

NEWS ITEMS ON CAG/ AUDIT REPORTS (27.12.2022)

1. ‘Abnormal delays’ by DRDO drove defence forces to import key technology, shows CAG report (theprint.in) December 27, 2022

The Indian defence forces had to either import critical military technologies or do without them due to delays of up to 569 weeks by the Defence Research and Development Organisation (DRDO) in submitting project proposals, showed a report by the Comptroller and Auditor General (CAG).

The DRDO is tasked with developing technologies and weapon systems to help improve military preparedness.

“Of the 75 ongoing projects, Audit analysed 40 ongoing projects... Audit noted that in 31 projects, there were abnormal delays in initiation of the project proposals as well as sanctioning of the projects,” said the report titled ‘Management and Outcome of Mission Mode projects in DRDO’, tabled in Parliament last week. The Print has accessed the report.

Mission Mode (MM) projects are high-priority projects based on specific user (referring to Army, Navy or Air Force) requirements with a definite time-frame for completion.

According to the report, as against the prescribed period of 16 weeks for formulation of an integrated project proposal, the DRDO took 17 to 569 weeks for submission of proposals in 29 projects, which had a cascading effect on sanctioning of the project.

Further, there were considerable delays ranging from 29 to 577 weeks in obtaining the sanction of the Secretary, Department of Defence (R&D), after submission of the receipt of user requisition.

The delays resulted in “changes in the technology to be used, import of the said items by users, and non-availability of the required item with the users,” the report said.

For example, Air Headquarters had to import 2,000 cartridges in July 2014, even though it had projected requirements to Armament Research & Development Establishment (ARDE) — the laboratory of the DRDO — for development of these cartridges six years earlier.

In July 2008, Air Headquarters had projected the requirement for development of Cartridge 0.5 inch (12 LL/195) to ARDE, as replacement for imported cartridges, with a delivery schedule of one year. However, the ARDE took five years in analysing the method of developing the indigenous cartridges and sanctioned the project in March 2014 at a cost of Rs 0.70 crore.

“The project was closed in July 2018 (expenditure: Rs 0.50 crore) and was termed successful. In the meantime, Air Headquarters imported 2,000 cartridges in July 2014,” the report noted.

The CAG audit also found that the DRDO had taken up new projects for developing certain products/technology which were already under production by the Ordnance Factory Board (OFB), which comes under the Ministry of Defence.

The CAG has recommended the DRDO should formulate its Annual Plan related to MM projects in consultation with the three services.

It has also suggested that the DRDO should ensure that delays in preparation of project proposals are avoided to mitigate the risk of technology/equipment becoming obsolete.

The case of ‘secure mobile phones’

The CAG took note of instances where MM projects were taken up without the consent of the users.

For instance, a project on ‘Development of Performance Assessment of Secure Mobile Phones’ was sanctioned by Director, CAIR (Centre for Artificial Intelligence and Robotics — a laboratory of DRDO) in May 2012 at a cost of Rs 4.95 crore.

This project was taken up by the DRDO on the request of DG Signals (February 2012) even though no Preliminary Staff Qualitative Requirement/ General Staff Qualitative Requirement (PSQR/GSQR) was given to the DRDO, according to the report.

MM projects are referred to the DRDO by the Army, Navy or Air Force in the form of PSQR/GSQR, based on which feasibility studies are done. It is after the feasibility study that the service concerned finalises, modifies or drops the proposal.

In the case of developing secure mobile phones, in December 2012, CAIR placed a supply order to M/s BEL, Ghaziabad, for supply of 300 handsets of E6 Nokia smartphones. BEL procured 300 handsets at the cost of Rs 1.50 crore and supplied them to CAIR. The project was closed in March 2014 after incurring a cost of Rs 3.12 crore.

“CAIR closed the project terming it successful, without receipt of evaluation of the software and phones by users... The users returned all the 300 smartphones in April 2016,” the CAG report said. It noted that the software was developed for a specific series of E6 Nokia phones, the production of which was stopped by the phone manufacturer.

In March 2021, the Army intimated that the performance of the ‘secure mobile phones’ had not been found satisfactory in user trials and the project taken up by the Council of Scientific and Industrial Research (CSIR) had not been successful. <https://theprint.in/defence/abnormal-delays-by-drdo-drove-defence-forces-to-import-key-technology-shows-cag-report/1283327/>

2. DRDO's Mission Mode Projects Plagued By Delays and Performance Issues, Scathing CAG Report Reveals ([swarajyamag.com](https://www.swarajyamag.com)) December 26, 2022

The Comptroller and Auditor General (CAG) of India has tabled a scathing report on the performance of the Defence Research and Development Organisation (DRDO) in Parliament.

The report is an audit of the DRDO’s ‘Mission Mode Projects’. Mission mode projects are high-priority projects that have to be completed by DRDO under a predetermined time period and cost.

These projects use technologies that are already available to DRDO or could be procured easily from commercial entities. This shortens the time frame of induction of the systems into the armed forces.

The CAG report has pointed out various irregularities in timelines and cost overruns in the report, among other factors plaguing DRDO-run projects.

Of the 178 projects, 119 faced time overruns. The timelines of these projects were extended multiple times, delaying the development of critical equipment needed by the armed forces.

Moreover, 49 of the projects took double the time to complete. Some projects saw a delay of 500 per cent, the report points out.

The DRDO also closed projects as successful despite not meeting key parameters, the report finds. Of the 86 projects labeled successful between January 2010 and December 2019, 20 projects were closed without meeting specific key parameters with an expenditure of ₹1074.67 crores, the CAG says in its damning report.

One example cited by CAG was the case of the development of Advanced Light Towed Array Sonar. DRDO's Kochi-based Naval Physical Oceanographic Laboratory took up this project in April 2012.

In December 2021, this project was declared successful despite various shortfalls in torpedo detection, layer performance and active and passive sonar function, the CAG report mentions.

No time extensions were sought by the DRDO for the projects that didn't meet performance requirements.

The CAG found that the DRDO spent Rs 516.61 crore in order to achieve the goals that had not been achieved in previous projects that were declared successful and closed.

The report also points out the "lack of synergy between the armed forces and DRDO", "inefficiencies in the planning process", and "inadequate monitoring of the project", resulting in "variance in qualitative requirements", delays and divergent views on outcomes of trials of various systems.

"There were issues with ToT to production partners as well, which delayed production timelines leaving the forces with a gap in their combat capabilities," the CAG report says. <https://swarajyamag.com/news-brief/drdo-mission-mode-projects-plagued-by-delays-and-performance-issues-scathing-cag-report-reveals-2>

3. States' financial positions must be checked just as carefully as the Center's ([inventiva.co.in](https://www.inventiva.co.in)) December 27, 2022

States' financial positions must be checked just as carefully as the Center's. Concern regarding the situation of the Indian state governments' finances has risen in recent months. The Prime Minister has expressed worries about the deterioration of the state's finances and has warned them against giving out freebies. Despite these issues, several political parties nevertheless promise to give voters more freebies if they win. The Fiscal Responsibility and Budget Management (FRBM) Act implementation was carried out by the federal government in 2003. The central government's goal under FRBM would be to eliminate the revenue gap and reduce its fiscal imbalance to 3% of GDP. The Center has fallen well short of its goals, as evidenced by the average of the two deficit objectives for the five years of 2005–20. While the Center did

succeed in meeting its fiscal deficit objective in 2007–2008, it was unable to do the same for its revenue deficit objective.

In 2005, states approved the Fiscal Responsibility Legislation, which was a copy of the FRBM Act (FRL). States have achieved their objectives in a significantly more equitable way, as seen in the table. They were able to eliminate income deficits while maintaining their goal of a budgetary deficit.

The states had seven years of revenue surpluses. Before the epidemic, states only took three years to reach the FRL threshold of 3% of GDP, according to the Reserve Bank of India. Due to the launch of the Ujwal DISCOM Assurance Yojana in 2015, 2016, and 2017, as opposed to the global financial crisis in 2009–2010,

Union territories and eighteen other states all have fiscal deficits that are larger than the national average. Many sizable states have significant deficit levels, even when the northeastern states and UTs are not included. Only five states and UTs—Maharashtra, Puducherry, Gujarat, Arunachal Pradesh, and NCT Delhi—have budget deficits that are less than the FRL objective of 3 percent.

