NEWS ITEMS ON CAG/ AUDIT REPORTS (11.02.2023 to 13.02.2023)

1. Will India's focus at G-20 on blue economy help counter climate change, spur equity? *(indianarrative.com)* February 11, 2023

India, which currently holds the chair for both G20 and Shanghai Cooperation Organisation SCO, is all set to raise the pitch on conservation of marine and coastal ecosystems especially for the global south as it underlined the importance of the blue economy. The focus will be on chalking out agreements on ocean-based climate solutions, which according to the World Economic Forum (WEF) has been missing.

The WEF added that the ocean has tremendous potential to spur economic growth, create jobs and mitigate some of the most severe climate impacts if the ocean ecology is protected and its resources are used judiciously and sustainably.

"We need to have a full plan to increase cooperation among countries to ensure that ocean ecology is maintained. India has already taken a lead position in bringing the aspect of the blue economy to the fore," a government insider told India Narrative.

Blue economy supports about 10 per cent — $1.5 trillion of China's gross domestic product but it is about 4 per cent in India.

All India Radio's new division noted that the blue economy as a concept would require greater research and development, collaborative tapping, increased South-South cooperation and responsible investments. "These must be facilitated to ensure sustainability and social equity," it said.

India's thrust blue economy for overall growth

As the geopolitical thrust is now shifting to the Indo Pacific region, the Narendra Modi government is aggressively looking at boosting the ocean economy and turning a part of it into a global economic corridor.

In 2021, the Ministry of Earth Sciences, which is the nodal ministry, released the draft of the National Policy for India's Blue Economy with the aim to increase the contribution of blue economy's to India's GDP while ensuring the national security of maritime areas.

Last month, the Gautam Adani group acquired the strategically located Haifa port in Israel, which will provide India a direct access to Europe.

In another significant move, the Mediterranean Shipping Company (MSC) will start a liner service that will connect India with the Gulf nations and the Western Mediterranean region. The shipping service expected to begin in December will start from Saudi Arabia's Jeddah Islamic Port.

It will then call on Jebel Ali in South West Dubai, Mundra and Nhava Sheva in India, Djibouti in Africa, Gioia, Tauro, Salerno and Genoa in Italy, Barcelona and Valencia in Spain, Marsaxlokk in Malta, King Abdullah, which is Saudi Arabia's newly launched port facility.

Adani has also expressed interest in Egypt's port sector.

Recently, Comptroller Auditor General of India GC Murmu speaking at a press gathering at the SCO Supreme Audit Institutions' conference said that even the CAG will sharpen its focus on blue economy.

"The ecological balance and proper utilisation of water resources is key," Murmu said.

India, with a coastline of more than 7.500 km, is the second largest fish producing country in the world. It has a fleet of 2,50,000 fishing boats. As many as nine states have access to the sea. https://www.indianarrative.com/economy-news/will-indias-focus-at-g-20-on-blue-economy-help-counter-climate-change-spur-equity-106873.html

2. Rajasthan government plans to launch own treasury system, CAG protests *(timesofindia.indiatimes.com)* Feb 13, 2023

Rajasthan CM Ashok Gehlot NEW DELHI: A constitutional crisis is brewing in Rajasthan with the chief minister Ashok Gehlot-led Congress government in the state showing reluctance in sharing accounts with the Comptroller and Auditor General's office amid reports of launching its own Pay and Accounts System (PAO), doing away with the established treasury system in which the CAG through its accountant general maintains all pay and pension accounts of a state.

According to sources, the federal auditor shot a missive to chief secretary Usha Sharma on February 9 protesting the Rajasthan government's attempt to challenge the constitutional obligation since "Article 150 of the Constitution mandates that the accounts of the Union and of the states shall be kept in such form as the President may, on advice of the CAG, prescribe."

Reminding the Rajasthan government of a well-established treasury system followed by every state since Independence, the letter clarified that the CAG is responsible for compiling the accounts of each state from state treasury. "Any change in the current system of treasury to the PAO independently would cause disruption in compilation, preparation and reporting of government accounts," the CAG has said.

The letter, shot from the headquarters of the federal auditor, has reminded the chief secretary that its accountant general, the head of the CAG's office in a state, had first brought this issue to the notice of the state government on June 23 last year raising concerns of any change from the treasury system to the PAO system.

The letter said: "It is learnt... that the government of Rajasthan is contemplating to dispense with the current treasury system and introduce PAO independently. Earlier, we had pointed out the lack of due process as per the CAG's DPC Act (Duties, Powers and Conditions of Service Act). In reiteration of the same we would like to bring to your notice the following constitutional and statutory provisions: ...The DPC Act provides under section 10 for compilation of accounts of the Union and states by the CAG which mandates that the CAG shall be responsible for compiling the accounts of each state from the initial and subsidiary accounts rendered to audit and account offices under his control by treasuries, offices or departments responsible for keeping of such accounts and also for preparation of accounts."

The audit said that any departure from the established treasury system "will require prior approval of the President and consultation with the CAG". At present, both the Union accounts and the state finance accounts need certification from the CAG before they are tabled in Parliament and assemblies.

"In light of the above facts, it is highly desirable to re-evaluate this entire gamut of change in the treasury system and associated activities of accounts in Rajasthan before embarking on such drastic changes and hold it till further consultation with this office," the letter has stated.

The federal auditor has further reminded the chief secretary that "any creation of PAO by one state will derail the time tested treasury system where huge human and digital resources have evolved along with corresponding treasure rules and with its inherent system of checks and balances and the linkage of entire IT infrastructure with PFMS etc. It will also be in contravention with the Treasury Single Accounts and Single Nodal Agency system laid down by the Government of India". https://timesofindia.indiatimes.com/india/rajasthan-government-plans-to-launch-own-treasury-system-cag-protests/articleshow/97847223.cms?from=mdr

3. CAG को खाता-बही नहीं दे रही है Rajasthan Sarkar, प्रदेश में संवैधानिक संकट की स्थिति, पढ़ें क्या चाहते हैं गहलोत? *(navbharattimes.indiatimes.com)* Feb 13, 2023

राजस्थान में मुख्यमंत्री अशोक गहलोत की अगुवाई वाली कांग्रेस सरकार पर कैग ने गंभीर आरोप लगाए हैं। कैग ने राज्य में संवैधानिक संकट की स्थित पैदा होने की बात कही है। दरअसल, गहलोत सरकार अपने खाता-बही कैग से साझा नहीं कर रही है। सूत्रों के अनुसार इसी मसले पर 9 फरवरी को कैग (CAG) यानी यानी नियंत्रक और महालेखापरीक्षक ने सरकार को संदेश भेजा। संघीय लेखा परीक्षक की ओर से मुख्य सचिव उषा शर्मा को भेजे इस संदेश में राजस्थान सरकार का संवैधानिक बाध्यता को चुनौती देने के प्रयास का विरोध किया गया है। संविधान के अनुच्छेद 150 में यह अनिवार्य है कि संघ और राज्यों को ऐसे रूप में रखा जाएगा जैसा कि राष्ट्रपति सीएजी की सलाह पर निर्धारित कर सकते हैं। लेकिन प्रदेश में ट्रेजरी और सब ट्रेजरी को हटाकर गहलोत सरकार विभागों को शक्तियां देने वाले नए पे एंड अकाउंटिंग (पीएंडए) सिस्टम को लागू करने जा रही है। हालांकि सीएजी ने वित्त विभाग की इन कोशिशों को संवैधानिक प्रावधानों के विपरीत बताया है।

राजस्थान सरकार ने इससे पहले अपने नए अकाउंटिंग सिस्टम को लेकर सीएजी को पत्रावली भेजी थी। इसके जवाब में सीएजी ने जवाब दिया था। कहा था कि मौजूदा अकाउंटिंग सिस्टम की जगह नया पीएंडए सिस्टम संवैधानिक नियमों के खिलाफ है। यह डीपीसी एक्ट 1971 के प्रावधानों के विरुद्ध है। कैग ने राज्य सरकार को इस मामले में आगे कोई भी कदम उठाने से बचने के लिए भी कहा गया।

गहलोत सरकार की क्या मंशा है?

राजस्थान विधानसभा के 7वें सत्र में पूछे गए एक लिखित प्रश्न जवाब इस बारे में जानकारी मिली थी। सरकार ने अपने जवाब में स्वीकार किया कि ट्रेजरी और सब ट्रेजरी के स्थान पर विभागों में पीएंडए ऑफिस खोले जाएंगे। इससे संबंधित ट्रेजरी और सब ट्रेजरी कार्यालय को बंद करने और अन्य कार्य में लेने के लिए विचार की बात भी कही गई।

कैग को इसलिए है आपत्ति

सीएजी ने राज्य सरकार को आपत्ति जताते हुए पत्र लिखा है। इसमें बताया गया है कि नया पे एंड अकाउंटिंग सिस्टम डीपीसी एक्ट 1971 के प्रावधानों के खिलाफ है। सीएजी ने गहलोत सरकार को यह भी आगाह किया कि इस मामले में आगे कोई भी कदम उठाने से बचें।

राज्य में ट्रेजरी-सब ट्रेजरी ये काम करती है

राजस्थान या किसी भी अन्य राज्य में ट्रेजरी-
सब ट्रेजरी का काम जिलों में चलने वाले दफ्तरों के वेतन बिल बनाना, नियमानुसार उनकी जांच का होता है। साथ ही पेंशन प्रकरण भिजवाना और ब्लाॅक स्तर पर स्टांप वितरण का काम भी इसी के जरिए होता है। ट्रेजरी और सब ट्रेजरी की ओर से सरकारी विभागों में वित्तीय गड़बड़ियों पर नजर और उनकी ऑडिट भी होती है। https://navbharattimes.indiatimes.com/state/rajasthan/jaipur/rajasthan-news-in-hindi-ashok-gehlot-govt-plans-to-launch-own-treasury-system-and-cag-protests-as-constitutional-crisis-brews/articleshow/97852153.cms

4. PM CARES: How the Union govt projects ownership but evades transparency *(thenewsminute.com)* February 10, 2023

While Chief Minister's funds in states usually fall under the ambit of the RTI Act, the Union government has repeatedly evaded answers regarding PMNRF and PM CARES over the years. Amid the ongoing Delhi High Court hearing of petitions seeking transparency about the PM CARES Fund, the Union government on January 31, claimed once again that it does not control the fund. This is despite the fund bearing the name of the Prime Minister and being vigorously promoted by PM Narendra Modi and former Vice President Venkaiah Naidu among others, as well as Indian embassies across the world. The logo of the fund is the emblem of the Lion Capital of Asoka at Sarnath, and the website uses the official domain 'gov.in', which is reserved for government agencies. It is run from the Prime Minister's Office(PMO) and is administered by PMO officials. Yet, the Union government has repeatedly rejected requests for information under the Right to Information Act (RTI), claiming that the fund is not controlled by the government and is therefore not a 'public authority' under Section 2(h) of the RTI Act.

While the government has also refused to share details about the Prime Minister's National Relief Fund (PMNRF), which is very similar to the PM CARES Fund, other funds such as the National Disaster Response Fund (NDRF) and various Chief Minister's Relief Funds (CMRF) do fall under the ambit of the RTI Act. However, these funds have not been promoted by the Union government as aggressively as the PM CARES Fund, which has received a far higher amount in donations than any of the other funds. Yet, amid sustained criticism and demands for transparency, the Union government has pushed back and refused to divulge specific information on the donations and expenditures of the fund since its establishment.

