia's United Aircraft Corporation, and Sukhoi Corporation (MiG-35 'Fulcrum-F' and Su35 'Flanker-E') and US's Boeing and Lockheed Martin (F/A-18E/F 'Super Hornet' and upgraded F-21).

All seven aircraft have been under consideration by the IAF for over four years, and there is little or no clarity on when, if at all, the request for proposal (RfP) or tender for these 114 combat aircraft would be issued by the Ministry of Defence (MoD). After all, it is no secret that India's military faces a serious financial resource crunch and declining annual outlays, in addition to numerous competing platform and equipment requirements by all three services, and not just fighters for the IAF.

Industry sources told The Wire that in all likelihood, Saab had entered into collaboration with Adani Defence, despite its total inexperience in the aerospace sector, believing that its head Gautam Adani's proximity to the Bharatiya Janata Party government could 'swing' the lucrative fighter deal in Gripen-E's favour. In fact, at the Delhi press conference, held on August 31, 2017, in a five-star hotel, where the Saab-Adani Defence MoU was announced, executives from both companies had incredulously declared that the latter's expertise in integrating power generation equipment was technologically sufficient to enable it to build fighter aircraft.

This MoU, however, had transpired when the IAF, for a two- to three-year period, had seriously pursued the procurement of indigenously built single-engine combat aircraft to meet its enduring shortfall of 114 additional fighters. And, for this requirement, the two rival platforms under IAF's consideration for an extended period, considered the Gripen-E and Lockheed's F-16 Block 70 fighter variant.

In pursuit of this goal, the MoD and the IAF had opened negotiations in 2015 with Lockheed and Saab, both of whom subsequently made multiple presentations to them on indigenously building their respective fighters. The projected programme was envisaged as part of newly elected Prime Minister Narendra Modi's 'Make in India' initiative, aimed at reducing India's unduly voluminous and costly materiel imports, as well as augmenting the country's fledgling defence industrial base.

Earlier, Lockheed had fielded its F-16IN Super Viper fighter and Saab JAS-39 Gripen platform – predecessor to the Gripen-E – for the IAF's 2007 tender for 126 medium multi-role combat aircraft (MMRCA) alongside the Rafale, Typhoon, MiG-35, and the F/A-18E/F. Both the former fighter jets, however, failed to qualify in the field evaluation trials for the MMRCA buy that was scrapped in 2015, following three years of negotiations centred around the shortlisted Rafale.

Instead, the MoD acquired 36 Rafales in flyaway condition in 2016 for Rs 58,891 crore, all of which had since joined service in two squadrons at Ambala and Hashimara in the northeast.

Thereafter, in October 2016, the MoD, then headed by Manohar Parrikar, formally approached Lockheed and Saab via the Indian embassies in Stockholm and Washington D.C., to progress the single-engine fighter programme to meet the IAF's urgent requirements. This envisaged an Indian private sector company being designated a strategic partner under the Defence Procurement Procedure 2016 licence, building one of the two shortlisted fighters in a joint venture with its OEM.

Lockheed, for its part, had inked an agreement at the Paris Air Show in June 2017 with Tata Advanced Systems Limited to potentially erect a local F-16 assembly line.

"The project had then included a full and complete transfer of technology as well as the local manufacture of tier I, II and III components and sub-assembles," said a three-star IAF officer, familiar with the negotiations. It was conceived as a comprehensive and all-encompassing manufacturing contract, the likes of which India's defence-industrial complex had never before undertaken, but eventually it all came to nought, he added, requesting anonymity.

Industry sources said that the abandoned proposal had included the procurement of one squadron of 18 fighters in flyaway condition, followed by the strategic partner constructing the remaining 96, with progressively enhanced levels of indigenisation. The shortlisted platform would have been required to complete 30-35 years of squadron service, or flying time of 6,000 hours, with at least one mid-life upgrade or MLU.

At that time, IAF officers had said in all likelihood, these fighter numbers would be increased to some 200 units, resulting in an overall amortisation of platform costs to render the project viable.

The strategic partner, for its part, would have been required to progressively incorporate 40-60% of indigenous content into the fighter, based on a value-added basis. And other than constructing the fighters, the strategic partner would also be required to sustain their performance-based logistics, in addition to supporting their maintenance, repair, and overhaul (MRO), and in effecting MLUs.