Some states, like Madhya Pradesh, Punjab, and Kerala, have seen a decline in tax collection over time, leaving them increasingly financially insecure. Non-tax revenue has remained erratic for the majority of these states, sharply declining in recent years. The state's ability to plan its expenditures is being impacted by the diminishing tax and non-tax revenue, which is also increasing its reliance on market borrowing. According to the RBI study, the reduction in non-tax revenue is attributed to general services, interest revenues, and economic services. states' financial position needs to be watched as much as the centre's

The General Government, which consists of the Center and the States, has a debt ceiling of 60% of GDP, which the government added as an objective. In terms of overall debt levels, it set the federal government's debt threshold at 40% of GDP, limiting state-level debt to 20% of GDP.

If we set an objective of 2023, all states and UTs—aside from Delhi and Maharashtra—show greater debt levels, and Punjab, Himachal Pradesh, and Rajasthan all have debt levels that are more than 40% of GSDP. The fact that several of these states have substantial deficits and debt levels is another intriguing feature. During election campaigns in these states, we saw political parties promising citizens the alleged freebies! In Himachal Pradesh, Gujarat, and Rajasthan, the pledges included free energy and restoration of the former pension program (OPS). Sukhwinder Singh Sukhu, the new chief minister of Himachal Pradesh, declared at the first cabinet meeting that his administration will implement the OPS after winning the elections.

Two factors make the return to OPS regressive. For starters, it risks undoing the changes brought about by the new pension plan, which oddly had the support of the Congress party in the government at large. hsbc sees brighter growth prospects for india by fy20 and beyond

According to Deepak Mohanty's analysis, the annual rates of return on various NPS schemes have been in the range of 9.0-12.7 percent since inception and have been extremely competitive when compared to alternative saving instruments, in addition to offering the core benefit of steady income. Second, the OPS will further worsen the already precarious financial positions in many states.

What is the financial situation of the Indian states?

When Kerala's KN Balagopal, the state's finance minister, requested in a letter to the union's Nirmala Sitharaman that the state government's obligations to statutory bodies and corporations not be included in the calculation of the state debt, the situation heated up once again. Balagopal emphasized Kerala's fragile financial status. "The financial health of the state has been significantly harmed," he said in the letter, "by a reduction in the revenue shortfall grant to the tune of roughly Rs 7,000 crore this year and a loss owing to the cessation of GST compensation of Rs 12,000 crore."

This is not simply a Kerala-specific tale. Thanks to COVID-19 and some misguided policy decisions that have fanned the flames, many other governments are also traveling down the same path and experiencing fragile financial health. Even some states have unsustainable debt levels. The average GFD-GDP ratio of the states before the pandemic was 2.5% (from 2011–12 to 2019–20), which was lower than the Fiscal Responsibility Legislation (FRL) ceiling of 3%, according to the RBI's research titled "States Finances: A Risk Analysis."

There were differences, though: whereas Assam, Gujarat, Maharashtra, Odisha, and Delhi saw ratios of less than 2%, Andhra Pradesh, Kerala, Punjab, and Rajasthan experienced average GFDs of above 3.5% of GSDP. The paper claims that with a strong fall in revenue, an increase in spending, and a high rise in debt to GSDP ratios in 2020, state fiscal circumstances will significantly deteriorate. The research continued by stating that states with a high debt-to-GSDP ratio included Bihar, Kerala, Punjab, Rajasthan, and West Bengal. india gdp news updates: india likely to show double-digit growth; consumer spending and low base expected to accelerate economic growth - the economic times

In a similar line, the State of State Finances Report by PRS Legislative identified the center's choice to generate money through a cess and surcharge as one of the causes limiting the income devolution to states, which is one of the factors leading to the poor financial health of the states.

In 2020–21, it was predicted that the amount of cess and surcharge money that the central government collects—and does not transfer to the states—would increase by 77% to Rs 4.5 lakh crore, with gasoline and diesel making up two-thirds of that total. Due to cesses and surcharges, the state's share of the center's total tax collection in 2020–21 was almost 29%. This is less than the proposed 41% share of central taxes from the Finance Commission.

The prediction of the debt-to-GDP ratio for several states between 2026 and 2027, based on staff estimates from the RBI, is as follows: Bihar accounts for 31.2% of the total, Punjab 46.8%, Kerala 38.2%, Rajasthan 39.4%, and West Bengal 37%. According to the RBI's research, the majority of the other states will probably have debt-to-GSDP ratios of more than 30% in 2026–2027.

With a forecasted debt-to-GSDP ratio of around 45% in 2026–2027, Punjab is predicted to do the worst. By 2026–2027, it is anticipated that Rajasthan, Kerala, and West Bengal would have debt-to-GSDP ratios higher than 35%.

According to the most recent information available from the Comptroller and Auditor General of India, high subsidy spending is another aspect that is negatively affecting the financial health of the states (CAG). After declining in 2019–20, the state government's spending on subsidies

increased by 12.8% and 12.9%, respectively, in 2020–21 and 2021–22. Indian GDP may grow 9.2% this fiscal on base effect - the economic times

The CAG report notes that, from 7.8% in 2019–20 to 8.2% in 2021–2022, the percentage of subsidies in total revenue expenditures by states has similarly increased. Jharkhand, Kerala, Odisha, Telangana, and Uttar Pradesh are the top five states that have had the highest increase in subsidies over the past three years, according to the RBI data.

The RBI study went on to note that several states will need to take considerable corrective actions to stabilize their debt levels, taking into account the gravity of the situation for some of them.

In conclusion, while the majority of economists pay attention to the federal budget, there is also a need to pay attention to state finances. While the overall financial situation of the states may appear manageable, when we look at specific states, the situation is fragile. According to certain sources, some of these states are on the verge of bankruptcy. Although governments don't go bankrupt as companies do, the issue of state governments' financial health warrants significant consideration and action. <https://www.inventiva.co.in/trends/states-financial-positions-must-checked/>

4. अगर ट्रस्टों से वसूला जाता टैक्स तो हो जाता करीब 30 हजार जॉब्स का इंतजाम, जाने कैसे (tv9hindi.com) December 26, 2022

कुछ समय पहले कैग की रिपोर्ट (CAG Report) आई थी कि देश के 21 हजार ट्रस्टों को 18 हजार करोड़ रुपये से ज्यादा की अवैध टैक्स छूट (Invalid Tax Exemption) दी गई. डिपार्टमेंट कार्रवाई करता और सरकार के खजाने में टैक्स का रुपया आता तो करीब 30 हजार लोगों की नौकरी का इंतजाम हो सकता था. वास्तव में देश में गोवा के नए एयरपोर्ट जैसे 7 एयरपोर्ट का निर्माण हो सकता है और उससे करीब 30 हजार नौकरी (30 Thousands Jobs) का इंतजाम हो सकता है. मोपा में बने इस एयरपोर्ट की लागत करीब 2,800 करोड़ रुपये है और उससे करीब 4,000 नौकरियों का इंतजाम हो सकता है

क्या थी कैग की रिपोर्ट?

कैग की रिपोर्ट कुछ समय पहले आई थी. जिसमें कहा गया था कि 23 राज्यों में ऐसे 21 हजार से ज्यादा ट्रस्ट और संस्थाएं हैं जो इनकम टैक्स के सेक्शन 12ए के तहत रजिस्टर्ड नहीं हैं. उसके बाद भी ऐसे ट्रस्टों को 18 हजार करोड़ रुपये से ज्यादा की अवैध छूट हासिल हुई थी. सबसे ज्यादा ट्रस्ट और संस्थाएं महाराष्ट्र 3300 से ज्यादा को फायदा मिला और सबसे ज्यादा छूट देश की राजधानी दिल्ली के ट्रस्टों को करीब 4350 करोड़ रुपये की मिली.

21 एयरपोर्ट के निर्माण को मिली है मंजूरी

25 दिसंबर को ही सरकार ने 21 एयरपोर्ट को तैयार करने की सैद्धांतिक मंजूरी दी है. 11 दिसंबर को मनोहर इंटरनेशनल एयरपोर्ट का उद्घाटन किया गया था. मीडिया रिपोर्ट

के अनुसार इस एयरपोर्ट को तैयार करने में करीब 2800 करोड़ रुपये का बजट खर्च हुआ था. इस मौके पर गोआ के सीएम ने कहा था कि इस एयरपोर्ट से करीब 4000 लोगों को नौकरी मिलने की संभावना है. इस एयरपोर्ट का संचालन 5 जनवरी को हो जाएगा. देश के कई हिस्सों में बन रहे छोटे एयरपोर्ट भी नौकरियां जेनरेट करने में काफी मददगार साबित होंगे.