The origins and opacity of the PM CARES Fund

The PM CARES Fund is a 'public charitable trust' set up on March 27, 2020, soon after the onset of the COVID-19 pandemic in India. It was formed to deal with emergency situations such as the pandemic and was registered under the Registration Act, 1908. The Prime Minister is the ex-officio chairperson, and the Ministers of Defence, Home Affairs, and Finance are ex-officio trustees. PM Modi nominated former Supreme Court judge Justice KT Thomas, former deputy Lok Sabha speaker Kariya Munda, and Tata Trusts Chairman Ratan Tata as the Board of Trustees, and the Board nominated former Comptroller and Auditor General of India Rajiv Mehrishi, former Chairperson of Infosys Foundation Sudha Murthy, and Anand Shah, Co-founder of Teach for India and former CEO of Indicorps and Piramal Foundation, to the Advisory Board of the trust. It is administered by officers in the PMO on an honorary basis.

When the fund's creation was first announced by PM Modi on Twitter, he faced criticism from the opposition for setting up a new fund with a catchy name and opaque operations when a similar fund, the PMNRF, already exists. Historian Ramachandra Guha had called PM CAREs a 'self-aggrandising' name deployed to allegedly exploit a massive tragedy, to build the PM's brand. He also questioned why in a time of urgent crisis, movie stars and businessmen such as Akshay Kumar, Gautam Adani, and many others publicly donated huge amounts to the PM CARES Fund and promoted it when they could be giving the funds to local hospitals and relief measures instead. Contributions worth crores of rupees were sent in donations after cutting down on salaries of government staff including those in the railways, the Sports Authority of India, and the Department of Space, among others, as well as private sector banks and corporates. A few officials had even alleged that they faced pressure to donate to the fund. An exception was made for PM CARES by amending the Companies Act, 2013, to allow donations through CSR (corporate social responsibility) funding from corporates.

The decision to allow uncapped corporate donations to the fund to count as CSR expenditure — a facility not provided to PMNRF or various CM's Relief Funds — goes against previous guidelines stating that CSR should not be used to fund government schemes. A government panel had previously advised against allowing CSR contributions to the PMNRF on the grounds that the double benefit of tax exemption would be a "regressive incentive".

At the time that PM CARES was established, the PMNRF had funds worth Rs 3,800.44 crore as of the end of the financial year 2018-19. In FY 2019-20 alone, the PM CARES Fund raised donations worth Rs 3,076.62 crore. In 2020-21, the funds available went up to Rs 10,990.17 crore. By the end of 2022, the Fund had Rs 5,415.65 crore left, having received Rs 1896.76 crore in voluntary contributions, and Rs 40.12 crore in foreign contributions that year.

The PMNRF on the other hand, showed a total income of Rs 805.38 crore in 2021-22, and was left with a balance of Rs 5,556.83 crore at the end of the year. The NDRF on the other hand, which was set up under the Disaster Management Act, 2005, and falls under the purview of the Comptroller and Auditor General (CAG) of India and RTI Act, did not have a clear mechanism to receive public contributions, The Wire and RTI activist Lokesh Batra found in 2020. A couple of months later, the Supreme Court rejected a request to transfer funds from PM CARES to the NDRF, saying that the government was free to do so if it found it appropriate.

Following demands to share the trust deed of the Fund, it was released by the government months later in December 2020. In June of that year, the PM CARES website was updated to declare that an independent auditor M/s SARC & Associates was appointed to audit the Fund in April 2020. The same firm also audits the PMNRF. The Supreme Court has also ruled that PM CARES need not be audited by the CAG.

Parallels with PMNRF

The PMNRF was set up in 1948 to accept public contributions for relief efforts in the aftermath of the Partition and is now used to aid people affected by natural calamities, major accidents, and riots. Since 1985, the PMNRF is headed by the PM and is also administered by PMO officials.

Much like PM CARES, PMNRF too has largely remained away from the purview of the RTI Act. In 2007, then Chief Information Commissioner Wajahat Habibullah said that even if the PMNRF could not be categorised as a public authority, since its information was held by the PMO which is a public authority, the PMO was obliged to make information accessible to the public under the RTI Act. This was said with regard to an RTI query by a man named Mohammad Muzibur Rehman, who had raised doubts about the alleged misappropriation of contributions by employees of South Eastern Coalfields Limited (SECL) to the PMNRF. Rehman had also raised doubts on the actual deposit of funds raised in contribution towards various calamities including various cyclones, the Kargil war, and the 2001 Gujarat earthquake. The subsequent inquiry reportedly revealed that out of a total of Rs 40.65 crore collected through contributions from employees of Coal India Limited (CIL), only Rs 30 crore was received by the PMNRF.

Similar to the plea over PM CARES, another case is ongoing in the Delhi High Court, seeking that PMNRF also be declared a public authority under the purview of the RTI Act. In Aseem Takyar v. Prime Minister National Relief Fund, a Division Bench of the Delhi HC reached a split verdict in 2018, and the case remains pending. The plea was moved by the PMNRF challenging a Central Information Commission order to provide details of institutional donors of PMNRF in response to Aseem Takyar’s RTI query. This plea was dismissed by a single judge bench in 2015, without deciding whether the fund is a public authority. Following the split verdict, the matter remains pending.

An intervention application has now been filed in the plea by Commodore Batra. Asserting that PMNRF must be classified as a public authority, Batra pointedly contested the government’s claim that it was not bound to share information as all contributions to the fund were voluntary in nature. He pointed to the fact that the PMNRF receives funds from non-encashed electoral bonds, which cannot be considered voluntary.

CMRFs considered public authorities

In June 2022, the Punjab State Information Commission (SIC) declared the Punjab CM Relief Fund for COVID-19 a public authority, bringing it under the purview of the RTI Act. Similarly, the Chief Minister's Distress Relief Fund (CMDRF) in Kerala too falls under the RTI Act. In the past, RTI queries have revealed significant information about spending from CMRFs of Gujarat, Telangana and other states. But several RTI requests for information on PMNRF and PM CARES have been rejected by claiming that these are not ‘public authorities’ as defined by the RTI Act.

In the ongoing case in the Delhi High Court, the plea moved by Samyak Gangwal has sought the declaration of PM CARES Fund as a "State" under Article 12 of the Constitution of India, making it a public authority under RTI Act. This is to allow for more transparency and accountability by sharing its audit reports periodically, disclosing quarterly details of donations received and their respective utilisation. The PM CARES website has annual reports of receipts and payments, with expenses so far, made mainly towards COVID-19 management activities such as purchasing ventilators, setting up COVID-19 hospitals (in Muzaffarpur, Patna, Delhi, Lucknow, Jammu, and Srinagar), the installation of medical oxygen plants, procurement of vaccines, setting up RT-PCR testing labs, and funds allotted to states and UTs for "welfare of migrants".

The spending of PM CARES Fund towards purchasing government machinery has also been cited as a reason to bring the Fund under the RTI Act as a government entity, apart from the use of government infrastructure (the PMO), the 'gov.in' domain name, and the promotion of the fund by the Prime Minister – visible symbols and messaging around the Fund which creates the impression among the public that it is controlled by the government.

The Union government's reasons for not divulging details on PM CARES have remained inconsistent over the past three years. Initially in December 2020, in an RTI response, the Union government said that PM CARES Fund is a body "owned by, controlled by, and established by" the government, but claimed that it cannot fall under RTI Act as it is administered by "private individuals" as trustees and financed by donations from individuals, organisations, and PSUs. Later, in September 2021, the Union government said that PM CARES was not owned, controlled, or substantially financed by it. Recently on January 31, the government reiterated this stand. On the other hand, Gangwal's plea has also sought that if the Fund cannot be declared a "State" under the Constitution, the Union government must widely publicise that it is not a government-owned fund, and also stop using the term "PM", the State emblem, the domain name "gov.in" in its name and website, and also the PM's Office as its official address. https://www.thenewsminute.com/article/pm-cares-how-union-govt-projects-ownership-evades-transparency-173103

5. 1.20 lakh cattle fell prey to train accidents in four years *(thestatesman.com)* February 11, 2023

Due to these accidents 1.32 lakh trains were delayed while the railways incurred a heavy cost on engine repairs.

In the last four years, more than 1.20 lakh cattle have fallen prey to train accidents due to which 1.32 lakh trains were delayed while the railways incurred a heavy cost on engine repairs.

The Railways registered more than 1,000 cases of negligence on the entry of cattle in the restricted areas (railway tracks). As many as 934 people were arrested and fined in these cases.

According to Railway Ministry data, 1,01,924 cattle died in train accidents between 2019-20 to 2022-23 (up to 23 January 2023). Due to this, punctuality of 1,32,025 passenger trains got disturbed and the trains reached their destinations later than their scheduled time.

It may be noted here that in case of a delay of train by more than three hours, the Railways has to refund the full fare to the passengers if he claims. Apart from this, the Railways had to spend lakhs of rupees on the repair of train engines.

A senior official said that 1,038 cases were registered by the RPF (Railway Protection Force) under section 147 and section 154 of the Railway Act 1989 on the arrival of cattle on the railway track. Under the Railway Act, there is a provision of a fine of Rs 1,000 and imprisonment of six to one year for entering the restricted railway area.

He said to prevent the cattle, elephants, lions, and wild animals from venturing near the railway tracks, fencing is being erected alongside the tracks.

Apart from this, awareness is being created among the residents of the villages and towns near the railway tracks. Garbage and vegetation on the sides of the track are cleared from time to time. Train drivers and guards are made aware of the places on the tracks of cattle animals.

A Controller General of Accounts (CAG) report presented in the winter session of the Parliament mentions that the Railway Board and the Ministry of Forest and Environment issued a joint general advisory in 2010 to save elephants, wild animals, and cattle from being cut off from the train. Standard Operating Procedure (SOP) has been formulated for the protection of the Asiatic Lion of Gujarat's Gir Forest.

However, after a decade, the Railways has not been able to implement measures to save lions, elephants, cattle, and other wild animals. In just three years, four lions, and 73 elephants have been killed by trains.

The CAG said the Railways could not implement important measures like the provision of indicator boards, construction of underpasses-overpasses, fencing, the deputation of forest personnel, etc. in many sections. https://www.thestatesman.com/india/1-20-lakh-cattle-fell-prey-to-train-accidents-in-four-years-1503153887.html

6. India's urban centres are ailing due to lack of funds *(indianexpress.com)* Feroze Varun Gandhi | Updated: February 11, 2023

But there are innovative ways to raise revenue. A multi-pronged strategy including fiscal stimuli, civic action needs to be deployed

Around 18,000 teachers working in about a thousand primary schools under the Municipal Corporation of Delhi are yet to receive their salary for the past two to four months. Pensions, too, have been delayed for retired teachers, along with salaries for other municipal workers, with salary/pension backlog reaching over Rs 90 crore in early January 2023. Every month, the corporation has to scrounge around to arrange Rs 774 crore to pay municipal workers and keep the city running — allocations for infrastructure development have consequently been constrained. Ironically, the unification of Delhi's erstwhile three municipal corporations was conducted to overcome a regular funding crunch.