But the byzantine and nebulous strategic partner policy emerged as one of the principal drawbacks in this fighter project, and as the procedure remains, even now, a work in progress with few in the MoD, the services, and even fewer in defence industry circles having a clear perspective of its contours and implementation. "The SP [strategic partner] model remains constrained by obfuscation and continuous contradictory clarifications by the MoD regarding its application," said a senior IAF officer, declining to be named. This ambiguity, in turn, provoked speculation and conjecture for all the concerned parties, needlessly perpetuating consequential delays and total puzzlement, he added.

As a corollary to this failed endeavour, the Indian Navy (IN), too, is presently wrestling with the strategic partner concept in its 15-year-old P-75 (India) programme, to locally construct six diesel-electric submarines, an unending saga that has previously been reported in The Wire on numerous occasions.

But in early 2018, the MoD 'directed' the IAF to abandon its proposal for 114 single-engine combat aircraft by broadening its long-pending fighter requirement to include twin-engine platforms. It instructed the IAF to finalise its request for information for imminent dispatch to OEMs, incorporating both single- and twin-engine platforms in it, as the first step towards boosting the forces fighter shortfall.

Defence officials, however, conceded that the MoD's directive to the IAF to include single- and twin-engine fighters in its request for information would, once again, emerge largely as a 'replay' of the former MMRCA tender. The only addition to the prospective fighter list, it later turned out when responses to the request for information were received, was the inclusion of the Su-35 and Lockheed's F-21 variant, which some in the IAF referred to as merely a 'warmed-up and rebranded' F-16.

Industry officials said that hawking the F-21 – unveiled at Aero India 2019 in Bangalore – made 'excellent commercial sense' for Lockheed and the US government, but little operational logic for the IAF. Some even compared it to the glib deal-making salesman's apocryphal ruse of making money from selling old rope.

With F-16s being phased out of the US Air Force, and their plant at Fort Worth in Texas shutting down after over 40 years, shifting the ageing fighters manufacturing facility to India, would keep the 'steroids-enabled' fighter line going for several more years, besides providing much-needed employment in the US.

The IAF, however, has been steadfast in quietly opposing the F-21s acquisition, but seems enthusiastic about the advanced F-15EX 'Eagle-II'. But, for now, the latter is seemingly not on offer, needing political clearance from Washington D.C. to be included in the putative MRFA listing.

Meanwhile, in late 2021, Saab made an unsolicited presentation to the IAF for its Gripen-E , which it claimed was on offer for half the price that India had paid for the twin-engine, canard delta wing Rafale. It also claimed that the Gripen-E was powered by the more powerful General Electric GE-F414 after-burning turbofan engine with a 98kN thrust and fitted with the cutting edge Gallium Nitride (GaN) Selex-Galileo Raven ES-05 active electronically scanned array (AESA) radar for enhanced situational awareness, among other advanced weaponry and avionics.

Nonetheless, opinion in the IAF on the operational efficiency of single- and dual-engine fighters is divided, but there appear to be more votaries at Vayu Bhawan for the latter.

Perhaps, that is one possible explanation for Saab terminating its 'arrangement' with Adani Defence, despite its burgeoning omnipresence in the defence and government circles over the past six years. And, also the realisation that it would simply not be able to wing its single-engine way into the MRFA contest, if and whenever it materialised. https://thewire.in/business/why-saab-pulled-out-of-its-deal-with-adani-to-make-fighter-jets-in-india

17. Cost of green clearance violations: Recalling 3 cases opened by NGT *(indianexpress.com)* Updated: January 19, 2023

The National Green Tribunal (NGT) has set a four-month deadline for remedial actions and recovering damages from the Kulda coal mine run by Mahanadi Coalfields Limited (MCL) in Odisha and the Tamnar thermal plant operated by Jindal Power Limited (JPL) in Chhattisgarh for transporting coal through villages in violation of environmental clearance (EC) conditions.

This is one of the three cases initiated by the NGT taking suo motu cognisance of The Indian Express report (February 4, 2022) on six mega projects where stringent clearance conditions to compensate for the high environmental impact were sidestepped, ignored, or met only on paper.

MCL, a subsidiary of the world's largest coal producer Coal India Limited (CIL), runs an open cast mine in Kulda. Barely 40 km away in Tamnar in Chhattisgarh, JPL, a subsidiary of Jindal Steel & Power Limited (JSPL), operates India's first private sector mega thermal plant.