7 एयरपोर्ट के बजट का हो जाता इंतजाम

अगर 21 हजार ट्रस्टों से 18 हजार करोड़ रुपये का टैक्स वसूल लिया जाता तो देश के एयरपोर्ट इंफ्रा पर खर्च होने वाले पैसों का जुगाड़ हो सकता था. अगर गोआ के नए एयरपोर्ट को उदाहरण के तौर पर देखें तो देश के अलग-अलग 7 राज्यों में एयरपोर्ट तैयार हो सकते थे. इन 7 एयरपोर्ट में अनुमानित तौर पर करीब 30 हजार नौकरियों का जुगाड़ हो सकता था. <https://www.tv9hindi.com/business/if-tax-collected-from-trusts-arrangements-would-have-been-made-for-30000-jobs-know-how-au564-1629369.html>

STATES NEWS ITEMS

5. **78 personal deposit accounts with unspent balance not closed: CAG** (thehindubusinessline.com, ptinews.com, deccanherald.com) December 26, 2022

The Karnataka government did not close the 78 personal deposit (PD) accounts with an unspent balance of ₹4,105.61 crore by the end of last fiscal as mandated under the Karnataka Financial Code, the Comptroller and Auditor General (CAG) has said.

In its audit of the financial accounts of the government, the CAG said such practices were not only violative of the legislative intent but also give room for misuse of public funds.

“At the end of March 31, 2022 there were 78 PD accounts with an unspent balance of ₹4,105.61 crore, which were not closed as required under Article 286A of the Karnataka Financial Code. Such practices violate legislative intent, which is to ensure that funds approved by the State government for the financial year concerned are spent during the year itself,” the report said.

“Further, not transferring the unspent balance lying in the PD accounts to the Consolidated Fund of the State before the closure of the financial year entails the risks of misuse of public funds, fraud and misappropriation,” the CAG added. <https://www.thehindubusinessline.com/news/national/78-personal-deposit-accounts-with-unspent-balance-not-closed-cag/article66307849.ece>

6. **₹4,105 crore unspent balance in 78 PD accounts; CAG warns of fraud and misappropriation** (thehindu.com) December 26, 2022

Pointing out at violations in maintaining the Personal Deposit (PD) account in Karnataka, the Comptroller and Auditor General (CAG) has said that over ₹4,000 crore in PD accounts had not been closed at the end of March 31, 2022.

As per Article 286A of the Karnataka Financial Code, the unspent balance under PD Account created by debit to the Consolidated Fund should be closed at the end of financial year.

However, at the end of March 31, 2022, there were 78 PD accounts with an unspent balance of ₹4,105 crore, which were not closed as required by the Article 286A, the CAG report on Finance accounts 2021-2022 tabled on Monday before the Karnataka Legislature in the ongoing winter session stated.

“Such practices violate the legislative intent, which is to ensure that funds approved by the State government for the financial year concerned are spent during the year itself,” the report noted. The CAG also warned that not transferring the unspent balance lying in the PD accounts to the Consolidated Fund of the State before the closure of the financial year entails the risk of misuse of public funds, fraud and misappropriation. <https://www.thehindu.com/news/national/karnataka/4105-crore-unspent-balance-in-78-pd-accounts-cag-warns-of-fraud-and-misappropriation/article66307933.ece>

7. असम में एनआरसी अपडेट करने की प्रक्रिया में अनियमितताएं: कैग रिपोर्ट (thewirehindi.com) Updated: 26 Dec 2022

भारत के नियंत्रक और महालेखा परीक्षक (कैग) ने असम के लिए राष्ट्रीय नागरिक रजिस्टर (एनआरसी) को अपडेट करने में बड़े पैमाने पर विसंगतियों का पता लगाया है, जिसकी रिपोर्ट शुक्रवार को राज्य विधानसभा में पेश की गई.

25 मार्च, 1971 के बाद राज्य में प्रवेश करने वाले अवैध नागरिकों का पता लगाने के लिए असम के लिए 1951 एनआरसी को सुप्रीम कोर्ट के निर्देशों के तहत अपडेट किया गया था. अपडेटेड एनआरसी की अंतिम सूची अगस्त, 2019 को जारी हुई थी, जिसमें 3,30,27,661 आवेदकों में से कुल 3,11,21,004 नाम शामिल थे. हालांकि, इसे अधिसूचित किया जाना बाकी है.

हिंदुस्तान टाइम्स के मुताबिक, कैग ने शनिवार को असम विधानसभा के शीतकालीन सत्र के आखिरी दिन 2020 में समाप्त वर्ष के लिए एक रिपोर्ट प्रस्तुत की, जिसमें बताया गया कि एनआरसी को अपडेट करने की प्रक्रिया के लिए एक बेहद सुरक्षित और भरोसेमंद सॉफ्टवेयर विकसित करने की आवश्यकता थी, लेकिन ऑडिट के दौरान 'इस संबंध में उपयुक्त योजना नहीं होने' की बात सामने आई.

कैग के मुताबिक, 215 'सॉफ्टवेयर यूटिलिटी' को 'बेतरतीब तरीके' से मूल सॉफ्टवेयर में जोड़ा गया था. रिपोर्ट में कहा गया है, 'यह साफ्टवेयर विकसित करने की वाजिब प्रक्रिया का पालन किए बगैर या एक राष्ट्रीय निविदा प्रक्रिया के बाद पात्रता आकलन के जरिये विक्रेता का चयन किए बिना किया गया.'

रिपोर्ट में कहा गया कि एनआरसी डेटा इकट्ठा करने और सुधार के इसमें सुधार करने से संबंधित सॉफ्टवेयर उपयुक्त रूप से डेवलप न कर पाने के कारण इसने बिना किसी ऑडिट निशान को छोड़े डेटा से छेड़छाड़ का जोखिम पैदा किया. ऑडिट ट्रेल से एनआरसी डेटा की सत्यता के लिए जवाबदेही सुनिश्चित की जा सकती थी.

समाचार एजेंसी पीटीआई के मुताबिक, रिपोर्ट में कहा गया है कि इस प्रकार, 1,579.78 करोड़ रुपये के प्रत्यक्ष व्यय के साथ-साथ 40,000 से 71,000 तक की बड़ी संख्या में सरकारी कर्मचारियों के लगने बावजूद एक वैध, त्रुटिमुक्त एनआरसी तैयार करने का उद्देश्य को पूरा नहीं किया गया है.

रिपोर्ट में यह भी बताया गया है कि जब एनआरसी अपडेशन की प्रक्रिया दिसंबर 2014 में शुरू हुई थी, तब परियोजना लागत का अनुमान 288.18 करोड़ रुपये था और पूरा होने की समयसीमा फरवरी 2015 निर्धारित की गई थी. हालांकि, दस्तावेज़ का अंतिम मसौदा अगस्त 2019 में प्रकाशित किया गया और अधिक समय लगने के साथ-साथ शुरुआत में बताए गए एनआरसी अपडेशन सॉफ्टवेयर में महत्वपूर्ण बदलाव के कारण परियोजना की लागत बढ़कर 1,602.66 करोड़ रुपये हो गई.

कैंग की रिपोर्ट में वित्तीय अनियमितताओं के लिए दोषी अधिकारियों पर जिम्मेदारी तय करने और न्यूनतम मजदूरी अधिनियम का उल्लंघन करने के लिए सिस्टम इंटीग्रेटर मैसर्स विप्रो लिमिटेड के खिलाफ दंडात्मक कार्रवाई की सिफारिश की गई है.

कैंग ने एनआरसी के राज्य समन्वयक की जिम्मेदारी तय करने और वेंडर को किए गए अधिक, अनियमित और अस्वीकार्य भुगतान के लिए समयबद्ध तरीके से कार्रवाई करने की सिफारिश की है.

कैंग ने न्यूनतम मजदूरी (एमवी) अधिनियम के उल्लंघन के लिए सिस्टम इंटीग्रेटर (विप्रो) के खिलाफ दंडात्मक कार्रवाई का भी सुझाव दिया क्योंकि (डेटा एंट्री) ऑपरेटरों को भुगतान न्यूनतम मजदूरी से कम दर पर किया गया. रिपोर्ट में राज्य समन्वयक एनआरसी से एमवी अधिनियम का अनुपालन सुनिश्चित न करने पर जवाबदेही की मांग की गई है.