In Bengaluru, the Bruhat Bengaluru Mahanagara Palike (BBMP) has struggled to raise revenue — over 70,000 citizens are estimated to have underpaid their property taxes since 2016-17 — leading to a loss of close to Rs 240 crore over the past five years. The city is caught in a vicious cycle of low municipal revenue.

This is not an isolated trend. In 2018, Chandigarh was noted to have Rs 492 crore of liabilities (composed of items like salaries, utility bills, and pensions) while seeing earnings of just Rs

171 crore. Consequently, development work had stalled until revenue reforms (for example, hikes in water tariff) led to an improvement. Even now, the situation remains grim, with the municipal corporation noted to have a budget of Rs 1,725 crore, while having projected revenues of just Rs 616 crore.

The health of municipal finances in India is in jeopardy, with revenue losses after GST implementation and the pandemic adding on. As per the RBI, in FY21, at least 141 municipal corporations saw a sharp decline in revenue or a significant increase in expenditure of over 75 per cent, while being exposed to a revenue shortfall greater than 25 per cent. All this led to cuts in essential services — for example, sewerage services were affected by 55-71 per cent in most cases. Meanwhile, on the revenue side, there was a decline in projected growth in property tax of approximately 11 per cent, and municipal fees of 50 per cent. All this led to delayed salary and pension disbursements, and the general upkeep of such cities (for sanitation, road maintenance and water quality) declined.

Raising municipal revenue is a challenge. Studies by the Indian Institute for Human Settlements (2022) have highlighted that urban local bodies' (ULBs) own revenue was only 47 per cent of their total revenue, with property tax accounting for approximately 29 per cent of it. Most ULBs were dependent on transfers from the Centre and state governments. The urban financing challenge is huge. A World Bank estimate suggests that India will need to invest approximately $840 billion in urban infrastructure over the next 15 years.

We need a multi-pronged strategy to bridge the gap. First, many urban local bodies and municipal corporations need a fiscal stimulus. Disbursal of external grants from the state and Centre is a concern. In September 2020, the CAG's performance audit on the implementation of the 74th Constitutional Amendment Act highlighted a saving of over Rs 5,000 crore due to non-disbursal of grants in Karnataka, with additional savings of over Rs 15,600 crore due to lower payments by way of "grants for local bodies". Put simply, the urban local bodies in Karnataka had delayed disbursements. This needs to change. States and the Centre must ensure that disbursements are made on time.

Additional funding needs to be explored. A revolving fund, which offers budgetary stabilisation measures, can be considered, along with the provision of an overdraft facility when revenues and fiscal transfers are delayed. Additionally, green bonds need to be pursued, along with a joint corpus fund, funded by the Centre and states. Property taxes also are fit for rationalisation — property tax collection can be improved by updating existing databases, reassessing properties using digital tools and imposing taxes on non-compliers and defaulters. Concessions will need to be rationalised, with state and local bodies incentivised to move away from fiscally ruinous measures (for example, free water and electricity).

Expenditure efficiency needs to be boosted by pushing for outsourcing (for example, garbage services) and exploring PPP models (hybrid annuity models), and participatory budgeting. The Centre can expand incentives given to states under interest-free capex loans to cover aspects of urban development like framing building bylaws, pushing for public transport and pursuing mixed housing schemes. Innovative financing mechanisms can be pursued, including having states and municipalities pursue asset monetisation, financing from carbon credit generation, etc.

Land value capture remains a strategy that has often been replicated in countries like China and Brazil and states such as Gujarat, Maharashtra and Haryana. Maharashtra seeks to implement land value capture in a range of forms, with municipalities charging property owners for a specific project, development permissions and premiums for rule relaxation. Gujarat offers an interesting example in land pooling systems — any increase in land value due to public investment or civic initiatives is taxed to unlock funding for additional infrastructure and service delivery-related spend.

Municipal bonds have recently achieved scale, with municipal corporations raising over Rs 6,250 crore since 2017. As noted by the RBI's November 2022 report on municipal finances, SEBI should issue regulatory norms to enable the listing of municipal bonds on the stock market, allowing such securities to fund green infrastructure projects. Utilising pooled finance and aggregating funds across investors can enable municipal corporations to collectively raise funds from the market for multiple projects — Tamil Nadu's municipalities have successfully explored this option.

Finally, civic action will be required. There should be a push for user charges for public service delivery. For capex costs, levies like betterment fees, impact fees and tax increment financing should be explored. Unlocking smart cities will require rethinking urban financing. https://indianexpress.com/article/opinion/columns/feroze-varun-gandhi-writes-indias-urban-centres-are-ailing-due-to-lack-of-funds-8437704/

7. The curious case of ASI's 'missing' monuments *(dnaindia.com)* Updated: February 11, 2023

A country's culture is known by the ethics of its people. In the same way, the history of a country is known from its monuments. India is a country where its history is slowly disappearing. Often you must have read news in the newspapers that hundreds of years old remains were found when excavation was done in a village, or old coins were found. The Archaeological Survey of India is the only institution working for the protection of the country's historical heritage.

This institute has been active in India since 1861. All the historical buildings from Taj Mahal to Qutub Minar, this organisation does the work of their conservation. But you will be surprised to know that 24 monuments across the country have disappeared despite being protected by ASI. Now how this institution was working, these questions are in scope.

On the 2nd of this month, India's Cultural Minister Kishan Reddy informed the Parliament that today 24 historical buildings preserved by the ASI have disappeared in India.

This means that 24 important symbols related to the history of the country have disappeared. Leave ASI, no one knows where these historical buildings have disappeared. We have a list of missing historical buildings protected by ASI. It has buildings of many states.

- 2 historical buildings Barakhamba Cemetery and Inchla Wali Gumti are missing in Delhi.
- 2 historic 'Do Kos Minar' of Faridabad and Kurukshetra in Haryana are missing.
- The historical 'Kutumbari Mandir' of Almora, Uttarakhand is missing.
- The historical stone inscription of Satna, Madhya Pradesh is missing.
- The historic guns of Sultan Sher Shah present in Tinsukia, Assam are missing.
- The remains of the historical 'copper temple' of Lohit in Arunachal Pradesh are missing.
- The 'European Tomb' of Pune in Maharashtra and the '1 Buruj' of Agarkot are missing.

- The historical inscription present in the fort of Tonk in Rajasthan and the '12th century temple' of Baran are missing.
- Historical 'Bamanpukur Fort' of West Bengal is also missing.

These are the names of 13 of the 24 buildings that ASI has in its protected list. But there is another list of 11 missing buildings. Every name present in this list belongs to different districts of Uttar Pradesh. In this list also you will be able to see that many buildings under the protection of ASI are missing, these include historical temples, tombs, Buddhist relics and megaliths.

Overall, there are all kinds of historical symbols in this list, which ASI had the responsibility of preserving, but now they have disappeared. Now the question is, what kind of protection is this in which the historical symbols related to the identity of the country disappear and the ASI does not even know. Hundreds of years old temples, inscriptions, towers everything disappeared.

When a historical building comes under the protection of ASI, it is believed that it will remain safe for years. It is assumed that ASI takes care of these buildings. But here the situation is different. Here the historical buildings have disappeared despite being under protection.

For the first time in the year 2013, the CAG told the ASI that 92 of his buildings were missing. This information was found during the audit of ASI. The CAG team visited 1,655 sites out of 3,693 during the ASI audit. ASI has now found 42 buildings out of 92 that were reported missing.

Now the question is how did these historical buildings disappear. The answer to this question is recorded in a 70-page report of the Standing Committee on Transport, Tourism and Culture of Parliament. This report was placed in December of the year 2022. The title of the report is "Issues relating to Untraceable Monuments and Protection of Monuments in India"

In this report, questions were answered from ASI on the disappearance of protected buildings. It was told in this report that in the year 2013, 92 protected buildings of ASI were missing. Out of which 12 buildings have been submerged. 14 historical buildings succumbed to urbanisation. That is, houses, shops or roads have been built over them. 24 historical buildings have been declared completely missing. https://www.dnaindia.com/analysis/report-dna-special-the-curious-case-of-asi-s-missing-monuments-3022888

8. GST compensation to some states delayed due to lack of AG certificate: FM *(business-standard.com)* February 13, 2023

Union Finance Minister Nirmala Sitharaman on Monday said GST compensation to some states is delayed due to non-availability of AG's authenticated certificate, and that Kerala has not sent even a single such certificate since 2017-18.

Replying to a supplementary question, she also said that Rs 86,912 crore has been released for the Goods and Services Tax (GST) compensation payable to all states up to May 31, 2022.

She said as per law, GST Council decides to whom the GST compensation is to be released, not by the central government.

AG's certification is (mandatory) by law between the Centre, states and the AG (accountant general), and it is an agreed process. So, unless the authentication is given by the AG.. she said.

The finance minister said if there is any delay of getting the AG's authentication, it is a matter between the AG and the state government concerned, and they have to sort it out.

If between them there is a problem, the authentication certificate gets delayed in reaching the central government, she said.

Sitharaman underlined that to get GST compensation, state governments have to do a lot more.

The state governments have to, pardon me using the word, be efficient to sort it out things with the AG. But without AG certificate, beyond a certain limits, it is very difficult for me to go, she said.

Referring to Kerala, the minister said post GST induction, the southern state has not sent AG certificate for GST compensation for 2017-18, 2018-19, 2019-20, 2020-21.

She said Kerala has not sent the AG certificate even for one year for getting compensation dues.

Despite that, Sitharaman said, the Centre has been accused of not releasing the funds on time.

She urged Kerala MP N K Premachandran (who asked the supplementary question) to sit with the state government and request it to send the AG certificates in one go.

Within a reasonable time, after receiving them, Sitharaman promised that she would clear the same.

You have not sent (the AG certificate) even for one year and you keep blaming us that we are not giving you money on time. On the contrary, in the matter of tax devolution, as per finance commission report, two instalments instead of one have gone to all states. Kerala was also benefited from that, she said.

The Union minister said with regard to Tamil Nadu, the AG's certificate has been received for 2017-18 and the amount has been released.

She said the AG's certified figure of about Rs 4,223 crore for 2020-21 for Tamil Nadu, even though there are some disputes, has been processed, and it will be cleared.

But otherwise, overall all states up to May 2022 for which payment goes in early June, every amount has been cleared which is available in the public fund. The total amount given is Rs 86,912 crore that was released by May 31, 2022, she said. https://www.business-standard.com/article/economy-policy/gst-compensation-to-some-states-delayed-due-to-lack-of-ag-certificate-fm-123021300570_1.html

9. Around 10 States, 5 UTs Not Implementing Crop Insurance Scheme PMFBY: Narendra Singh Tomar *(outlookindia.com)* February 10, 2023

Agriculture Minister Narendra Singh Tomar on Friday said 10 states and five union territories are currently not implementing the Pradhan Mantri Fasal Bima Yojana (PMFBY). The ten states are: Arunachal Pradesh, Bihar, Gujarat, Jharkhand, Meghalaya, Mizoram, Nagaland, Punjab, Telangana and West Bengal, the minister said in a written reply to the Rajya Sabha. Chandigarh, Dadra & Nagar Haveli and Daman & Diu, Delhi, Ladakh and Lakshadweep are the UTs which are not implementing the PMFBY at present, he added.