Caught between the two are 14 villages on a cratered road on which coal-laden trucks run round the clock, choking lives and livelihoods under a layer of black dust, even as three extensions to the Kulda mine and five concessions to the Tamnar plant were granted since 2014 on promises of alternative coal transport arrangements.

Serial violations condoned
JPL started sourcing coal for Tamnar from Kulda in 2014. By 2015, Tamnar's EC was amended twice to allow the transportation of coal by road as an interim measure with a March 2017 deadline for setting up a conveyor system.

Subsequently, the Environment Ministry granted three more extensions — in 2017, 2019 and 2020 — to the "interim permission" before doing away with a deadline altogether.

In February 2018, when MCL applied for capacity expansion at Kulda, the Environment Ministry expressed "deep concern over…the status of statutory compliances" before granting EC "in national interest" for one year.

Citing that special road corridors were under construction, another one-year extension of the EC was issued in March 2019, followed by another extension of 30 years in January 2020.

In May 2020, the Ministry notified that all thermal plants must transport coal by rail or conveyor. Five months later, it clarified that "coal may be transported by road" until "infrastructure regarding rail/conveyor system" was ready.

In October 2021, asked by Orissa High Court to find a solution, the district collector of Sundargarh wrote: "The prayer of the villagers regarding stoppage of Coal Transportation by the Multi Axle Vehicles is not at all considerable."

Intervention by the NGT
Last March, the NGT set up a committee with district magistrates of Sundargarh (Odisha) and Raipur (Chhattisgarh), members from central and state pollution control boards, and the Environment Ministry to ascertain facts in the case.

Recording daily movement of around 700 coal trucks through villages in violation of the EC condition, the committee's report in July 2022 concluded that "the allegations made in the matter of media report regarding coal transportation by road…were substantiated".

The report underlined that poor road conditions increased "whole body vibrations of the coal transportation vehicles and spillage of coal dust resulting heavy fugitive road dust" and its adverse impact on the health and safety of the people in the villages along the road.

What happens Now

In its order on January 12, the NGT set a four-month deadline to:

* Reconstruct the road to check dust pollution and recover the cost, if necessary, from MCL and JPL,

* Recover compensation for past violations from MCL and JPL, and

* Provide a timeline for setting up a conveyor system or rail link to transport coal from Kulda to Tamnar.

The responsibility of completing the road is on the chief secretaries of Odisha and Chhattisgarh; the heads of the two state Pollution Control Boards will have to determine and recover damages on the 'Polluter Pays' principle. The NGT directed them to appear before the Tribunal if they failed to meet the deadline at the next hearing on May 15.

Dibang hydel project

The NGT's second case based on the news report noted that the Dibang hydel project received preliminary approval from the Environment Ministry's Forest Advisory Committee (FAC) in 2014 with the precondition that a national park would be declared to protect the river basin. Despite non-compliance, final forest clearance was issued in 2020.

After Arunachal Pradesh submitted that local people were "not willing to part away their land for declaration of National Park", the NGT ruled last September that "nothing further remains for adjudication" and dismissed its own case.

However, the FAC acknowledged last December that "the earlier approved projects… (have) a poor record of compliance" and that "there are a large number of representations" against the Etalin hydel project in Arunachal. "The instant proposal cannot be considered in the present form and a revised proposal may be submitted," it said.

Lower Subansiri hydel

The third case initiated by the NGT based on the news report concerns the Lower Subansiri hydel project. It was granted forest clearance in 2004 on condition that around 900 sq km would be declared a sanctuary. Subsequently, this requirement was cut to 500 sq km sanctuary, and then to 168 sq km sanctuary and 332 sq km conservation reserve. But only 127 sq km has been notified so far.

Following the NGT notice, Arunachal wrote to the Environment Ministry last September that a proposal to declare a sanctuary for the remaining 41 sq km was being considered, but notifying 332 sq km as a conservation reserve was not feasible due to local opposition.

On December 29, the matter was placed before the National Board for Wildlife (NBWL), which, it is learnt, has accepted Arunachal's position. The NGT will hear the matter again on January 20.

