#### NEWS ITEMS ON CAG/ AUDIT REPORTS (02.05.2023)

## **1.** पीएम केयर्स फंड: सरकार क्या छुपा रही है? (deshbandhu.co.in) 02 May 2023

दिल्ली हाईकोर्ट में एक याचिका दाखिल हुई जिसमें पीएम केयर्स फंड की वैधता पर सवाल खड़ा किया गया और इसे आरटीआई के दायरे में लाने की मांग की गई। इसकी सुनवाई के दौरान कोर्ट में हलफनामा दाखिल कर पीएम केयर्स ट्रस्ट ने कहा कि 'पीएम केयर्स फंड सरकारी फंड नहीं है इसीलिए यह आरटीआई के तहत सार्वजनिक प्राधिकार की परिभाषा में नहीं आता है।

हाल में मीडिया में छपी एक रिपोर्ट में कहा गया कि पीएम केयर्स फंड में सरकार की हिस्सेदारी वाली कंपनियों ने कुल 2,913.60 करोड़ रुपए दान किए। यह जानकारी सरकार ने नहीं, बल्कि एक निजी फर्म प्राइमइन्फोबेस डॉटकॉम ने दी है जो नेशनल स्टॉक एक्सचेंज में सूचीबद्ध कंपनियों पर नजर रखती है। इस फर्म की रिपोर्ट कहती है कि पीएम केयर्स फंड में योगदान देने वाली 57 ऐसी कंपनियां हैं जिनमें सरकार की बड़ी हिस्सेदारी है यानी ये सार्वजनिक क्षेत्र की कंपनियां हैं। 247 प्राइवेट और 57 सरकारी कंपनियों ने कुल मिलाकर पीएम केयर्स फंड में 4,910.50 करोड़ रुपए दान किए, जिसका 60 प्रतिशत सिर्फ सरकारी कंपनियों ने दिया है।

इन 57 सरकारी कंपनियों में से टॉप 5 कंपनियां हैं- ओएनजीसी (370 करोड़ रुपए),एनटीपीसी (330 करोड़ रुपए), पावरग्रिड कॉरपोरेशन ऑफ इंडिया (275 करोड़ रुपए), इंडियन ऑयल कॉरपोरेशन (265 करोड़ रुपए) और पावर फाइनैंस कॉरपोरेशन (222.4 करोड़ रुपए)।

कोरोना महामारी के बीच मार्च, 2020 में इस फंड की शुरुआत की गई थी। इस फंड के चेयरमैन खुद प्रधानमंत्री हैं और इसके सदस्यों में गृहमंत्री, रक्षामंत्री व वित्तमंत्री शामिल हैं। इस फंड में दान करने के लिए खुद प्रधानमंत्री ने देशवासियों से अपील की थी। उनकी अपील के बाद देश के लाखों लोगों ने यह सोचकर स्वेच्छा से दान किया कि देश के प्रधानमंत्री आपदा में नागरिकों से मदद मांग रहे हैं। इसमें पैसे जुटाने के लिए देश भर में सरकारी कर्मचारियों के वेतन में जबरन पैसे काटे गए। 2019-20 में इसमें 3,076.60 करोड़ रुपए जमा हुए। 2020-21 में यह रकम बढ़कर 10,990.20 करोड़ रुपए हुई और मार्च, 2022 में बढ़कर 13,000 करोड़ पहुंच गई। महामारी बीत जाने के बाद यह सवाल उठने लगा कि पीएम केयर्स फंड में जुटे हजारों करोड़ रुपये कहां गए? कुछ लोगों ने आरटीआई के जरिये सूचनाएं मांगी, लेकिन उन्हें जवाब दिया गया कि यह सार्वजनिक फंड नहीं है इसलिए इसके बारे में जानकारियां नहीं दी जा सकतीं। आखिरकार यह मामला कोर्ट पहुंचा। दिल्ली हाईकोर्ट में एक याचिका दाखिल हुई जिसमें पीएम केयर्स फंड की वैधता पर सवाल खड़ा किया गया और इसे आरटीआई के दायरे में लाने की मांग की गई। इसकी सुनवाई के दौरान कोर्ट में हलफनामा दाखिल कर पीएम केयर्स ट्रस्ट ने कहा कि 'पीएम केयर्स फंड सरकारी फंड नहीं है इसीलिए यह आरटीआई के तहत सार्वजनिक प्राधिकार की परिभाषा में नहीं आता है। पीएम केयर्स फंड पब्लिक चैरिटेबल ट्रस्ट के रूप में गठित किया गया है। इस पर न तो केंद्र सरकार का नियंत्रण है और न ही किसी राज्य सरकार का।'