Tomar also mentioned that the annual audit of the Pradhan Mantri Fasal Bima Yojana (PMFBY) has been conducted by the Comptroller and Auditor General of India (CAG). Launched in 2016, the PMFBY provides comprehensive risk insurance against crop damage due to non-preventable natural risks from pre-sowing to post-harvest for the crops/areas notified by the concerned state government.The scheme is demand driven.

Since inception of the scheme in 2016-17 till 2021-22, the minister said against the premium of Rs 25,174 crore paid by farmers, claims of Rs 1,30,185 crore have been paid in about 12.38 crore farmer applications. The scheme is regularly reviewed in consultation with stakeholders especially to address the challenges faced in its operational implementation, he said replying to another query. Accordingly, the operational guidelines of the scheme were revised and revamped with effect from Rabi 2018 season and Kharif 2020 season respectively.

Some of the major improvements made include making the scheme voluntary for all farmers, compulsory use of at least 0.5 per cent of the gross premium collected by insurance companies for Information, Education and Communication (IEC) activities and intensive use of technology.

Other key improvements include change in financial sharing pattern from 50:50 between central and state government to 90:10; long term i.e. 3 year contract to insurance companies; freedom to states to choose risk cover as per requirements; use of technology, etc. Tomar also said that the scheme is mainly implemented on an 'Area Approach' basis.

The admissible claims are worked out and paid directly to the insured farmer's account by insurance companies based on the yield data, per unit area, furnished to the insurance company by the concerned state government and claim calculation formula envisaged in the Operational Guidelines of the scheme on receipt of State government's requisite share in premium subsidy, he said.

However, losses due to localized risks of hailstorm, landslide, inundation, cloud burst and natural fire and post-harvest losses due to cyclone, cyclonic/unseasonal rains & hailstorms are calculated on an individual insured farm basis. These claims are assessed by a joint committee comprising representatives of the state government and the concerned insurance company.

Overall coverage of small and marginal farmers under the scheme is about 85 per cent, which approximately corresponds to their ratio in the farmer population, he added. https://www.outlookindia.com/business/around-10-states-5-uts-not-implementing-crop-insurance-scheme-pmfby-narendra-singh-tomar-news-261168

10. Crony capitalism hits India *(heraldgoa.in)* Updated: February 12, 2023

WE, THE PEOPLE OF INDIA, having solemnly resolved to constitute India into a SOVEREIGN SOCIALIST SECULAR DEMOCRATIC REPUBLIC.... states the opening sentence of the Indian Constitution. The term 'Socialist' commands a lot of importance.

The term 'Socialist' in the Preamble was added by 42nd Amendment Act, 1976. It provides that the State has a responsibility towards citizens for their welfare, abolishing discrimination, nationalization of means of production, equal distribution of wealth and securing justice for all.

With that being aim, since the very first five year plan, lots of emphasis was placed on establishing Public Sector Undertakings (PSUs) companies to generate wealth and its distribution at the ground level that benefit the entire society, control monopoly of the private sector entities, offer products and services at an affordable price to the citizens and for the achievement of overall financial goals and developmental objectives in the country. T

he numbers of PSUs grew from five in 1951 to 365 by 2021 for creating a firm base in the Indian economy. But unfortunately, India is witnessing an unwelcome trend of privatisation of PSUs, thus going away from the basic framework of the Constitution, towards privatization/capitalism. It may be a forerunner of direct threat to our socialistic base to allow balanced growth to haves and haves not.

Sadly, the 'Socialist' India has now been unofficially replaced by 'Capitalist'. While India has traditionally followed a 'mixed economy' model, with more tilt towards socialism, but as time passed by, circumstances forced India to open up its markets and embrace capitalism. Now, such is the situation that the political leadership directly patronises industrialists. This is known as crony capitalism, a term mostly used with the West, especially the US. Unfortunately, this term is now being used for India as well. The developments of the last couple of weeks actually summarises where the country is heading.

An explosive report by a US-based research firm has accused a top corporate conglomerate of stock manipulation, accounting fraud among others.

The company has had the direct blessings of the country's premiere for nearly two decades. From 2002 to last March, the group's revenue rose from $765 million to $8.8 billion while net profits climbed even faster. It has won several government tenders and infrastructure projects in ports, airports, roads, rail, fossil fuels, and green energy across the country.

In 2018, a controversial decision by the Indian government allowed this company to bid—and win—tenders for six airports, despite the fact that the company had no prior experience operating airports. The decision turned his group into one of the country's biggest private airport operators overnight.

There's another industry tycoon whose net worth zoomed under the current establishment's watch. The company's top executive became doubly richer under this government. Between 2014 and 2019 his wealth more than doubled from about $ 23 billion to $ 55 billion. This all began with the launch of the company's telecom segment in September of 2016. The person endorsing the brand was no other than the prime minister, who appeared on the advertisements.

From 2014 to 2016, there was hardly any change in the company top executive's net worth – it remained at about $23 billion. But his net worth skyrocketed and reached $55 billion in 2019.

Even the government auditor, Comptroller and Auditor General of India (CAG) had stated in its report in 2015 that this telecom arm got an undue benefit of about $530 million after the government allowed it to offer voice services over wireless broadband spectrum it had won in 2010.

This is just the tip of the iceberg. Instances like the fight by tribals of Jagatsinghpur's Dhinkia village in Odisha against a major steel company or the Niyamgiri tribes from the same State struggling against a mining company, shows that the image of the Indian private conglomerates is continuously diminishing.

While India is one of the fastest growing economies in the world, it is also one of the most unequal countries. The rich are getting richer at a much faster pace while the poor are still struggling to earn a minimum wage and access quality education and healthcare services.

According to a 2022 Oxfam report, India's top 1% owned more than 40.5% of its total wealth in 2021, according to a new report by Oxfam. In 2022, the number of billionaires in the country increased to 166 from 102 in 2020, the report said. It also mentioned that the poor in India are unable to afford even basic necessities to survive.

These are alarming statistics. It is ironic that a country which has such a humongous population under the poverty line crying for basic amenities like safe clean drinking water, is being ruled by the rich, who have the blessings of the political leadership.

Every country needs a strong private sector to support the economy in terms of wealth generation, employment opportunities and efficient service delivery, but that does not allow it to rule over its people. We have to do away with the growing trend of crony capitalism, before it leads to major social unrest. https://www.heraldgoa.in/Edit/Crony-capitalism-hits-India/200945

STATES NEWS ITEMS

11. 'Kerala has not collected over `21K cr tax till March 31, 2021' *(dailypioneer.com)* February 12, 2023

With Friday's statement by K N Balagopal, Finance Minister, that Kerala is in state of unprecedented financial crisis, there is total unanimity among experts cutting across party lines that the State is being devoured by massive corruption.

The office of the Comptroller and Auditor General (CAG) has stated in its report that Kerala has not bothered to collect taxes worth `21,798 crore till 31 March 2021.

On Friday, the State's finance minister made it known that the Government would borrow `2000 crore to meet urgent expenditures like disbursement of social welfare pension, the payment o which has been suspended for months due to lack of funds.

To tide over the crisis, the Government of Kerala is holding Adalats across the State ostensibly to help litigants to resolve their long pending issues with motor vehicles department and private lending agencies.

A visit to the Adalat being held at Thrissur district court on Friday threw some interesting facts. https://www.dailypioneer.com/2023/india/---kerala-has-not-collected-over--21k-cr-tax-till-march-31--2021---.html

12. Mismanagement, poor judgement land Kerala govt in financial 'cess'pool *(news9live.com)* February 13, 2023

On 9 February, Kerala Chief Minister Pinarayi Vijayan addressed a press conference and sought to allay concerns on Kerala's financial health in the aftermath of the sweeping tax hikes imposed in the state Budget. The same day, ES Bijumon, a literacy 'prerak' (motivator) working under the Kerala State Literacy Mission died by suicide after not getting his salary for nine months. A recipient of the President's award for the Best Literacy Prerak, Bijumon was part of the ongoing strike undertaken by the association of preraks in Thiruvananthapuram. This paradox fairly depicts the situation the state has been undergoing for a while now.

Robbing Peter to Pay Paul
If the biggest headline of the Budget was the imposition of a fuel cess of Rs 2, the chief minister was in belligerent mode at the presser, asking whether the state should stop paying welfare pensions to the six million benefactors instead. It seemed as if he were putting the onus of doling out the pensions on the general populace. There was not an element of remorse at having to squeeze the public, nor an iota of bearing responsibility for the financial mismanagement that led to this sorry state, instead passing the ball to the Centre for everything.

The fuel cess is expected to fetch only Rs. 750 crore to the exchequer. It is less than the money required to pay the social welfare pension for a month with Kerala's outlay for a year estimated to be around Rs. 11,000 crore. The biggest reason for having to impose the fuel cess and effect tax hikes across the board is the untimely hiking of salaries and pensions of government employees as a poll sop on the eve of the 2021 Assembly elections. Since it was effective retrospectively from 2019, in one fell swoop, Kerala's Budget in the post-Covid situation went for a toss.

In other words, people who are impacted by the fuel cess and tax hikes across the board are paying for today's elite class, the bloated bureaucracy of Kerala. That even social security pensions and salaries of preraks remain unpaid is the result of this miscalculation.

Prioritising the rich over the poor
If tax hikes across sectors have impacted the poor, the rich have been getting tax breaks at the same time. Often done surreptitiously, a couple of recent examples include forgoing of multiple taxes from the plantation sector and giving tax breaks to liquor manufacturers. Often rich sources of funds, the plantation and liquor lobbies have managed to corner undue benefits at huge losses to the exchequer.

The tax forgone from liquor manufacturers in November was simply transferred to the consumers who were left paying taxes to the tune of 251 per cent after the sleight of hand. Now, the budget has imposed another cess on liquor for bottles costing above Rs. 500 and Rs.

1000 respectively. This is happening at a time when Kerala witnessed a spike in drug trafficking and banned tobacco products.

Balagopal's misjudgements

While former Finance Minister Thomas Isaac takes much of the blame for the financial misadventures under Pinarayi Vijayan's first term leading to this sorry state, Isaac's successor KN Balagopal hasn't fared much better. Balagopal's miscalculations go much beyond the levying of the unimaginative fuel cess. For someone who keeps blaming the Centre for imposing treasury restrictions in the current fiscal. Balagopal failed to utilise Rs. 1,619 crore in the 2021-22 fiscal, when Kerala's borrowing limit was higher. KN Balagopal

True, Balagopal has been trying to fix the levy of Goods and Servies Tax (GST), but it wasn't done with the urgency required to plug leakages. The Centre had adjusted Kerala's off-budget borrowings – Kerala Infrastructure Investment Fund Board (KIIFB) and the Kerala Social Security Pension Ltd (KSSPL) – in its net borrowing ceiling as far back as March 2022, giving Balagopal ample time to revise his estimates. But the finance misjudgements have seen Treasury impositions within six months into this current fiscal.

Plan funds at 50 per cent

Balagopal's rationalisation for imposing backbreaking tax hikes was effectively punctured with the Comptroller and Auditor General (CAG) report flagging arrears amounting to 22.3 per cent of the state revenue. Vijayan deflected it to the Public Accounts Committee (PAC), but for a party that made a song and dance about CAG reports in the past, it won't be easy to ignore it.

Kerala's plan funds have been plateauing at 50 per cent with less than a couple of months left for the financial year to end. The plan fund which stands at Rs. 39,640 crore (including the central-aided projects and those allotted to local bodies) have more or less been stuck between 40 to 50 per cent owing to the funds crunch. Ever since Isaac's second term in 2016, the government has taken the dubious approach of using the electronic ledger to transfer the projects to the next fiscal, without declaring it officially.