Earlier in May 2022, the FAC sought a report within three weeks on the compliance status of conditions stipulated for forest clearances granted in the past for hydel projects in Arunachal. The Ministry has issued five reminders since. https://indianexpress.com/article/explained/explained-climate/cost-of-green-clearance-violations-recalling-three-cases-opened-by-ngt-8390502/

18. Ghost of PACL disinvestment comes back to haunt former Congress govt in Punjab *(indianexpress.com)* January 19, 2023

Over two years after former Chief Minister Amarinder Singh's government disinvested its stake in Punjab Alkalies and Chemicals Limited (PACL), Nangal, for a meagre Rs 42 crore, the ghost of disinvestment has come to haunt the previous government with the matter reaching the court.

On the plea challenging the disinvestment of the company manufacturing caustic soda lye was facing losses, the Punjab and Haryana High Court Wednesday issued a notice to the state government to file a status report in the case on the next hearing on February 16.

The petitioners, Arvind Kumar and others, all ex-employees of PACL, have demanded a probe into the alleged disinvestment scam of Rs 1,000 crore.

The petitioners said that while disinvesting the company the state government disinvested its 100 per cent equity shareholding in PACL, which was equivalent to 33.49 per cent of the total paid-up equity share capital of PACL through Resurgent India Limited in an arbitrary manner, which has caused a loss of thousands of crores of rupees to the state exchequer.

The petitioners have said that the disinvestment was a scam in which its management in connivance with government officials sold the company even though the employees had already informed the then Punjab government of a conspiracy going on and that the company would be sold to Sukhbir Dahiya, Jagbir Singh Ahlawat and their family partners.

Interestingly, the government made a huge investment of Rs 356 crore in the company before disinvestment. Out of this money, Rs 116 crore was spent on the modernisation of the plant. Under the business development policy of the previous government, the company availed of an exemption in electricity duty for 10 years subject to a cap of Rs 120 crore, and the company also availed a reimbursement of 25 per cent of GST over the next seven years subject to a cap of Rs 120 crore.

The government, while disinvesting the company, had stated that the company was facing losses and was a sick unit. The petitioners have stated that the company made profits of Rs 55.86 crore in 2018-19, Rs 8.80 crore in 2019-20, and Rs 8.24 crore in 2020-21.

The petitioners alleged that the fraud was done by the managing directors of the company in connivance with politicians. Before the disinvestment, the main road leading from Ajouli Mor to the factory premises was constructed using funds from Nangal municipal corporation to the tune of Rs 75 lakh. It was inaugurated by the former Speaker, Rana Kanwarpal Singh, who was also the then local MLA.

How the disinvestment plan emerged

The former Congress government had decided to disinvest 90,90,000 shares of the Punjab State Industrial Development Corporation (PSIDC) in PACL stating that the company was facing losses.

The Cabinet on September 16, 2019 decided that the amount realised after the disinvestment would be utilised for paying the debts of PSIDC. The government at that time expected to make Rs 50 crore from the disinvestment of its stakes in the PACL.

The Cabinet had stated that the company had been incurring heavy losses since 2009-10, with its net worth in the red and PACL becoming a sick company.

The PSIDC had invested a sum of Rs 3,045.95 lakh into the equity capital of PACL by way of initial public issue and right issue (subscribed on premium). The unit was set up in the public sector and after making the public issue the equity shareholding of PSIDC was around 42 per cent.

The share was later reduced to around 33.49 per cent due to the restructuring of the debt liabilities of the financial institutions and public sector banks, it was further stated.

The Directorate of Disinvestment had to initiate the process of disinvestment of PACL, which began operations in January 1984 at its two manufacturing units located at Naya Nangal and Ropar.

The Directorate of Disinvestment had earlier made four attempts for disinvestments of PSIDC's equity stake in PACL – in 2002-03, 2004-06, 2009-11, and 2012-15. However, none of these attempts could succeed. A year later, on September 17, 2020, the Cabinet approved the formation of an Empowered Cabinet Sub Committee on Disinvestment to finalise the modalities for strategic disinvestment of 33.49 per cent equity shareholding of PACL.

It also gave the nod to set up a committee of 'Core Group of Officers on Disinvestment' to chalk out the details of the disinvestment process, to be presented to the empowered sub-committee, which comprised the then cabinet ministers Brahm Mahindra, Manpreet Singh Badal and Sunder Sham Arora.

A government statement said the decision has been taken in response to the proposal of disinvestment of Sick Industrial Unit – PACL, mooted by the Directorate of Disinvestment and Public Enterprises through the finance department to improve the liquidity position of PSIDC.