सरकार के इस हलफनामे से कुछ गंभीर सवाल उठते हैं कि अगर यह सरकारी फंड नहीं है तो इसकी घोषणा देश के प्रधानमंत्री ने क्यों की? वे खुद इसके चेयरमैन क्यों हैं? उन्होंने इस फंड के साथ प्रधानमंत्री शब्द क्यों जोड़ा? इसके सदस्यों में सरकार के महत्वपूर्ण मंत्री क्यों हैं? इसकी वेबसाइट को सरकारी डोमेन कैसे मिला? इसके साथ प्रधानमंत्री का नाम क्यों इस्तेमाल हो रहा है? इसके लिए भारत के प्रधानमंत्री ने दान करने की अपील क्यों की? प्रधानमंत्री के नाम चल रही सरकारी वेबसाइट पर इसके बारे में सूचनाएं क्यों दी जाती हैं? क्या यही सारे नियम राज्य सरकारों पर भी लागू होंगे? क्या प्रधानमंत्री की तर्ज पर राज्यों के मुख्यमंत्री भी सीएम केयर्स फंड बना सकते हैं?

इस फंड को बढ़ाने के लिए विदेशों में भारतीय दूतावासों को शामिल किया गया। इस फंड की स्थापना के तुरंत बाद प्रधानमंत्री ने 30 मार्च, 2020 को विश्व के विभिन्न देशों में स्थित भारतीय राजदूतों से एक वीडियो कॉन्फ्रेंस की और विदेश मंत्रालय की प्रेस विज्ञप्ति में बताया गया था कि उन्होंने 'विदेश से दान जुटाने के लिए राजदूतों को सलाह दी है कि इस पीएम केयर्स फंड ट्रस्ट का प्रचार करें। इसे विदेशी अंशदान अधिनियम (एफसीआर)के तहत छूट दी गई है कि यह विदेशी चंदा ले सकता है। केंद्र सरकार की हैसियत से इस फंड ने कॉरपोरेट्स और सार्वजनिक क्षेत्र के उपक्रमों से दान लिया और बदले में उन्हें आयकर में छूट दी गई। कोरोना महामारी के खिलाफ लड़ाई में सरकारी मशीनरी का उपयोग करके इस फंड को वेंटिलेटर, ऑक्सीजन, वैक्सीन आदि पर खर्च किया गया।

चूंकि इस फंड की स्थापना से लेकर इसके संचालन तक सब कुछ संदिग्ध है, उसके बारे में जो जानकारी दी रही है वह सही है, यह कैसे माना जाए? इसकी क्या विश्वसनीयता है कि जिस फंड में देश भर से लोगों ने दान किया, उसमें 2022 तक 13000 करोड़ रुपए ही जमा हुए? इस फंड की स्थापना से लेकर संचालन तक सब कुछ जब देश के प्रधानमंत्री की अगुआई और निगरानी में हो रहा है, यहां तक कि इसके लिए देश की मशीनरी और दूतावासों का भी इस्तेमाल किया जा रहा है, तब यह सरकारी फंड कैसे नहीं है? अगर प्रधानमंत्री खुद इसके चेयरमैन हैं तो इसमें वे पारदर्शिता सुनिश्चित क्यों नहीं करते, जैसा कि इसके पहले प्रधानमंत्री राहत कोष में होता रहा है। इसका कैग ऑडिट क्यों नहीं होने दिया गया? सबसे बड़ा सवाल है कि क्या संवैधानिक पदों पर बैठे व्यक्तियों को अपने पदनाम से हजारों करोड़ का निजी फंड चलाना वैधानिक हैं? क्या संवैधानिक पद पर बैठा व्यक्ति संविधान के बाहर जाकर निजी कंपनी की तरह काम कर सकता है? जिस फंड को कार्यपालिका के चार अहम पदों पर व्यक्ति संभाल रहे हों, उसमें जमा हुए फंड का संवैधानिक आधार क्या है? क्या इसे संसद की मंजूरी मिली है? बिना संसद की मंजूरी के क्या यह फंड वैधानिक है?