A requiem for the 'Kerala Model'

It is one thing to cut short plans but for a government that flogs to death the 'Kerala Model', it has been repeatedly caught short of delivering on its welfare promises. Even the much tom-tommed social security pensions keep getting delayed by months. Arrears of the paddy procurement in Palakkad and Kuttanad have been pending for months. Even the Kerala Horticorp payments owed to vegetable farmers haven't been realised, months after clearing of its own inventory.

The monthly dole of Rs 5,000 for three years for the dependents of those who perished to Covid for the Below Poverty Line (BPL) families, was paid just once. Similar dues are owed to to Endosulfan victims among others, who keep getting shortchanged in perpetuity. The suicide of prerak Bijumon brought to light the misery of unpaid salaries running into nine months of this particular group. The food outlets run by Kudumbasree self-help women collectives have also been reeling under a financial crisis, with the government not extending the subsidy owed to them, forcing many such places to close down. Even the well-organised Kerala State Road Transport Corporation (KSRTC) workers have been working without pay for months on end, requiring routine court interventions, almost giving the impression that the government is not in the least interested in salvaging it.

No end to extravaganza

Despite failing in its bounden duty to fulfil its welfare promises, there is no limit to wasteful expenditure. The chief minister and ministers go on junkets abroad with no takeaways. There are political appointments to accommodate turncoats like KV Thomas (with a cabinet rank no less) in Delhi over and above the resident commissioner and an Officer on Special Duty (OSD) in Venu Rajamony ,who are paid hefty 'honorariums' from the state coffers. Brand-new cars are ordered for ministers and even the political appointees helming state corporations periodically. Such wasteful expenditure at the cost of high taxes for the general public is a glaring example of financial mismanagement.

Coinciding with the second anniversary of his second term, Vijayan has announced a slew of projects in the next 100 days. Effectively however, the ribbon-cutting spree will remain on paper till the next fiscal when the government can avail itself of grants from the Centre. Worse still, with the government's funds crunch getting acute, even pension payments pending since the month of December may see a three-month delay. The Vijayan government can blame the Centre all it wants, but the current crisis is mostly its own making. https://www.news9live.com/opinion-blogs/mismanagement-poor-judgement-land-kerala-govt-in-financial-cesspool-au1332-2050487

13. Excise Dept rebuts CAG findings, says pending arrears were not from past 5 years *(onmanorama.com)* February 11, 2023

Thiruvananthapuram: The latest report by the Comptroller and General of India (CAG), which was tabled in the Legislative Assembly, flagged the ineptitude of the State Government in collecting on time due revenues including taxes. The central agency pinpointed the shortcomings of the State Government departments in recovering revenue arrears. Now, the Excise Department has responded to various critical observations about its functioning in the CAG report and claimed it has certain limits in recovering due revenues promptly.

Old abkari dues

Among the major issues raised by the CAG is that the Excise Department had failed to collect abkari (liquor tax) arrears amounting to Rs 269 crore over the last five years. In response, Excise authorities said that these arrears were due over the very long period from 1950 to 2001, and not the previous five years as mentioned in the CAG report.

Incidentally, the State Government had announced an amnesty scheme to recover abkari arrears as part of the Liquor Policy. As the plan did not achieve its goal, the scheme was included in the latest State Budget also.

Penalising bar hotels

Another finding of the CAG is that the Excise had committed a grave lapse by not collecting fines totaling Rs 88 crore from bar hotels. Regular notices are being sent to bars, said Excise officers.

According to the Excise, these fines are related to transfer of ownership of bars.

"Many bar hotels are owned by several partners. Often, some partners are changed. The partners who leave the ownership do so after collecting their share of the investment. Sometimes, another person replaces the partner who leaves the ownership. On other occasions, a new partner joins the ownership. Under the rules, the Excise Department should be informed about these changes in ownership along with payment of a fee of Rs 1 lakh," explained an Excise officer.

"However, in order to evade this fee, most bar owners conceal changes in ownership from the Excise Department," the officer added.

The rules also state that concealing ownership change from the Excise would invite a fine of Rs 3 lakh.

"As procedures related to ownership change are carried out through the Registrar of Companies, the Excise Department would not be aware of the matter," the officer said.

The Excise authorities notice ownership changes only later, when bar owners approach them for any matter.

"As soon as the ownership change is detected, we serve the bar owners with a notice," the officer added.

Bar licence transfer fees
The CAG had also criticized the Excise Department over its failure to collect the fees of Rs 26 lakh charged during transfer of bar licence. In its report, the CAG suggested that when a hotel having a bar licence is sold, the licence should be returned to the Excise Department before the sale of the hotel building takes place.

However, according to the Excise authorities, this suggestion cannot be implemented. "When a new bar licence is issued, the rule that the hotel should be located at a specific distance away from educational institutions and religious places is applied. At the same time, this rule does not apply to a bar licence which is renewed. As a result, when a person buys a bar hotel, the sale takes place for the building and the bar licence together," said Excise authorities.

As reported earlier the revenue that went uncollected by the State Government till March 31, 2021, was a whopping Rs 21,797.86 crore as per the CAG report.

There are big players who have defaulted in tax payments to various departments, the CAG 2020-21 report pointed out. https://www.onmanorama.com/news/business/2023/02/11/excise-department-cag-findings-arrears-fine-fees.html

14. Revenue arrears rising due to government negligence: CAG *(keralakaumudi.com)* 11 Feb 2023

THIRUVANANTHAPURAM: CAG report blames the government's negligence for the increase in revenue arrears in the state. 21,797 crore for the y which is about 22.33% of the total revenue of the government, is yet to be collected. Yet the government departments do not take it seriously. De do not report any year's arrears without being asked. No attempt is made to collect it as well.

It is natural that the arrears can run into thousands of crores when no proper reporting and collection efforts are made. Often the latter is recom be written off. 1,905 crore dues related to the Excise Department have been requested to be written off. Apart from this, there are stay orders fro government when trying to collect dues. This is more than the stays granted by the court. According to the report, such measures will result in a r shortfall for the government.

No other interests behind cess:
Finance Minister Finance Minister KN Balagopal said that fuel cess was introduced for the benefit of the people and there are no other interests behind it. Increasi arrears is a dangerous situation. There is a need for amendment in the law so that the amount to be collected by various departments in the form will reach the government. There are legal issues in collecting VAT dues. The amendment would allow petitioning and recovery of large sums of a through legal process, as in GST. The government is thinking about it. There is also tax that cannot be collected because of the case involved. Som stage of revenue recovery. The Public Accounts Committee will scrutinize the CAG report and take further action. Everyone should understand th fuel cess. The tax hike comes as the Center is further crushing the state.

Status of tax arrears this year (in crores)
Total- 12,923
Revenue Stay- 6,739
Court stay- 4,897
Among other measures-1,287. https://keralakaumudi.com/en/news/news.php?id=1005198&u=revenue-arrears-rising-due-to-government-negligence-cag

15. Kerala finance minister KN Balagopal continues to justify tax hikes *(timesofindia.indiatimes.com)* February 11, 2023

THIRUVANANTHAPURAM: Finance minister KN Balagopal continued to justify fuel cess and other tax hikes proposed in his budget. The critics of these additional revenue mobilization proposals should self-introspect in the backdrop of the financial difficulties faced by Kerala, he said.

"Fuel cess was not introduced due to a personal interest. The financial condition of the state isn't quite fine. The situation is dangerous. Only the interest of the state was given weightage while proposing the fuel cess," he said, adding that opposition and media should think if such a highdecibel criticism was justified.

Referring to the CAG report on huge lapses in collecting revenue arrears over the past few years, Balagopal said pending arrears during the pre-GST regime was an issue under discussion in the assembly for quite a long time. "There are issues in collecting arrears. We found that the recovery of long-pending arrears requires an amendment in the act concerned. An adjudication mechanism should be put in place for disposing the complaints legally," he said.

CAG pointed out that over Rs 7,000 crore in revenue arrears were yet to be collected by 12 departments for over five years. However, Balagopal said the sharp increase in the state's own revenue in the current fiscal was a proud achievement. https://timesofindia.indiatimes.com/city/thiruvananthapuram/kerala-finance-minister-kn-balagopal-continues-to-justify-tax-hikes/articleshow/97817234.cms

16. Similar trend for five years: State govt spends only 46% budget fund by Jan *(indianexpress.com)* Updated: February 12, 2023

Maharashtra: With only two months to go for the end of the ongoing fiscal, all state departments are in a rush to release the pending amount and clear bills to avoid cut in grants in the state budget.

According to a senior official from the Finance department, this trend has been observed in earlier fiscals as well.

The Maharashtra government has spent barely 46.41 per cent of the total budgeted amount for financial year 2022-23, according to data from the state Finance department.

With only two months to go for the end of the ongoing fiscal, all state departments are in a rush to release the pending amount and clear bills to avoid cut in grants in the state budget.

The budget will be presented on March 9 by state Finance minister Devendra Fadnavis.

As per the data, 19 departments have spent less than 50% of the budgeted amount, with Tourism & Culture, Housing, Industry, Energy and Labour, Environment and Planning departments spending less than 20% of the amount.

However, some departments — School Education, Law and Judiciary, Co-operation and Technical Education, among others — have spent over 70% of the budgeted amount this fiscal.

According to a senior official from the Finance department, this trend has been observed in earlier fiscals as well.

"The departments may be releasing funds in the last few months, but the planning of expenditure under various heads is already on paper. The plan of spending money is prepared in time and not at the last moment. Only the release of money happens by the end of the fiscal year to ensure funds are not lacking in case of unforeseen circumstances," he said.

Data from the last five fiscals show an identical trend. In 2016-17, the expenditure by the end of January was 52.2 per cent of the total budgeted amount; in 2017-18, it was 49.68 per cent; in 2018-19, 49.86 per cent was spent while in 2019-20, the amount spent was 52 per cent. In 2020-21 and 2022-23, the amount spent was 44.77 per cent and 48.47 per cent, respectively.

Comptroller and Auditor General (CAG) reports on state finances, tabled in previous Assembly sessions, have highlighted the rush in expenditure during the last quarter by various state departments. Based on the expenditure of the department concerned in a particular fiscal, the allotment of money in the next financial year is decided.

"Lack of spending means… the department gets less money in the budget. Therefore, each department carefully plans the expenditure schedule and releases the money in the last quarter," said the officer. https://indianexpress.com/article/cities/mumbai/similar-trend-for-five-years-state-govt-spends-only-46-budget-fund-by-jan-8437806/

17. Unutilised funds mounting at PGIMER, says CAG report *(hindustantimes.com)* Feb 13, 2023

Chandigarh: The Comptroller and Auditor General of India (CAG) in its audit report of PGIMER for 2021-22 has pointed out that the institute has not taken any decision on unutilised funds worth ₹1.64 crore that were meant for various infrastructure projects that were inoperative between financial years 2005-06 and 2015-16.

In the audit report, CAG said, “PGIMER had received grants for specific purposes, and the balance received and utilised on account of various dead projects had accumulated to ₹1.64 crore, which were inoperative for the period ranging from financial year 2005-06 to 2015-16. The institute has not framed any policy regarding these unclaimed amounts as to whether the dead project balances are to be treated as income or to be refunded to sponsors concerned.”