हिंदुस्तान टाइम्स के अनुसार, मुख्यमंत्री हिमंता बिस्वा शर्मा ने कहा है कि अब तक वे कैंग रिपोर्ट का इंतजार कर रहे थे और अब आगे की कार्रवाई पर विचार किया जाएगा.

असम एकमात्र राज्य है जहां एनआरसी है, जिसे पहली बार 1951 में तैयार किया गया था. असम के नागरिकों की तैयार अंतिम सूची यानी कि अपडेटेड एनआरसी 31 अगस्त, 2019 को जारी की गई थी, जिसमें 31,121,004 लोगों को शामिल किया गया था, जबकि 1,906,657 लोगों को इसके योग्य नहीं माना गया था.

नवंबर, 2019 में असम पब्लिक वर्क्स (एपीडब्ल्यू) ने पूर्व संयोजक प्रतीक हजेला पर एनआरसी अपडेट करने की प्रक्रिया में बड़े स्तर पर सरकारी धनराशि के गबन करने का आरोप लगाया था और उसके खिलाफ सीबीआई की भ्रष्टाचार रोधी शाखा में एफआईआर दर्ज कराई थी.

उससे पहले अक्टूबर 2019 में एनआरसी की अंतिम सूची में कथित विसंगतियों के कारण प्रतीक हजेला के खिलाफ दो मामले दर्ज किए गए थे.

असम-मेघालय कैडर के 1995 बैच के भारतीय प्रशासनिक सेवा के अधिकारी प्रतीक हजेला को सुप्रीम कोर्ट ने 2013 में एनआरसी का राज्य समन्वयक नियुक्त किया था. उन्हें 12 नवंबर 2019 को इस प्रभार से मुक्त कर दिया गया था. अदालत ने हजेला का असम से उनके गृह राज्य मध्य प्रदेश में तबादला करने का आदेश दिया था. उन्होंने राज्य के विशेष अधिकारी एवं आयुक्त (स्वास्थ्य सेवाएं) का कार्यभार संभाला था.

अप्रैल 2020 में देश में कोरोना महामारी की शुरुआत के समय मध्य प्रदेश में सत्ता में वापसी के कुछ दिनों के भीतर ही मुख्यमंत्री शिवराज चौहान ने प्रतीक हजेला को प्रदेश के स्वास्थ्य प्रमुख के पद से हटा दिया था.

मई 2021 में असम एनआरसी के समन्वयक हितेश शर्मा ने सुप्रीम कोर्ट में एक आवेदन दायर कर दावा किया था कि एनआरसी अपडेट करने की प्रक्रिया में कई गंभीर, मौलिक और महत्वपूर्ण त्रुटियां सामने आई हैं, इसलिए इसके पुनः सत्यापन की आवश्यकता है. सत्यापन का कार्य संबंधित जिलों में निगरानी समिति की देखरेख में किया जाना चाहिए.

शर्मा ने दावा किया था कि कई अयोग्य व्यक्तियों को सूची में शामिल कर लिया गया है, जिसे बाहर किया जाना चाहिए.

मई 2014 से फरवरी 2017 तक असम एनआरसी के कार्यकारी निदेशक रहे शर्मा को अक्टूबर 2019 में हुए प्रतीक हजेला के तबादले के बाद 24 दिसंबर 2019 को एनआरसी का राज्य समन्वयक नियुक्त किया गया था.

इससे पहले 2020 में भी शर्मा ने गुवाहाटी हाईकोर्ट में हलफनामा दायर कर कहा था कि 31 अगस्त 2019 को जारी की गई एनआरसी लिस्ट फाइनल नहीं है और अभी इसका पुनः सत्यापन किया जाना है.

उल्लेखनीय है कि इससे पहले भी कई मौकों पर शर्मा और असम की भाजपा सरकार इस सूची को अंतिम मानने से इनकार कर चुके हैं.

अगस्त 2019 में फाइनल सूची आने के बाद से ही इस पर सवाल उठते रहे हैं. सवाल उठाने वालों लोगों में सबसे पहले राज्य की सत्तारूढ़ पार्टी भाजपा रही थी. 31 अगस्त को अंतिम सूची के प्रकाशन के बाद भाजपा ने कहा था कि वह एनआरसी की अपडेट हुई सूची पर भरोसा नहीं करती हैं.

तब असम भाजपा के अध्यक्ष रंजीत कुमार दास द्वारा एक संवाददाता सम्मेलन में कहा गया था कि एनआरसी की अंतिम सूची में आधिकारिक तौर पर पहले बताए गए आंकड़ों की तुलना में बाहर किए गए लोगों की बहुत छोटी संख्या बताई गई है.

इसके बाद तत्कालीन वित्त मंत्री हिमंता बिस्वा शर्मा ने भी कहा था कि एनआरसी की अंतिम सूची में कई ऐसे लोगों के नाम शामिल नहीं हैं जो 1971 से पहले बांग्लादेश से भारत आए थे.

इसके बाद एक अन्य अवसर पर उन्होंने कहा था, 'भारतीय जनता पार्टी को इस पर भरोसा नहीं है क्योंकि जो हम चाहते थे उसके विपरीत हुआ. हम सुप्रीम कोर्ट को बताएंगे कि भाजपा इस एनआरसी को खारिज करती है. यह असम के लोगों की पहचान का दस्तावेज नहीं है.'

इस एनआरसी की अंतिम सूची से नाखुश लोगों में असम पब्लिक वर्क्स (एपीडब्ल्यू) नाम का गैर-सरकारी संगठन भी है, जो सुप्रीम कोर्ट की निगरानी के तहत असम में एनआरसी को अपडेट करने के लिए शीर्ष न्यायालय में मूल याचिकाकर्ता था. एपीडब्ल्यू का कहना था कि अंतिम एनआरसी सूची की प्रक्रिया को दोषपूर्ण तरीके से पूरा किया गया था.

इस साल मार्च महीने में भी मुख्यमंत्री हिमंता बिस्वा शर्मा ने कहा था कि वे राज्य में दोबारा एनआरसी चाहते हैं.

हिमंता सरकार का आरोप लगाया है कि इस सूची में कई अवैध प्रवासियों के नामों को शामिल किया गया है. इसके बाद भाजपा ने सुप्रीम कोर्ट का रुख कर बांग्लादेश की सीमा से सटे जिलों

में 20 फीसदी नामों और शेष जिलों में 10 फीसदी नामों के दोबारा सत्यापन के लिए याचिका दायर की है.

जुलाई 2018 में भाजपा ने उस समय जारी हुए एनआरसी के आंशिक मसौदे का स्वागत किया था, जिसमें 40 लाख से अधिक लोगों को बाहर रखा गया था. हालांकि पार्टी ने इसके एक साल बाद प्रकाशित पूर्ण मसौदे का विरोध किया था क्योंकि इस सूची में कथित तौर पर मुस्लिमों की तुलना में अधिक हिंदू सूची से बाहर थे. [\https://thewirehindi.com/235632/](https://thewirehindi.com/235632/)

8. Large scale anomalies in Assam NRC updation, says CAG report (kmsnews.org) Updated: 27 Dec 2022

The Comptroller and Auditor General of India (CAG) has detected anomalies in the updating of the National Register of Citizens (NRC) in Assam while the audit body is recommending action against a former State Coordinator and system integrator Wipro.

The CAG report submitted to the Assam assembly, said 215 software utilities were added in a haphazard manner to the core software used for the updating NRC due to the lack of proper planning.

“These were done without following the due process of either software development or selection of vendors through eligibility assessment following a national tendering,” read the report.

The haphazard development of software and utilities for the NRC data capture and correction posed the risk of data tampering without leaving any audit trail, the CAG report said.

The audit body recommended action the then State Coordinator Prateek Hajela. The Supreme Court-monitored NRC exercise was started after Hajela was appointed the State Coordinator in October 2013.

The CAG also sought penal measures against system integrator Wipro Limited for violation of the Minimum Wages Act as “payment was made to operators at a rate less than the minimum wages.”