सरकार की शत-प्रतिशत संलिप्तता और इतने सवालों के बाद भी, क्या इसे निजी फंड सिर्फ इसलिए कहा जा रहा है ताकि सरकार जवाबदेही, पारदर्शिता और जिम्मेदारी से बच सके? अगर इसमें कोई गड़बड़-घोटाला नहीं है तो सरकार क्या छुपा रही है? https://www.deshbandhu.co.in/editorial/articles-pm-cares-fund-what-is-thegovernment-hiding-336474-2

## 2. India trains fighter pilots in buddy-buddy refuelling as aerial tanker shortage hits home (shephardmedia.com) May 2, 2023

Poor serviceability rates of India's Ilyushin Il-78 tanker aircraft mean fighter pilots are training using buddy-buddy refuelling between fast jets.

The Indian Air Force (IAF) has released a request for proposals (RfP) to wet-lease an aerial tanker for training purposes as six of its Ilyushin Il-78 Multi Role Tanker Transport (MRTT) aircraft are too maintenance-intensive with poor serviceability.

The accelerating need for fast jet pilots to maintain currency validation has left the IAF with little option but to carry out training with buddy refuelling pods from fighter to fighter.

As IAF squadron strength depletes, the MRTTs act as force multipliers. The IAF needs 18, with two failed attempts to acquire six tanker-transports in the past 15 years.

A six-year-old Comptroller and Auditor General of India report had noted serviceability of the Il-78 fleet to be 49% with barely three aircraft available simultaneously.

The leased MRTT will serve up to 100h per month for training purposes. The lessor will manage maintenance and insurance.

Air-to-air refuelling (AAR) training will cover all Indian fighters including the Rafale, Su-30MKI, Jaguar, Mirage and Light Combat Aircraft.

'The present type of training is a very poor idea using flying hours of fighters. If a refueller was used for training many fighters could practise plug-ins. The leasing option is a saner one as it leaves the fighters to continue with their operations. The A330 is the best option as it carries a large amount of fuel,' a source told Shephard.

Of the three companies expected to bid, on contender is the UK's AirTanker which has a 27-year contract with the UK MoD. It supports 14 A330 MRTTs. Nine form a 'core fleet' and five 'non-core' aircraft are available to the RAF but can also be offered to others.

The company is responsible for all aspects of Voyager's operation from crew training and maintenance through to dispatch, which it will do for the IAF if selected. https://www.shephardmedia.com/news/training-simulation/india-trains-fighter-pilots-in-buddy-buddy-refuelling-as-aerial-tanker-shortage-hits-home/

## 3. Indian Railways to Upgrade Speed of 53 Rail Corridors to 130 Kmph (*swarajyamag.com*) May 1, 2023

Indian Railways has decided to raise the sectional speed of 53 important broadgauge routes across the country to 130 kmph.

The move is expected to reduce the travel time and enhance the operational efficiency of the trains and also give a boost to freight operations.

The Railways has already enhanced the maximum speed to 130 kmph for a majority of 9890 km length of Golden Quadrilateral - Golden Diagonal (GQ-GD) route.

Now the Railways have now chosen 53 routes, in various zones and instructed the respective General Managers to improve infrastructure to achieve the 130 kmph speed potential by the end of this fiscal, reported The Hindu.

In Southern Railway/South Western Railway, sectional speed will be increased to 130 kmph on these routes -- Arakkonam-Mysore (436 km), Thiruvananthapuram Central-Kozhikode (400 km), Chennai Egmore-Madurai (496 km), Jolarpet-Bengaluru (148 km), Bengaluru-Mysuru (138 km), Kannur-Kozhikode (89 km), Thiruvananthapuram-Madurai (301 km) and Jolarpet-Coimbatore (289 km).

Speed enhancement works would not only help in reducing the running time of Vande Bharat trains but also of Shatabdi Express and other trains.

The impact of speed enhancement can be gauged by the fact that following the increase in speed along different routes, the Southern Railway has speeded up 44 train services across the zone in 2022-23 thereby easing the travel time for passengers.