“In the absence of any policy, balances in dead projects are increasing from year to year and remain unclear. The institute should frame a policy to clear these unclaimed balances lying with it,” the report stated.

It added that similar balance of funds was also pointed out in the 2020-21 audit report. The institute in its compliance report had informed that the institute was in the process of framing a policy for utilisation of these funds. Thus, the final action in this regard is pending.

Referring to the 2021-22 financial year, the audit said, “As per the annual accounts, liability on account of ‘grant for specific purpose’ was ₹84.43 crore, but as per departmental accounts, balance of deposits received from various sponsors as on March 31, 2022, was ₹17.70 crore, showing a difference of ₹66.73 crore. It appears that administrative charges and income on account of interest on the project funds and administrative charges on projects was also retained under the grant.”

PGIMER must formulate a policy regarding identification of resources and utilisation for the income of the institute, CAG opined. https://www.hindustantimes.com/cities/chandigarh-news/unutilised-funds-mounting-at-pgimer-says-cag-report-101676243810223.html

18. Kashmir welcomes anti-encroachment drive *(brighterkashmir.com)* 13 Feb 2023

UT Admin says it has reclaimed over 15 lakh kanals of illegally occupied land Orders issued to all 20 DDCs to comply with eviction notice

The no-holes barred anti-encroachment drive launched by the J&K administration since January 9, has led to huge stretches of government-owned land being retrieved from illegal occupiers. Till date, the UT administration has reclaimed over 15 lakh kanals (over 1.87 lakh hectares) of state, Shamlat, and Gha Charai land.

Last month, the government issued orders to all 20 District Development Commissioners (DDCs) in the Kashmir Valley and the Jammu Division to comply with its land eviction order. The government said land owned by it is exclusively meant for its use only, or for the benefit of the common people.

One kanal of land is equivalent to 5,445 square feet or one-eighth of an acre and the anti-encroachment drive has targeted several influential people, including former ministers, relatives of former chief ministers, politicians, businessmen, etc. The Srinagar administration said this operation has yielded prime land worth Rs.509 crores.

The recovered land includes 40 kanals allegedly occupied by the owners of Hotel Nedou on M A Road. The owners of Nedou are related to the Abdullahs of the National Conference. The hotel is built on 153 kanals of land, of which 40 kanals belong to the government and the rest is leased.

Others targeted in the anti-encroachment drive include former state Congress chief and minister Peerzada Mohammad Sayeed (nearly two kanals of land), family members of former minister Syed Farooq Andrabi (nine marlas of land), relatives of former chief minister Syed Mir Qasim (15 kanals of land), politician Sajjad Lone, NC general secretary and former minister Ali Mohammad Sagar (residence boundary wall and guard house), besides others.

Land measuring half-a-kanal that was owned by a deputy inspector general of police in the Mattan area of Anantnag has also been seized, revenue department officials informed. The residence of a SSP-rank officer has also been targeted.

Lt Governor Manoj Sinha's office has informed that the common masses and the poor will not be affected by the anti-encroachment drive.

Regional party leaders like Omar Abdullah (National Conference), Mehbooba Mufti (Jammu and Kashmir Peoples Democratic Party or PDP) and Sajjad Lone (Jammu and Kashmir People's Conference) have described the anti-encroachment drive as humiliating and selectively aimed to sow seeds of discord. They alleged that the rule of law is being abused and that no notices are being issued before the eviction. They further claimed that political dissidents are being targeted unfairly.

Brighter Kashmir spoke with a cross section of people to understand what was actually happening on the ground.

Political social activist Syed Fayaz Bukhari said: "Those people who possess or have encroached upon large tracts of land – 200 kanals, 100 kanals and 500 kanals, if that land is reclaimed by the UT government and used for building hospitals, degree colleges or other institutions that will benefit the youth of Kashmir; that would the right thing to do. I feel this anti-encroachment drive should target the rich and wealthy, not on those who are poor and underprivileged."

"As an example, I cite the people living in the ParimPora Ghat area; those who used to live on the banks of the river. Today, they have no land of their own, they live in huts. We must give them at least five marlas (150 square yards) or six marlas (180 square yards) of land. Kashmir belongs to Kashmiris; nobody can take it away from them. I appeal to the administration and the Lt Governor to crack down on land sharks and encroachers, whether they belong to a politician or any other person, take it back from them and build public institutions like hospitals and colleges which will be for the benefit of all Kashmiris."

Javed Beigh, a local, said: "As a member of the younger generation of Kashmiris, I appreciate the anti-encroachment initiative of the UT administration. I think everyone who has J&K's best interests at heart, should welcome this move to take back excess land from those who have grabbed it, especially the younger generation. We must understand that if we do not do this now; there will be no land for us or Gennext to live on. We all talk about this dream of a New Kashmir, that dream can only be realised if we sort out the mess of the last 30-35 years."

"Overall, I think our UT administration is doing a very good job of retrieving land occupied illegally by encroachers. We must also appreciate the government for following rules to remove all illegal encroachments. Those who have encroached need to be legally prosecuted. Government service rules are clear that any bureaucrat or senior official who is not carrying out his responsibilities and duty as per law; he or she has to be hauled up and punished. It is because of such people that chaos prevails in society; FIRs must be filed against them, enquiries must be initiated against them to find out why an act of mismanagement or corruption took place under their watch; how have they come into possession of extra funds and lands beyond their known sources of income, etc."

"I appeal to the Prime Minister and the Lt Governor to act against these offenders without delay. They should be jailed. Influential people who use religion to sway public opinion in their favour should also not be spared. We should help the poor and downtrodden, not the wealthy, especially those living in Jammu and other places. They are sitting on crores of rupees; the people are actually very happy with this crackdown on the land mafia and the wealthy. They are praising the UT administration."

Saifullah Farooq, another social activist, said: "I welcome this anti-encroachment drive. Target the big fish without hesitation; don't go after the underprivileged, or those who are in possession of five to fifteen marlas of land. Through your channel, I appeal to the Lt Governor not to target the latter and if you have, please return their land, or if you can't return it, compensate them appropriately."

"I welcome the action being taken against people like Omar Abdullah, Farooq Abdullah and Mehbooba Mufti. There should be no compromise where they are concerned. Action should be taken against them as per law so that in the future we can use the reclaimed land for the common good. If these reclaimed lands are used for building institutions like hospitals, for education, public parking, etc., it will be good. Such drives will also provide employment to the youth; take them away from social evils like drug addiction and stone pelting, etc. Let us all work for the rehabilitation of the poor who don't even have one marla of land to their name," he added.

Shahnawaz Ahmad, an administration official, said: "This anti-encroachment drive is being launched against the rich, privileged and white collared sections of Kashmiri society. We have orders from the court to move against the land mafia, other encroachers without fear or favour."

"We have also been instructed not to target the poor and the underprivileged sections of J&K society. The rich and wealthy, the so-called land grabbers, have misused the Roshni Act (The Jammu and Kashmir State Land (Vesting of Ownership to Occupants) Act, 2001 commonly known as Roshni Act was promulgated during Chief Minister Farooq Abdullah's government in 2001. The law granted ownership of Jammu and Kashmir state lands to unauthorised occupants of those lands with the aim of raising money for power projects upon payment of a sum to be determined by the Government of Jammu and Kashmir), and other laws for their benefit."

"The poor of this region, who don't even have one to fifteen marlas of land to their name, have suffered enough and should be taken care of. We must also take back the land of those people who are living in Pakistan, or those who are living in other parts of the country. We assure you all that nothing will be done that affects the poor, but yes, we will crack down on white collared sections of society that have indulged in illegal activity. We will be retrieving the encroached land from them," he added.

On Friday, however, the UT administration stopped its month-long anti-encroachment drive, saying it had no plans to conduct the drive over the weekend. The drive to retrieve state, Shamlat (commons used by villagers) and Gha Charai (grazing) land from encroachers was started on January 9.

This is not the first time that an anti-encroachment drive has been initiated by the government in J&K. It has happened in the past as well. However, this is the first time that a drive has been launched on such a massive scale against the rich and influential, irrespective of their party affiliations.

The encroachment of state land was first highlighted by the Comptroller and Auditor General (CAG) of India in its 2014 audit report while referring to irregularities in the implementation of the now defunct Roshni Act. http://brighterkashmir.com/kashmir-welcomes-anti-encroachment-drive

19. Facing widespread criticism, J&K hits pause on anti-encroachment drive *(indianexpress.com)* 11 Feb 2023

The Jammu and Kashmir administration on Friday stopped its month-long anti-encroachment drive across the Union Territory (UT), according to some officials. While senior revenue officials claimed the drive was continuing, officials in districts in the Jammu division and the Kashmir Valley said they had no plans to conduct the drive in the next two days.

The drive began after the government issued a circular on January 9 instructing all deputy commissioners to retrieve state, shamlat (commons used by villagers) and gha charai (grazing) land from encroachers. The anti-encroachment drive triggered protests from people in both the Jammu division and the Kashmir Valley and came under criticism from several political parties. Till it continued, the UT administration retrieved over 15 lakh kanals (over 1.87 lakh hectares) of state, shamlat, and gha charai land, according to officials.

While some officials said they had yet to reconcile the records of vast parcels of land retrieved so far, others said they had yet to identify the "big and influential encroachers" and prepare a strategy to move against them without creating a law-and-order problem.

Former Jammu and Kashmir Chief Minister and National Conference president Dr Farooq Abdullah is said to have partially built his residence on state land in Bhatindi on the outskirts of Jammu city. Senior revenue officials on terms of anonymity had said earlier that they were examining legal issues involved in the matter as the house was among Abdullah's various other properties attached by the Enforcement Department in the Jammu Kashmir Cricket Association money-laundering case.

Though Lt Governor Manoj Sinha and his administration have said the drive is not against poor people who built a house or a shop but against the influential and the rich. But the explanation seems to have found no takers amid large-scale demolitions and sealing of properties by the officials.

On February 4, stone pelting occurred at Jammu's Malik Market following the demolition of a commercial establishment allegedly built on state land. The police have so far arrested nine people, including prominent businessman Sajjad Ahmed Beigh and Doda District Development Council member Mehraj Malik, who is a member of the Aam Aadmi Party (AAP).

While PDP president and former CM Mehbooba Mufti has accused the BJP of turning J&K into Afghanistan by using bulldozers to demolish the homes of people who are poor and marginalised, former CM and NC vice president Omar Abdullah has urged the government to make the bulldozer its last resort and give people a chance to prove their claims about the land they possess. He has called on the UT administration to follow proper procedures when dealing with the issue. J&K Apni Party chairman Altaf Bukhari has warned the administration that officials undertaking the anti-encroachment drive will be made answerable for their actions after the UT gets an elected government, Jammu Kashmir People's Conference chairman Sajad Lone has accused the administration of creating homelessness.

Though the BJP has not publicly criticised the drive, its senior leaders have not supported the drive, fearing it will erode their support base. Several senior party leaders have called on Sinha from time to time to demand that the administration not go after people who are poor.

History of land encroachment

Though anti-encroachment drives were initiated by successive governments in J&K from time to time in the past, this is the first time that a drive at such a massive scale has been launched against the rich and the influential, irrespective of their party affiliations.