However, the CAG pointed out that the project cost for the NRC escalated from Rs288.18 crore to Rs1,602.66 crore due to the time taken to undertake the exercise. <https://www.kmsnews.org/kms/2022/12/27/large-scale-anomalies-in-assam-nrc-updation-says-cag-report.html>

9. Reverify NRC list, punish those responsible for anomalies: Assam organisations (newindianexpress.com) Updated: 26 Dec 2022

GUWAHATI: After the Comptroller and Auditor General of India (CAG) detected large-scale anomalies in the updation of the National Register of Citizens (NRC) in Assam, some organisations renewed the demand for re-verification of the citizens’ list and stringent punishment of those responsible for the mess.

The All Assam Students' Union (AASU) described them as enemies of the state and said the people would never forgive them.

“The demand for the updation of the NRC was raised to safeguard the state’s indigenous population. The government should give exemplary punishment to those who indulged in corruption and committed anomalies in the NRC process,” the AASU said in a statement.

The students’ organisation said it had earlier moved the Supreme Court seeking a Bangladeshi immigrants-free NRC. It said the decision to update the NRC was taken after a movement by the people of Assam.

“The AASU is not happy over how the NRC was updated. A minute examination of the list is imperative for an error-free NRC. The Centre and the Assam government can approach the Supreme Court seeking re-verification of the list. Only this can ensure a correct NRC,” the statement further said.

“We will not rest till we get a correct NRC,” Samujjal Bhattacharya, who is the chief advisor to the AASU, said.

The Assam Public Works (APW), an NGO which had first moved the apex court seeking the updation of the NRC of 1951, alleged the then NRC coordinator Prateek Hajela was solely responsible for the mess.

“Prateek Hajela had told people in Assam that everything is being monitored by the Supreme Court. He misled the court,” APW president Abhijeet Sharma said.

Hitesh Dev Sarma, who succeeded Hajela, had filed two FIRs with the CID of police and the Vigilance and Anti-corruption Wing earlier, alleging corruption and money laundering by his predecessor.

In its report for 2020 submitted to the state Assembly on Saturday, the CAG said it was due to a lack of proper planning that 215 software utilities were added haphazardly to the core software used for updating the document.

The report said highly secure software was needed for the updation exercise but due process was not followed either for the development of software or the selection of vendors. The “improper” software development, related to data capture and correction, had left room for data tampering, the report said, adding the project cost of Rs 288.18 crore escalated to Rs 1,602.66 crore due to time overrun. <https://www.newindianexpress.com/nation/northeast/2022/dec/26/reverify-nrc-list-punish-those-responsible-for-anomalies-assam-organisations-2531939.html>

10. BJP MLA Alleges BMC Officials of Spending Rs 35 Cr On 5-Star Hotel Stays Amid COVID-19 Pandemic (news.abplive.com) Updated: 26 Dec 2022

A Bharatiya Janata Party (BJP) MLA has written to the Maharashtra government alleging that the Brihanmumbai Municipal Corporation (BMC) spent around Rs 35 crore on five-star hotel stays for its officials during the COVID-19 lockdown. In a letter to Deputy Chief Minister Devendra Fadnavis on Sunday, BJP MLA Mihir Kotecha demanded a probe by the Anti-

Corruption Bureau (ACB) against civic officials who allegedly spent around Rs 35 crore in 2020 and 2021.

“Such behaviour throws light on the BMC caring little about lives of the common people, but keeping its officers in five-star hotels,” Kotecha wrote, claiming that the expenditure was to the tune of Rs 34.6 crore.

Kotecha's allegations can be seen as another attempt by the BJP to corner the Uddhav Thackeray faction of the Shiv Sena. The party has controlled the country's richest civic body for the last three decades.

“We should not forget that nurses and other medical staff, who were frontline workers during the pandemic, did not receive their dues and payments on time. Such corrupt practice is drowning the civic body,” the MLA said in the letter.

The Eknath Shinde-led government had on October 31 asked the Comptroller and Auditor General (CAG) to conduct an investigation into the allocation of works by the Mumbai civic body during the pandemic when the Maha Vikas Aghadi (MVA) government was in power.

The CAG last month began its probe into the allocation of works by the BMC during the pandemic. <https://news.abplive.com/news/india/bjp-mla-alleges-bmc-officials-of-spending-rs-35-cr-on-5-star-hotel-stays-amid-covid-19-pandemic-uddhav-thackeray-mva-cag-anti-corruption-bureau-1571877>

SELECTED NEWS ITEMS/ARTICLES FOR READING

11. India digs out Rs 62,000 cr GST evasion in 3 years ([deccanchronicle.com](https://www.deccanchronicle.com)) December 27, 2022

Tax authorities have detected over ₹62,000 crore worth of goods and services tax (GST) evasion, using fake invoices during the past three years, said a top official of the Central Board of Indirect Taxes and Customs (CBIC) on Monday.

Activities of some unscrupulous traders came to notice when the government kept such offences out of the increased monetary threshold of ₹2 crore in the recent GST Council meeting.

“We have seen some fraudulent activities by a handful of unscrupulous traders who create fake invoices by showing bogus e-way bills and movement of goods. We found such activities after the recent GST Council meeting,” official said.

When asked about the modus operandi of tax officers on tracing such fraudulent activities, the official said it was different to trace them since the entities are registered across different states and they kept changing their numbers from time to time.

“The amount of tax evasion could be more in the coming days if this practice was not checked properly,” the official said.

Since 2020, the GST authorities at the central level have arrested over 1,030 individuals, who used fake invoices to illegally avail or pass on input tax credit.

The number of cases and amount involved would be much more at the aggregate level as state GST is different.

In the recent GST Council meeting, the Council had approved doubling the threshold to ₹2 crore for initiating criminal proceedings for various offences under GST, except those involving fake invoices, as part of its decriminalisation drive. Finance minister Nirmala Sitharaman is expected to announce the date on which this change is expected to come into force.

As of now, the tax evader could be imprisoned for three years, if the amount of tax evaded exceeds ₹2 crore, but is less than ₹5 crore. If tax evaded is more than ₹1 crore, but less than ₹2 crore, the incarceration period is one year. <https://www.deccanchronicle.com/business/other-news/271222/india-digs-out-rs-62000-cr-gst-evasion-in-3-years.html>

12. 51 per cent govt projects face delay, cost escalates by 22 per cent (newindianexpress.com) December 27, 2022

Over 51% of government projects costing Rs 150 crore and above are seeing delays in completion as on December 1, 2022, government data shows. In November 2020, 32% of the projects showed delays in completion and in March 2018, only 19% projects were delayed.

The number of projects showing cost overruns as of December 1, 2022, was 22%, higher than 13% in March 2018. The report shows the total cost escalation has been to the tune of Rs 4.5 lakh crore, which is 22% more than the original project cost. A report released by the Infrastructure and Project Monitoring Division of the Ministry of Statistics and Programme Implementation (MOSPI) shows.

“The projects got delayed mainly due to delay in land acquisition, obtaining forest/environment clearances, lack of infrastructure support, delay in tie-up of project financing and law and order issues,” says the report.

A Kotak Institutional Securities report suggests the delays could be due to disruption from the Covid pandemic but the large slippages are concerning nonetheless. There was a steady fall in total number of projects under execution in the eighth month of FY23. Meanwhile, average time overrun in delayed projects stands at 42 months.

The majority of the delay is seen in roads, railways and petroleum sectors. As per the report, in November, out of 1,476 projects, 16 projects were added and 54 projects, majorly comprising road projects, were completed. “756 projects are delayed with respect to their original schedules and 304 projects have reported additional delays vis-à-vis their date of completion reported in the previous month. Of these 304 projects, 58 are mega projects costing Rs 1,000 crore and above,” the report added.