The committee of Core Group of Officers on Disinvestment, chaired by the Chief Secretary, was mandated to give recommendations and submit its report to the council of ministers for taking a final decision in this regard. The other members of the committee were finance principal secretary, industries principal secretary, PSIDC managing director, PACL managing director, besides the director of public enterprises and disinvestment as its convener.

Just a week later, on September 23, the Cabinet, in another meeting, allowed the disinvestment after accepting the report of the Extraordinary General Meeting (EGM) of PACL, as well as the recommendations of the Empowered Group of Ministers set up on September 17.

Badal who was the finance minister at that time informed the meeting that the state would get Rs 42 crore as its share held through PSIDC, whose sovereign debt stood at Rs 900 crore. https://indianexpress.com/article/cities/chandigarh/ghost-of-pacl-disinvestment-comes-back-to-haunt-former-congress-govt-in-punjab-8391217/

19. Kerala Vigilance seizes 390 lorries ferrying goods for tax evasion, operating without pass *(newindianexpress.com)* Jan 19, 2023

THIRUVANANTHAPURAM: The Vigilance and Anti-Corruption Bureau sleuths on Wednesday seized as many as 390 lorries that were ferrying goods and quarry materials without paying adequate tax and without obtaining permission from the mining and geology department. About 240 vehicles were found carrying loads exceeding the limits, while 104 vehicles were seized for ferrying quarry materials without the licence of the mining and geology department.

Another 46 vehicles were impounded for GST fraud. The Vigilance sleuths realised a fine of Rs 70 lakh from the lorry owners/drivers for carrying excess load. The penalty for the remaining vehicles will be decided by the GST department and the mining and geology department, said Vigilance Director Manoj Abraham.

The Vigilance launched ‘Operation Overload-2’ after it received credible inputs that vehicles were transporting excess loads even from other states resulting in loss of revenue to the exchequer in the form of royalty and GST. It was also found that the vehicles carrying quarry and earth materials were ferrying loads without obtaining passes from the mining and geology department.

Also, GST fraud was being committed by showing lesser quantities of goods on record and at times without even paying the GST. This malpractice was taking place with the consent of some government officials. https://www.newindianexpress.com/states/kerala/2023/jan/19/kerala-vigilance-seizes-390-lorries-ferrying-goods-for-tax-evasion-operating-without-pass-2539136.html

20. Associations allege misuse of ESIC funds *(bangaloremirror.indiatimes.com)* Jan 19, 2023

Bangalore: The Indian National Trade Union Congress (INTUC) on Wednesday opposed the state government’s draft notification inviting suggestions and objections on the proposal to constitute the Karnataka Employees’ State Insurance (ESI) Scheme Medical Services Department.

“The proposal is to misappropriate the central government funds allocated for the maintenance of Employees’ State Insurance Corporation (ESIC) hospitals and dispensaries in the state. The proposed Karnataka ESI Scheme Medical Services Department is nothing but a society that will have to work under the state labour minister and his appointees,’’ said V Venkatesh, general secretary, INTUC, Karnataka.

The state government issued a draft notification on December 27, 2022 stating that suggestions and objections will be received by the government from all persons/associations who may be affected within 30 days from the date of publication of the draft notification.

It has also suggested that objections and suggestions in this regard may be submitted to the secretary at the Department of Labour, 4th Floor, Vikasa Soudha or director, ESIS Medical Services in Rajajinagar.

The decision to constitute the Karnataka ESI Scheme Medical Services Department would affect 45.76 lakh workers and employees in the state, he added.

This feature in the app is currently being used in the ongoing tree census pilot project in Mahadevpura –Sareena Sikkaligar, Deputy Conservator, BBMP

“The state government wants to bring 7 ESI hospitals, 112 dispensaries and 2 diagnosis centres by excluding ESIC hospitals at Rajajinagar, Peenya and Kalaburagi.

There will be no job security for the employees working at ESI hospitals in the state,’’ he explained

According to HK Nagabhushan, president, All Karnataka Organised and Unorganised Employees' Association, there is no provision to form a society under the ESI Act.

"The state is making an effort to misuse 87% funds allocated for the maintenance of ESI hospitals,''he said. https://bangaloremirror.indiatimes.com/bangalore/others/associations-allege-misuse-of-esic-funds/articleshow/97102057.cms