Encroachment of state land was highlighted for the first time by the Comptroller and Auditor General of India in its 2014 audit report while referring to irregularities in the implementation of the (now defunct) Jammu and Kashmir State Lands (Vesting of Ownership to Occupants) Act, 2001, also known as Roshni Act.

The last Dogra ruler of Jammu and Kashmir was the first in the pre-independence era to introduce land reforms and through his Council's resolution No 22 (dated August 22, 1924) ordered that "Nautor Najaiz (illegal occupants)" of state land be treated as "tenants at will''. This was followed by another order (Raj Tilak Boon No. 4) dated September 20, 1927, whereby unassessed state land (khalsa sarkar) equivalent to 100 per cent of the cultivated proprietary land by zamindars (landlords) was declared as Shamlat Deh in both the Jammu and Kashmir provinces.

The process of agrarian reform continued from time to time during Dogra rule and even thereafter, with successive governments granting ownership rights to people on saffron-growing state land in Pulwama and Srinagar vide cabinet order No. 809-C dated September 3, 1952; and allotting evacuee and government land to displaced persons from Pakistan-occupied Kashmir vide Cabinet order No 397 dated April 18, 1951. In 1954, "nautors (illegal possession)" of state land was regularised by granting the status of tenants to locals occupying government land.

But, encroachment of state land assumed alarming proportions with the onset of militancy when people from villages started moving towards the towns and cities in both Kashmir and the Jammu division. With little land available to accommodate a large number of migrants because of an existing ban on the sale and purchase of agricultural land — even among the locals in view of a government order issued in 1973 — these people settled wherever they thought was safe.

With governments at the time busy fighting militancy, the land mafia took advantage of the situation to occupy vast chunks of state land and later, in collaboration with some revenue officials, sold and resold such land to people. Local villagers also, in the absence of any elected village panchayats between 1978 to 2001, sold them with the help of revenue officials.

To raise funds for the construction of hydroelectric projects, the Farooq Abdullah government enacted the Roshni Act in 2001. It offered the transfer of ownership rights of state land to "illegal occupants" subject to their payment of money at the then prevalent market rates. The offer was applicable to only those who had encroached upon state land by 1990. The PDP-Congress government led by Mufti Mohammad Sayeed amended the law in 2004, revising the cut-off date from 1990 to 2004.

The process of transfer of ownership rights of public land to their unauthorised occupants started in 2007 after the then Ghulam Nabi Azad government framed rules and revised the cut-off date for encroachment of land to 2007. But, the scheme failed to raise the desired funds as most of the land was categorised by the Azad government as agricultural and given to its occupants free of cost. It also gave huge discounts to the occupants of the remaining land.

Governor Satya Pal Malik repealed the Roshni Act in 2018 and the Jammu and Kashmir High Court in 2020 declared the Jammu and Kashmir State Land (Vesting of Ownership to the Occupants) Act, 2001, as completely unconstitutional. https://indianexpress.com/article/political-pulse/facing-widespread-criticism-jk-hits-pause-on-anti-encroachment-drive-8437780/

20. Not Tabling CAG Report In Assembly Is As Per Govt Plan? *(indtoday.com)* 12 Feb 2023

Hyderabad: It is customary to present the Controller and Auditor General (CAG) reports on the table of the Assembly on the last day of the budget. Today being the last day of the budget session of the Assembly, the CAG reports were not tabled this time.

There was a discussion in the Assembly lobbies on the issue of why these reports, which mirror the actual financial conditions of the state, stopped. Officials say that the CAG has not yet prepared the last year's audit reports. CAG submits its audit report to the Governor at the end of January every year. These will be placed on the Assembly Table with the approval of the Governor. But this time it is the second week of February but the Governor has not received these reports.

Why the delay in preparation of CAG reports has become a hot topic now, in fact, the audit reports reveal all the financial status of the state. The government, which has been introducing a huge budget since the state came into existence, has shown a revenue surplus every year. But it was revealed in the CAG audit that it was all fake. CAG has pointed out in its report that Telangana is facing a deficit of Rs. 9 thousand crores in 2020-21. It has been revealed that it already owes Rs. 2.75 crores. Mentioned irregularities in various fields. So what is there in the audit report of march 2022..? has Telangana gone further into debt? Has the revenue deficit reached a more alarming situation? it is interesting. But, this time CAG has not released their reports so all these are left as questions.

Has the CAG delayed the preparation of the reports or has the government kneeled down to prepare the reports as per the plan? Doubts are appearing. While preparing the annual audit reports, the CAG first sends all the objections identified by them to the state finance department. Requests an explanation regarding them within the deadline, but the government delayed without giving these explanations. We are giving here,, we are giving that. This broke the preparation of CAG reports. As it is an election year, there are criticisms that the government has implemented this strategy to hide the situation of debts and not being able to pay salaries to the employees every month. A senior official said that even if it is stopped now, they can be introduced in the next assembly session, or else there will be a chance to give audit reports for two years at a time in the next budget session. https://indtoday.com/not-tabling-cag-report-in-assembly-is-as-per-govt-plan/

21. Governor questions social justice in Tamil Nadu, says dalits face atrocities every day *(timesofindia.indiatimes.com)* 12 Feb 2023

CHENNAI: In a not-so-veiled dig at the DMK government that prides itself on its social justice agenda, governor R N Ravi on Sunday said Tamil Nadu had a poor record when it came to preventing atrocities against dalits.

"We have been talking so much about social justice. But, every other day here there is some atrocity against dalits. Either human feces is thrown in the water tank of a dalit colony or dalits are publicly humiliated and assaulted and not allowed entry into a temple or dalits will be separated at an anganwadi," Ravi said at the release of Tamil versions of "Modi@20: Dreams Meet Delivery" and "Ambedkar and Modi - Reformer's ideals, performer's implementation" in Chennai.

"When it comes to crime against dalits, the response of law enforcement and criminal justice system is awful. It pains to know in our state only seven per cent rape cases filed by dalit women ends in conviction. And we talk about social justice and Babasaheb," the governor said.

"CAG report says that 30% of central allocation for building homes for dalits goes unspent. The remaining major part is diverted to some other purposes. I am not saying this, but the Comptroller and Auditor General of India report says. So much for social justice," Ravi said.

"At the macro level we may proudly say that we are advanced, one of the progressive states of Indian union. But the fact is we have hunger, poverty, untouchability and we have a prejudice against women," the governor said.

Ravi said a fundamental change has happened after Prime Minister Narendra Modi came to power as he saw the country as one family. "The world is moving towards India-centric global order and I have no hesitation to say that the single most impactful phenomenon of the 21st century is Modi," he said. "The coalition of family interests coming together and trying to defeat him won't happen as the country is awakened today," he added.

Union minister of state for ministry of information and broadcasting and fisheries L Murugan said the PM was fulfilling the dream of Atma Nirbhar Bharat of Ambedkar by exporting the Covid-19 vaccine and textiles to various parts of the world. IIT Madras director V Kamakoti, Anna University vice-chancellor R Velraj, and Tamil Nadu Dr MGR Medical University former V-C Dr Sudha Seshayyan participated in the function. https://timesofindia.indiatimes.com/city/chennai/governor-questions-social-justice-in-tn-says-dalits-face-atrocities-every-day/articleshow/97849305.cms

22. Punjab: प्रदेश में पानी के संकट पर केंद्र भी चिंतित, 20 जिलों में जलस्तर बुरी तरह गिरा, बन सकते है भयावह हालात *(amarujala.com)* 12 Feb 2023

पंजाब में गिरते जल स्तर से सिर्फ पंजाब ही नहीं केंद्र सरकार भी चिंता में है। भारत सरकार की यह चिंता केंद्रीय जलशक्ति राज्य मंत्री विशेश्वर टुडु के बयान से भी जाहिर होती है। मंत्री ने संसद में बताया कि पंजाब के 23 जिलों में से 20 में भूमिगत जल स्तर बुरी तरह से गिर गया है।

भूजल की कमी के कारण राज्य मरुस्थलीकरण की तरफ बढ़ रहा है, जिसके कारण उसे अगले डेढ़ दशक में एक भयंकर स्थिति का सामना करना पड़ सकता है। विशेषज्ञों का कहना है कि पंजाब को धान के चक्कर से निकालने की सख्त जरूरत है वर्ना सूबे में पानी नहीं मिलेगा।

सबसे अधिक चिंता की बात यह है कि पंजाब का सिर्फ 60 प्रतिशत भूजल इस्तेमाल के लायक रह गया है। मात्रा ही नहीं, बल्कि पानी की गुणवत्ता के मामले में भी पंजाब भयंकर जल संकट का सामना कर रहा है। कैग की रिपोर्ट के मुताबिक पंजाब के 23 जिलों में से 16 फ्लोराइड-युक्त, 19 नाइट्रेट-युक्त, 6 आर्सेनिक-युक्त और 9 आयरन-युक्त पानी की समस्या से जूझ रहे हैं।

दरअसल, हरित क्रांति ने भारत के अनाज उत्पादन को बढ़ाने में मदद की, लेकिन इसके अधिक हानिकारक प्रभावों का खामियाजा पंजाब, हरियाणा और कुछ अन्य क्षेत्रों को भुगतना पड़ा है। पंजाब देश में सबसे तेज गति से जमीन से पानी निकाल रहा है।

उच्च फ्लोराइड वाले जिलों की संख्या 9 हुई

लुधियाना, अमृतसर, मंडी गोबिंदगढ़, कपूरथला आदि जैसे औद्योगिक केंद्रों के आसपास भारी धातुओं जैसे लेड, क्रोमियम, कैडमियम, कॉपर, साइनाइड, निकेल आदि पाया गया है। उच्च फ्लोराइड वाले जिलों की संख्या चार से बढ़ कर नौ हो गई है, जिसमें बठिंडा, फरीदकोट, फतेहगढ़ साहिब, फिरोजपुर, मानसा, मुक्तसर, पटियाला, संगरूर और तरनतारन शामिल हैं।

1965 में लद्दड़ां निवासी किरपाल सिंह ने अपने खेतों की सिंचाई के लिए ट्यूबवेल लगवाया था तो पानी 30 फुट पर ही मिल गया था। जहां पहले 30 फुट पर पानी निकल आता था वहां ट्यूबवेल के लिए अब 300 फुट का बोर करना पड़ रहा है। यूके शिफ्ट हो चुके किरपाल सिंह का कहना है कि 60 साल में पानी काफी खराब हुआ है, पानी में आगे हालात खराब होते दिखाई दे रहे हैं।

मालवा इलाके में सिंचाई के पानी के लिए पहले ट्यूबवेल की जरूरत नहीं थी, नहरों से हफ्ते में एक बार सिंचाई का पानी मिल जाया करता था, लेकिन अब नहरें सूख चुकी हैं। सीएम भगवंत मान का जिला संगरूर पंजाब के डार्क जोन में आ चुका है। संगरूर के ज्यादातर गांवों में ग्राउंड वाटर का लेवल 350 से 500 फुट नीचे चला गया है।

डीएसआर फ्राड है

पंजाब एग्रीकल्चर यूनिवर्सिटी के डॉ. हरि सिंह बराड़ का कहना है कि राज्य सरकार के रिकॉर्डों से पता चलता है कि 2020-21 में केंद्र ने पंजाब से करीब 203 लाख मीट्रिक टन धान की खरीद की। औसतन 2020-21 में धान की खेती के लिए पंजाब को 54,400 बिलियन लीटर पानी चाहिए था।