Project delays & cost overruns

1,476 total projects

9 projects ahead of schedule

255 projects on schedule

756 projects delayed

215 projects time and cost overrun

Rs 4.52 lakh crore total cost overrun

Note: Data till November 2022

Source: Ministry of Statistics and Programme Implementation

<https://www.newindianexpress.com/business/2022/dec/27/51-per-centgovt-projects-face-delay-cost-escalates-by-22-per-cent-2532117.html>

13. It is time to make fiscal compression a priority (*livemint.com*) December 26, 2022

Bibek Debroy, chairman of the Economic Advisory Council to the Prime Minister, has voiced himself firmly in favour of medium-term fiscal consolidation. In an interview with Mint, Debroy said this ought to be a priority in the upcoming budget and the government should clearly convey a credible plan to achieve it over the next few years. While the Centre has said it will tighten its fiscal deficit to 4.5% of GDP by 2025-26 (it is budgeted at 6.4% this year), anxiety has been aired over this being too big a target. "There must be a credible plan to reduce it, a credible plan to persuade the rest of the world that India is serious about fiscal consolidation," Debroy said, "because otherwise, debt will not be sustainable." Indeed, we need the state to borrow less and free up budget space weighed down by a heavy interest burden. As we put pandemic disruptions behind us that bent both demand and supply in peculiar ways, we also need to contain repercussions of a fiscal bloat on our cost of living. A tighter belt is a doubtless must. The extent of it is in question.

The ravages of covid are not fully behind us yet. Last week's decision to extend free food handouts that began as a welfare measure after the virus struck India was a sign of its lasting effects. Social spending cutbacks are unlikely for other reasons, too, such as general elections due in 2024. The most significant ramp-up in government expenditure in recent years has been on infrastructure projects and the like, which are expected to get a large outlay for 2023-24. As in past budgets, the income multiplier effect of capex will likely be deployed as a growth prop for yet another year. The recovery of our economy is not robust enough for private forces to lead an upsurge, as this year's readings suggest, and next year could bring adverse spillovers from global economic stagnation. A sharp reduction in capital spending next year would then be too risky. This agenda, however, must be weighed against government debt ruling above 80% of GDP, which at high emerging-market rates of interest is near its danger level after which paying back can turn into a back-breaker. Should inflation or other factors force those rates to go up along an entire curve of yields on government bonds, this debt squeeze of coffers would worsen. Already, the Centre's allocation for its interest bill takes up roughly half its revenues. We cannot have debt soaking up more money, leaving us with less to spend. While revenue expansion could come to next year's budget aid, for a substantial slash in the fisc, the Centre should go in for asset sales at a scale unseen before. It will also have to cut some subsidies and spending heads that have proven politically sticky for decades. Tax reforms could chip in too, especially since direct levies have not kept pace with our swelling indirect-tax mop-ups, a regressive shift that is arguably in need of containment. As Debroy suggests, perhaps this budget could come up with incentives for income taxpayers to embrace a liability option that's free of exemptions.

While India's need for fiscal compression is widely agreed upon, its speed remains under debate. Given the risks of a delayed return to normalcy after a major rescue or stimulus exercise, the Centre should consider going faster than its currently outlined glide path towards 2025-26. A more ambitious approach has also been advised by the International Monetary Fund. Advancing the 4.5% of GDP target to 2024-25 and aiming for 5.5% next year may quell concerns that our path is too lax. <https://www.livemint.com/opinion/online-views/it-is-time-to-make-fiscal-compression-a-priority-11672073537456.html>

14. Why the government must push ahead on free trade agreements ([indianexpress.com](https://www.indianexpress.com)) December 27, 2022

After initially questioning the benefits accruing from free trade agreements India had signed over the years, the Narendra Modi government appears to have rethought its position on trade pacts. Over the course of the last year or so, the government has been actively pursuing pacts with a wide range of countries. Trade pacts have been signed with Australia and the UAE, while negotiations are ongoing with the UK and the European Union, among others. But as these talks enter a critical phase, non-tariff issues ranging from carbon emission norms and climate action to labour and gender balance standards are increasingly coming into focus. Indian negotiators are concerned that their inclusion could provide partner countries with instruments to impose non-tariff protectionist measures, not allowing India to fully take advantage of the trade pacts.

Take, for instance, the issue of carbon emissions, which is gaining traction. Recently, the European Union reached an agreement on a carbon border adjustment mechanism which is meant to target carbon intensive products such as iron and steel, cement, aluminium and fertilisers. This is applicable from October 2023. Under the framework, levies would be imposed on imported goods on the basis of the emissions during their production process. As per the European Commission, the adjustment mechanism will “equalise the price of carbon between domestic products and imports”, and thus ensure that the EU’s climate objectives “are not undermined by production relocating to countries with less ambitious policies.” This will impose costs on Indian exporters, act as a barrier. On similar lines, manufacturers of steel in India will be at a disadvantage when compared to those in the US where the process results in lower carbon emissions.

As reported in this paper, policy makers in Delhi have raised these concerns, arguing for the need to examine these issues “cautiously”. While negotiations must surely proceed with care, they must not be derailed over these issues. The government must push ahead with these trade agreements. In fact, the domestic reform agenda must be aligned with ensuring that the benefits from these trade pacts can be maximised. A recent report that the government plans to raise import duties on “non-essential items” runs counter to its embrace of trade agreements. Moves such as these will only expose the government to the charge of being protectionist. The first two decades after 1991-92 saw a steep decline in tariff rates. The trend, however, has been reversed under the Modi government with the average applied import tariff actually rising. At a time when firms are looking to diversify away from China, pursuing a China plus one strategy, India must lower barriers to trade, seek actively to be a part of global value chains. <https://indianexpress.com/article/opinion/editorials/why-the-government-must-push-ahead-on-free-trade-agreements-8345484/>

15. The need to have a performance-linked incentive model in education ecosystem (economictimes.indiatimes.com) 27 Dec 2022

The National Education Policy (2020) has called for public expenditure on education to rise to 6% of India's GDP. This is a reasonable target if India aspires to be a significant power. According to data from the World Bank, Australia (5.2%), Brazil (6.1%), and Canada (5.2%) are among the countries worldwide that have public expenditure in that range. We are currently far below that target. In 2021-2022, India's public expenditure on education was 3.1% of the GDP. In 2022, the Finance Minister, Nirmala Sitharaman, announced an increase of 18% over the previous year. This was very welcome news after the slight decrease in the previous year. But the reality is that an increase in this range is insufficient to reach the targeted 6% in the near future. With the year-on-year increase of 15% in the education budget for the next decade, we will still be below that target. All the same, increasing well above that kind of increase in the national budget is unrealistic. As a percentage of our central government budget, education is already at 16%, the third highest item on the budget. This is roughly the same percentage of China's budget during the 90s, the decade where they achieved transformational progress in developing a world-class public education ecosystem.

We could achieve a similar transformation by reimagining how we utilise budgeted expenditure on education. Our central budget on education expenditure is divided into two main areas: school education and literacy, and higher education, with a rough proportion of 60:40. We should innovate on disbursement models in each area separately. Let us consider some novel disbursement models for funding higher education.

A potential game-changing scheme would be to use funds allocation to incentivise private giving to public and private colleges. Some large corporations have a scheme for matching charitable contributions made by their employees to the charity of their choice. An analogous scheme would be to set aside a portion of the budgeted amount to match donations made by alums and wealthy individuals to an educational institute. We do have schemes in place to give them tax relief. But this one serves a different purpose. The leverage of additional contributions would incentivise individuals to donate more to educational institutions. At the same time, the management of academic institutes would work harder to attract private funding sources. To safeguard against misuse, this matching of individual contributions can be restricted to the top 50 or 100 nationally ranked (NIRF-rated) colleges. Moreover, the government should only match donations that advance the key performance measures.

Another radical innovation to consider would be to allocate discretionary funds to an institute linked to its past track records on improvements. This model is quite different from what we have done recently. For instance, consider the scheme known as the Institute of Eminence (IoE). The scheme was introduced in the 2016 Budget by the Finance Minister of India, Arun Jaitley. According to this scheme, 10 public and 10 private universities in India were to be declared as IoE. In addition to allowing them autonomy over specific regulations, the scheme allocated Rs 1,000 crores to each public university designated as IoE. The intent was for them to utilise these funds to help become world-class teaching and research institutions. This is an example of what one would call a wishful-thinking funding model. We hoped these institutes would use the additional funds wisely to achieve the goal.

In comparison, a performance-linked incentive model is more likely to lead to having world-class educational institutions. The performance measures of an educational institute used in this context should be objectively observable. Aspirational goals such as becoming world-class

do not qualify as that is broad and not an actionable goal. Specifying too many measures or being proscriptive should also be avoided. An ideal PLI model of funding scheme would define a few key performance indices (KPIs) and keep these relevant to how we envision our institutions to grow.

Some examples would clarify the intent. Many academics have suggested that our research institutes do incremental research rather than produce breakthrough research. If our objective is to do breakthrough research, then the appropriate KPI would be to use the aggregation of h-indices of research papers published by faculty members rather than the number of journal papers published by faculty. This (h-index) measures each research paper's impact on the field. Similarly, many employers have indicated that our students are not well-prepared for the jobs they do and thus require additional training at their expense. Suppose our objective is that an institution imparts excellent education to students. In that case, relevant performance measures should be about placement data, including how many get jobs, the kinds of jobs offered, additional training needed to become effective upon graduation, etc.

In redesigning any models for disbursement that depends on performance measures, we need to look at key characteristics that make the redesign successful. More prominent and significant institutes would see disproportionate benefits if performance is measured in absolute numbers, such as the number of journal papers published in the past year. This, of course, perpetuates the status quo and will discourage continual improvements by institutions. A better design would measure the rate of progress in a performance metric. Similarly, a better plan would look at a metric averaged over the past 2 or 3 years, indicating a trend of improvement. Moreover, instead of earmarking separate funds to each desirable performance metric, discretionary funds should consider a mix of performance criteria and let funded institutes choose how to spend measures to improve metrics that play to their strength.

The above models are more relevant to the public funding of higher education. We should also seek similar models to disburse public funds in high school and literacy areas. Any such model must be based on observably objective measures and provide institutes clarity about steps to take to seek an increase in discretionary funding. This would be a radical and welcome departure from the current practice of allocating funds.

Recently in the city of Varanasi, during my travels, I came across a driver who earns close to Rs 16,000 per month and spends roughly Rs 9,000 out of that income on the education of his two daughters, one of whom he claimed, is a brilliant student aspiring to be a medical doctor. That level of personal sacrifice for their children's future is relatively common among the poorer section of the Indian population. Given that kind of personal sacrifice by the ordinary person, the nation's politicians and policymakers must learn to deploy our public expenditure on education effectively. <https://economictimes.indiatimes.com/small-biz/sme-sector/effective-use-of-govt-budget-on-education-the-need-to-have-a-a-performance-linked-incentive-model/articleshow/96534356.cms>

16. Bengal: Rs 2,744 of NREGA Wages Pending, Workers' Group Says 'Rights Violated' ([newsclick.in](https://www.newsclick.in)) 26 December 2022

The NREGA Sangarsh Morcha on Monday marked one year of the Centre withholding the release of over Rs 7,500 crore of MGNREGA funds to West Bengal as protest demonstrations took place across the state.

MGNREGA workers in the state have not been paid wages since December 26, 2021, which is a violation of their fundamental rights, the Morcha said. It demanded immediate release of pending wages, compensation for the delay at the rate of 0.05% per day for the entire duration, and initiation of new work and job cards, among others.

The Centre has not released the funds to the state for “non-compliance of central government directives” and invoked Section 27 of the Mahatma Gandhi National Rural Employment Guarantee Act.

According to a report by Libtech India, the pending wages amount to a staggering Rs 2,744 crore. It also states that there is around Rs 3,891 crores of perceived loss in NREGA wages from pre-Covid years (April to December 2018 and 2019) and Rs 6,046 crores in comparison to post-Covid years. Among different social groups, Scheduled Caste workers experienced the highest loss due to the stoppage works, the report says.

The NREGA Sangarsh Morcha in a press release said, “The present stoppage of wages is irrational and leads to victimisation of workers who have done their work honestly. It has also pushed poor workers on the brink of starvation.”

It added that although Section 27 of the Act may seem to allow the Centre to order the halt of funds release in some circumstances, “but this provision cannot be read as a licence to stop wage payments to workers who have already worked.” The Morcha added that the workers have an unconditional right to be paid within 15 days.

The Morcha further explained that the fund halting provision under Section 27 of the Act was formulated when the release of funds preceded NREGA work. However, at present, the government pays the wages directly to workers after the work is done.

It pointed out that ahead of Panchayat elections in mid 2023, the stand-off over NREGA funds between the Bharatiya Janata Party-ruled Centre and Trinamool Congress ruled state government of West Bengal is “taking on political overtones”. It also pointed out that along with the Centre, the state government also violated workers’ rights by allowing corruption through syphoning of MGNREGA funds.

The Minister of State for Rural Development, Sadhvi Niranjana Jyoti recently said in the Rajya Sabha that the funds for West Bengal were frozen after the state government failed to send in a detailed response to the questions raised by a Central team that investigated the scheme’s implementation in the state in 2019.

While the state claims that all corrective measures have been taken, the BJP at the Centre is reluctant to release the money before the Panchayat elections, the Morcha said, adding, “In this political slugfest the sufferers are workers who have been deprived of their wages for the past year.”

While encouraging measures to tackle corruption and increase transparency, the Morcha said, “The standards of audits and action taken on audit findings are largely unsatisfactory in the state and across the country. The State Employment Guarantee Council (SEGC) and Central Employment Guarantee Council (CEGC) have not existed for the past couple of years. This not only makes a mockery out of transparency and anti corruption measures, but also shows how the GoI is using anti corruption as an excuse while itself violating the Act.”

Our Demands

Additionally, the Morcha made demands that the central government sanctions and transfers the 2022-23 Labour Budget, and takes action against anomalies and corruption in the scheme. It said the state government must start a revolving fund of Rs1000 crores from which immediate

payment of NREGA wages can be done and it will ensure payment in the event of future delays or complications in release of funds.

At the press conference, Anuradha Talwar, Jean Dreze, Nikhil Dey, Parul Saboo and Sanjay Sahni, were present as panellists. Besides, Paschim Banga Khet Majoor Samity (PBKMS) commemorated December 26 as 'Black Day' with 'Thaala Bajao' and black flag demonstrations, road blockade, and public meetings in villages, block and GP offices across eight districts in West Bengal. <https://www.newsclick.in/Bengal-Rs-2744-NREGA-Wages-Pending-Workers-Group-Rights-Violated>

17. Centre has withheld Rs 7,500 crore in MGNREGA funds to West Bengal for a year, claims report (downtoearth.org.in) 26 December 2022

The central government has withheld release of Rs 7,500 crore in MGNREGA (Mahatma Gandhi National Rural Employment Guarantee Act) funds to West Bengal for a year now over "non-compliance of central government directives", a report released December 26, 2022 claimed.

A whopping Rs 2,744 crore of the Rs 7,500 crore are due in MGNREGA wages to workers, who have not been paid since December 26, 2021, the report by research non-profit Libtech India stated.

The central government has done this by invoking Section 27 of the 2005 Act, which allowed the government to "order stoppage of release of funds to the scheme" in some circumstances.

"But this provision cannot be read as a license to stop wage payments to workers who have already worked. These workers have an unconditional right to be paid within 15 days," the report said.

It added:

That line in Section 27 was formulated at a time when the release of funds preceded NREGA work. Today, work comes first, and funds are effectively released when the central government pays the wages directly in workers' accounts. Stopping the release of funds cannot be allowed, even under Section 27, when it has the effect of depriving workers of their rightful wages.

The report highlighted that the workers lost about Rs 3,891 crore to Rs 6,046 crore in the form of wages during the current year due to stoppage of work under NREGA.

The figures were reached by comparing the wages that employees would have made between April and December of the current fiscal year (FY 2022-23) if employment generation had been at pre-covid levels (April to December 2018 and 2019) and covid levels (April to December 2020 and 2021), taking into account the average wage rate per day in FY 2022-23.

A fact-finding investigation between July 25 and July 27, 2022 in West Bengal by civil society organisations working on MGNREGA found that the workers have not been paid for the work they have done since December 26, 2021.

Also, majority of workers the team met complained that despite their willingness to work no work has been provided in FY 2022-23 under MGNREGA. Even those who received work have got only six to 12 days of work.

Around 10 per cent of the working households and 11 per cent of the total active workers in the country were from West Bengal.

“The present stoppage of wages is irrational and leads to victimisation of workers who have done their work honestly. It has also pushed poor workers to the brink of starvation,” the authors of the report highlighted.

Among different social groups, Scheduled Caste workers experienced the highest loss due to the stoppage of work. Women workers experienced a loss of about Rs 1,870 crore to Rs 2,758 crore in wages.

Chief Minister Mamata Banerjee had also alleged that the Centre was not releasing MGNREGA funds to the state.

Both the central and state governments are guilty of violating the fundamental Right to Life of workers across the state, the authors said.