सरकार पंजाब में धान की खेती के पूरे क्षेत्र को डीएसआर के अंदर लाने का जोर लगा रही है लेकिन हकीकत यह है कि डीएसआर एक फ्राड है। सीधी बिजाई से कोई फायदा नहीं है, उलटा पानी अधिक लग रहा है। हमें समझना होगा, सरकार अगर पंजाब को बचाने के लिए सीरियस है तो धान के चक्रव्यूह से निकालो। पंजाब में नई फसलों को सरकार खरीदे, पानी बच जाएगा।

पंजाब में पानी को बचाने के लिए आंदोलन की जरूरत: माणक

वरिष्ठ लेखक सतनाम सिंह माणक का कहना है कि पंजाब में पानी को बचाने के लिए एक जनआंदोलन की जरूरत है। जब एसवाईएल समझौता हुआ था तो पंजाब को 18.56 मिलियन एकड़ फुट (एमएएफ) पानी मिल रहा था जो अब कम होकर 12.63 एमएएफ रह गया है। इससे साफ़ है कि पंजाब के पास किसी भी राज्य को देने के लिए अतिरिक्त पानी नहीं है।

पंजाब में 1400 किलोमीटर नदियां, नहरें और नाले सूख चुके हैं। जिस कारण भूजल का प्रयोग बढ़ा है। पानी को बचाने के लिए केंद्र व पंजाब सरकार को मिलकर एक आंदोलन खड़ा करना होगा, जिसमें प्रत्येक नागरिक व किसानों को शामिल करना होगा वर्ना अगले दस साल बाद पंजाब पानी को तरसेगा। https://www.amarujala.com/punjab/jalandhar/center-also-worried-over-water-crisis-in-punjab-water-level-dropped-badly-in-20-districts-2023-02-11

SELECTED NEWS ITEMS/ARTICLES FOR READING

23. India's fiscal dilemma *(indianexpress.com)* Written by Arvind Subramanian, Josh Felman | Updated: February 13, 2023

The centre's consolidation strategy, however, relies heavily on centralisation, which has both limits and limitations. The limits are clear. Even under an optimistic scenario, where centralisation leads to a long-needed improvement in state government efficiency, there is only so much consolidation that can be achieved in this fashion. (C R Sasikumar)
Listen to this article

The recently announced budget affords a good opportunity to take stock of the fiscal situation. Most obviously, because it is the last full budget before the 2024 elections. More importantly, because next fiscal is the first time in a long time that India's economy might actually have a normal year. In 2019-20 came the NBFC crisis, 2020-21 saw the pandemic and 2021-22 the recovery, while 2022-23 witnessed global turmoil in the wake of the Russian invasion of Ukraine. It is only in the next fiscal that we can finally compare like with like, one "normal" budget with another.

So, what can we learn from this comparison? Unsurprisingly, some of the news is good, some is mixed and some is uncomfortable. Consider each in turn.

The good news is that in many ways the fiscal situation has proved resilient to the successive shocks (see table). Tax collections as a per cent of GDP are actually marginally higher than they were in 2018-19. On the spending side, the composition has improved, as capital expenditure has soared from 1.5 per cent of GDP to a budgeted 3.5 per cent of GDP. And sizeable off-budget expenditures were brought back onto the budget two years ago in a major and laudable step to improve transparency. The fiscal deficit is now on a downward trajectory, budgeted to fall to about 6 per cent of GDP next year from a Covid peak of more than 9 per cent.

Tax collections as a percent of GDP are actually marginally higher than they were in 2018-19.

At the same time, there have been some mixed developments, particularly on the revenue side. Personal income taxes have shown an encouraging rise, but this has been accompanied by increases in exemption limits, meaning that taxation is now resting on a narrower base of taxpayers, even as prosperity grows and spreads to the middle class. Meanwhile, the GST's promise has not yet been realised, as its collection ratio has remained essentially the same as it was five years ago, largely because efficiency gains have been offset by repeated reductions in rates. Furthermore, corporate tax revenues have declined significantly, again because tax rates have been reduced, in this case more than offsetting the returns from the improved profitability and market share gains of large corporations (at the expense of the informal sector).

The uncomfortable news is two-fold. First, there has been a notable increase in expenditures over the past five years. Here, one needs to be careful with the numbers because 2018-19 spending was understated, as certain transactions had been shifted off-budget. Even after this correction is made, however, the "true" increase in expenditure remains substantial, exceeding 1.5 percentage points of GDP. As a result, the structural fiscal deficit will amount to an uncomfortably large 6 per cent of GDP next fiscal.

The run of large deficits since 2018-19 has necessitated large amounts of borrowing, which have pushed up interest obligations to the point where they now absorb nearly half of the centre's tax revenues. As we showed in a piece with Olivier Blanchard, this exceptionally high ratio increases India's fiscal vulnerability while also squeezing out important social expenditures.

The second issue is centralisation. On the revenue side, the states will receive just 31 per cent of gross tax revenues next fiscal, compared with 37 per cent in 2018-19. This reflects the centre's increasing use of cesses, which are not shared with the states, as well as the use of a considerable portion of tax collections (from the GST compensation cess) to repay the GST Council for the loans given to the states during the pandemic.

A subtler form of centralisation is taking place on the expenditure side. Non-interest, non-subsidy current expenditure is being compressed, by a sizeable 1 percentage point of GDP in 2022-23 and a further 0.5 percent of GDP next year. How is this being achieved? Various mechanisms are at work, but a key one is that the centre is scaling back its transfers to states for various centrally sponsored schemes. Some of the reduction can be justified because the economy has recovered from the pandemic. And some of it is aimed at forcing the states to improve their efficiency, not just in their spending but also in the way they manage their funds. That goal is laudable, especially if the states can be made to reduce their egregiously wasteful power subsidies. But the consequence is a major pressure on state government expenditures.

What does this mean for the fiscal performance of the country as a whole? We are not yet able to answer this question, because we don't have current data for the states. But we do know a few things. For example, we know that despite the sharp increase in the centre's capital spending, investment by the overall public sector has actually declined compared to 2018-19 because the states and especially public sector undertakings have reduced their outlays.

In sum, despite the centre's prudence in avoiding a major fiscal stimulus during the pandemic, the fiscal situation has weakened considerably over the last five years. The centre's structural deficit is larger, overall debt has risen to an uncomfortably high 85 per cent of GDP, and interest obligations have increased to exceptionally burdensome levels.

So, something needs to be done — and is being done. The centre's consolidation strategy, however, relies heavily on centralisation, which has both limits and limitations.

The limits are clear. Even under an optimistic scenario, where centralisation leads to a long-needed improvement in state government efficiency, there is only so much consolidation that can be achieved in this fashion. Then, the centre will need to find other ways to reduce the deficit to its target of 4.5 per cent of GDP.

As for the limitations, if centralisation does not succeed in improving efficiency, it would simply result in a redistribution of resources from the states to the centre. In that case, states would either need to reduce the services they provide to their people. Or they would need to increase their borrowing, in which case the overall fiscal position might not improve at all.

And all of this assumes that the finances will play out as foreseen in the budget as the 2024 elections approach. On the other hand, if they are affected by the broader nationwide trend of aggressively competitive populism the overall fiscal picture would worsen.

Euphoria and pessimism are both unwarranted. But anxiety gnaws. https://indianexpress.com/article/opinion/columns/union-budget-indias-fiscal-dilemma-8440938/

24. Indigenous defence production in three years was worth Rs 2.58 lakh cr : Govt *(theprint.in)* 10 Feb 2023

India's indigenous defence production in the last three financial years was worth Rs 2.58 lakh crore, according to details provided by the government on Friday.

The data from 2019-20 to 2021-22 was presented in the Lok Sabha by Minister of State for Defence Ajay Bhatt in response to a question.

"The value of indigenous defence production in the last three financial years 2019-20, 2020-21 and 2021-2022 are Rs 79,071 crore, Rs 84,643 crore and Rs 94,846 crore respectively," he said. The total comes to Rs 2,58,560 crore.

"In order to give a boost to the defence manufacturing ecosystem in the country, the government of India has established two defence industrial corridors (DICs), one in Uttar Pradesh and the other in Tamil Nadu," he said.

According to estimates, the Indian armed forces are projected to spend around USD 130 billion (one billion is equal to Rs 100 crore) in capital procurement over the next five years.

The government has been focusing on reducing dependence on imported military platforms and has decided to support domestic defence manufacturing.

The defence ministry has set a goal of a turnover of USD 25 billion (Rs 1.75 lakh crore) in defence manufacturing in the next five years which includes an export target of USD 5 billion worth of military hardware.

To a separate question, he said the export value of authorisations issued in 2021-22 was Rs 12,815 crore while it was Rs 8,435 crore in 2020-21, Rs 9,116 crore in 2019-20 and Rs 10,746 crore in 2018-19.

The amount in the current fiscal till February 6 was Rs 10,642 crore. https://theprint.in/india/indigenous-defence-production-in-three-years-was-worth-rs-2-58-lakh-cr-govt/1365454/

25. Army Proposes Procurement of 850 Units of Nano Drones for Special Operations *(republicworld.com)* 11th February, 2023

The Indian Army has proposed the procurement of 850 units of nano drones to carry out surveillance in special operations. The procurement bid come via a Request for Proposal (RFP) under the fast-track procedure of the Emergency Procurement Buy (Indian) category, the Ministry of Defence said in a statement. The latest equipment acquisition bid comes amid efforts by the MoD to modernise the Indian Armed Forces and equip them to deal with the challenges of the future. Furthermore, the continuing 33-month-long military stand-off with China at the Line of Actual Control (LAC) was cited as one reason for the procurement of the nano drones by the Indian Defence Ministry.

“The existing volatile situation as prevailing along the northern borders and in the hinterland in disturbed areas mandates urgent procurement of the nano drones for enhancing immediate situational awareness of the troops,” the Indian Defence Ministry stated in the RFP. Moreover, the MoD expects the delivery of the required number of drones within a year of the signing of the contract. Recently, the Indian Army began the induction process for various categories of drones including logistics drones, surveillance quadcopters, kamikaze and Swarm drones.

Significance of drones in special operations

The Indian Army regularly carries out special operations, especially in areas of ongoing counter-insurgency/counter-terrorism operations. These operations require `enhanced situational awareness’ pertaining to the Area of Operations (AOR). Generally, the operations are carried out by the Special Forces units.

Meanwhile, Nano drones are capable of providing a unique advantage to these SF units in the form of reconnaissance, surveillance and intelligence gathering. The drones can also be equipped with various sensors and cameras to provide real-time information to troops on the ground. Additionally, the compact size of nano drones and their ability to be flown in confined spaces makes them well-suited for operations in urban environments.

Furthermore, nano drones can also be equipped with weapons or other payloads, making them a valuable asset in combat operations. Overall, nano drones offer military forces a more sophisticated and versatile tool for executing missions effectively and efficiently. Currently, the Indian Army is equipped with drones such as Nishant UAV, Rustom-1, Rustom-H, Lakshya Target Drone, PTAB-2.5 MK-1 Bomb, PTAB-2.5 K and Vyom. https://www.republicworld.com/india-news/general-news/army-proposes-procurement-of-850-units-of-nano-drones-for-special-operations-articleshow.html