“With Panchayat elections due in mid-2023, the Centre-state stand-off over NREGA funds is taking on political overtones. While the state asserts that all corrective measures have been taken, the Bharatiya Janata Party at the Centre is reluctant to release the money before the Panchayat elections. In this political slugfest, the sufferers are workers who have been deprived of their wages for the past year,” said the report. <https://www.downtoearth.org.in/news/governance/centre-has-withheld-rs-7-500-crore-in-mgnrega-funds-to-west-bengal-for-a-year-claims-report-86789>

18. Blue Carbon: India’s time to create some waves ([orfonline.org](https://www.orfonline.org)) 26 December 2022

India’s commitment to its 2070 net-zero target entails that it must explore all potential interventions and leverage them to their fullest. Here, nature-based solutions like blue carbon ecosystems e.g., mangroves, tidal and salt marshes, seagrasses, etc. can be crucial for carbon sequestration. However, India’s ‘Long-Term Low-Carbon Development Strategy’ document submitted to the United Nations Framework Convention on Climate Change (UNFCCC) is not focusing on this opportunity. The absence of a clear pathway for the restoration of blue carbon storage assets can be a major source of carbon emissions in the future.

Climate change mitigation and adaptation benefits

India is blessed with a 7,500+ kilometre-long coastline. As per Anirban Akhand et. al. (2022), India could presently have about 5,000 sq. km of mangroves, 500 sq. km of seagrasses, and anywhere between 300 to 1400 sq. km of salt marshes which cumulatively adds up to about 0.5 percent of the country’s total area. Despite their small expanse, these coastal systems can sequester carbon considerably faster and for millions of years. According to Hamilton and

Friess (2018)[1], they can capture carbon dioxide (CO₂) up to 20 times greater than any other terrestrial ecosystem, including boreal and tropical forests. Presently, their total carbon sequestration potential has been estimated as 702.42 million tons of CO₂e about 22 percent of India's annual carbon emission. It has also been estimated that there is an additional sequestration potential of 207.91 million tonnes of CO₂e if the mangrove cover is conserved and protected.

Coastal ecosystems provide climate adaptation benefits such as protection from hurricanes and sea-level rise, prevention of shoreline erosion, and regulation of coastal water quality.

Additionally, coastal ecosystems provide climate adaptation benefits such as protection from hurricanes and sea-level rise, prevention of shoreline erosion, and regulation of coastal water quality. Moreover, restoring coastal areas offer several ecosystem services such as food security, livelihoods (small-scale fisheries), and biodiversity.

Unfortunately, coastal ecosystems are eroding due to urbanisation, the conversion of land into agriculture and aquaculture, and extreme weather events. The 'Nature' journal mentions India as a 'blue carbon wealth recipient country' instead of a blue carbon 'donor' country. This suggests an underutilisation of blue carbon resources in India.

India needs to give impetus to blue carbon

The lack of focus on blue carbon in its low-carbon strategy implies India must bring about a 'sea change' in its understanding of its coastal ecosystems as a strategic carbon sequestration reserve. Saying that India has turned a blind eye toward these possibilities is not an overstatement. It may so happen that some of India's previous activities under its afforestation and reforestation initiatives include minor aspects of the restoration and rejuvenation of coastal ecosystems. However, with changing times it is imperative to earmark and unify such projects under the broader umbrella of 'blue-carbon' to keep up with the evolving nature of global climate policy.

Time for a National Institute for Blue-carbon

The Government of India should realize that the country has so far relied only on homogenous literature on blue carbon, often by very few subject matter experts. It should now step in to create, compile, and formalise these databases towards institutionalising this workstream.

The lack of focus on blue carbon in its low-carbon strategy implies India must bring about a 'sea change' in its understanding of its coastal ecosystems as a strategic carbon sequestration reserve.

To help itself emerge as a leader in the blue-carbon sector, India must draw inspiration from specialised peer organisations like the National Institute of Wind Energy (NIWE), National Institute of Solar Energy (NISE), National Institute of Bioenergy (NIBE) etc. set up an organisation for the blue-carbon sector. This new institute can collaborate closely with the Indian Meteorological Department, National Institute of Oceanography, National Botanical Research Institute, ISRO, IIT Bombay's National Center of Excellence in Carbon Capture and Utilization, etc. to fulfil the necessary conditions needed to catalyse this sector. It can promote the establishment of requisite standards, codes, and peer-review frameworks for assessing blue carbon solutions. It can also harbour human resource skilling activities, incubate start-ups, and promote innovation clusters that prevent the degradation of coastal ecosystems, retain soil

nutrition and conserve indigenous biodiversity while respecting the cultures and aspirations of local communities.

National mission for blue carbon

To streamline the technological developments with financial and policy interventions in the blue-carbon sector, it is important that the GOI launches a strategic mission for the same. It can decide national targets for relevant sectors that contribute towards the development of a blue-carbon ecosystem and subsequently define the phase-wise strategies for value-chain development for acquiring knowledge, manpower, money, and materials that can stimulate the country's collective efforts. It can identify the potential demand generation actions like blue carbon obligations while pushing to put in place the key enablers for domestic and international players in this space. Setting up a robust carbon market in the country can be a critical element of this journey. It can launch pilot projects with the private sector/NGOs/Think Tanks while ensuring appropriate monitoring, compliance, and risk-mitigation guidelines. According to a McKinsey, blue carbon nature-based systems like peatland restoration can be achieved at a price of US\$50/tCO₂ equivalent by the year 2050 in India. It also proposes that emerging blue-carbon solutions can compete with nature-based solutions of land. The proposed mission can be empirically validated through pilots and decide financial outlays for the short-to-medium terms to outperform market expectations. Subsequently, the experience can be shared globally.

To streamline the technological developments with financial and policy interventions in the blue-carbon sector, it is important that the GOI launches a strategic mission for the same.

International partnerships

Due to its geostrategic location, India can be a leading beacon to synchronize cross-functional and cross-continental efforts in the blue carbon space. It can forge meaningful consensus across bilateral and multilateral forums. Also, for its own interests, it must actively participate in platforms like the Blue Carbon Initiative, International Partnership for Blue Carbon, and various upcoming projects related to nurturing blue forests in the Indian ocean. India's recent support of the French-led 'High Ambition Coalition on Biodiversity Beyond National Jurisdiction' and its participation in the 'One Ocean Summit' are early steps in the right direction. India can also support Small Island Developing States (SIDS) on their vast blue carbon resources. The lack of India's thought leadership on this front has led to disappointment amongst such countries in the climate dialogues. As India has recently taken over the presidency of the G20, it can summon its capabilities to fill in this void.

The water bodies surrounding India have deeply influenced its civilizational evolution. Its ancient ethos, literature and manuscripts have always venerated the gifts received from the high seas. India's ambitions to emerge as a climate leader warrants, its rise as a leader in the blue-carbon arena. <https://www.orfonline.org/expert-speak/blue-carbon-indias-time-to-create-some-waves/>

19. Swadesh Darshan scheme moves at snail's pace even in Kerala ([english.mathrubhumi.com](https://www.mathrubhumi.com)) 27 December 2022

Swadesh Darshan, a central government scheme launched in 2014 -15 for the integrated development of theme-based tourist circuits in the country, is facing setbacks and is trailing behind in several parts of the country, reveals a Parliamentary Committee Report. Further, the report indicates that the union government only provided Rs 3.88 crore out of Rs 69.47 crore allocated for projects proposed under the scheme in Kerala.

The report revealed that the Rural Circuit (Kerala), Himalayan circuit (J&K), Eco circuit (Punjab and Jharkhand) and Spiritual Circuit (Maharashtra) are trailing behind and are far from completion. The report was tabled on Monday in parliament by a committee headed by MP V Vijayasai Reddy.

Though Rs 5508.83 crore was allocated for 76 projects under the scheme, only 34 projects were completed by the government, says the report. Under the scheme, the Ministry of Tourism provides Central Financial Assistance (CFA) to State Governments/Union Territory Administrations for the infrastructure development of circuits.

Meanwhile, the report also mentions that the government has set a deadline to complete the projects facing delays. Despite setbacks, the government recently revamped the scheme as Swadesh Darshan 2.0 to bolster the tourism sector in the country. <https://english.mathrubhumi.com/features/travel/swadesh-darshan-moves-at-snail-s-pace-kerala-yet-to-receive-full-amount-allocated-for-projects-1.8167765>