A recent CAG report stated the average speed of mail and express trains in the country during 2019-2020 was only 50.6kmph despite spending Rs 2.5 lakh crore on track infrastructure between 2008 and 2019. Mission Raftaar project was envisaged in 2016-2017 to raise average speed of both passenger and freight trains, but there was no significant improvement. https://swarajyamag.com/infrastructure/indian-railways-to-upgrade-speed-of-53-rail-corridors-to-130-kmph

#### STATES NEWS ITEMS

4. Tamil Nadu's outstanding off-budget borrowings stood at ₹27,669.88 crore at the end of FY 2022 (thehindu.com) May 01, 2023

Though the repayment of principal and interest is made through the Budget, the outstanding off-budget borrowings of ₹27,669.88 crore do not form part of the State's outstanding debt liability of ₹6,10,667 crore as on March 31, 2022, according to the Comptroller and Auditor-General of India's (CAG) State Finances Audit Report for FY 2022

Tamil Nadu had outstanding off-budget borrowings of ₹27,669.88 crore as of March 31, 2022. During the same period in 2021, this amount stood at ₹15,368.91 crore.

The Tamil Nadu State Financial Responsibility and Budget Management Act (TNFR Act) defines total liabilities as "the liabilities under the Consolidated Fund of the State and the Public Account of the State", according to the Comptroller and

Auditor-General of India's (CAG) State Finances Audit Report for the year ending March 2022.

However, the borrowings made by the corporations/agencies for implementing various State-planned programmes, for which the State government has undertaken to repay the principal and interest, are not captured in the finance accounts of the State. These borrowings add to its liabilities indirectly, it said.

Though the repayment of principal and interest is made through the Budget, the outstanding off-budget borrowings of ₹27,669.88 crore do not form part of the State's outstanding debt liability of ₹6,10,667 crore as on March 31, 2022, it said.

As they are not depicted in the Finance Accounts, there is a lack of transparency in the actual outstanding borrowings of the government at the end of year, and hence, the true picture of the liability of the government cannot be ascertained through the books of accounts. The repayments by the government with respect to the above agencies are done from the accumulations in the Guarantee Redemption Fund, CAG noted.

For the fiscal year 2022, the State made off-budget borrowings of ₹12,357.39 crore. Of the borrowings, ₹11,727.43 crore went towards the Tamil Nadu Generation and Distribution Corporation (Tangedco); ₹594.88 crore was for the Tamil Nadu Water Resources Conservation and River Restoration (TNWRCRR); and ₹35.08 crore was given to the Water and Sanitation Pooled Fund – Tamil Nadu Urban Infrastructure Financial Services Limited, as per the data shared in the report.

The State government repaid off-budget borrowings of ₹56.42 crore in 2022. As of March 31, 2022, ₹26,427.92 crore outstanding off-budget borrowings were for Tangedco; ₹629.31 crore was towards TNWRCRR; ₹373.03 crore was towards Tamil Nadu Rural Housing and Infrastructure Development Corporation; ₹239.17 crore was for the Water and Sanitation Pooled Fund; and ₹0.45 crore was for the Tamil Nadu Water Supply and Drainage Board.

Earlier this year, Union Minister of State for Finance Pankaj Chaudhary had told Parliament that the Centre had decided to consider off-budget borrowings as borrowings made by the State itself for fixing the borrowing ceiling of States. This was done considering the effect of some States bypassing the Net Borrowing Ceiling using off-budget borrowings, he added. The CAG also noted that the Additional Chief Secretary said Tangedco would be in a better position in the future as the tariff had been increased recently. https://www.thehindu.com/news/national/tamil-nadu/tamil-nadus-outstandingoff-budget-borrowings-stood-at-2766988-crore-at-the-end-of-fy-2022/article66800507.ece

## 5. Tamil Nadu government decides to permit hoardings in urban areas; residents, experts slam the move (*thehindu.com*) May 02, 2023

Hoardings are likely to be permitted in Chennai city and other urban areas of Tamil Nadu, following a decision by the State government in an effort to improve the revenue of the civic bodies.

According to officials of the Greater Chennai Corporation, a Government Order has been passed under the Tamil Nadu Urban Local Bodies Act 2022 granting permission for the hoardings. "It is expected to be implemented in a few days," a senior official said.

Following the formulation of an action plan to improve its income as part of the World Bank's Chennai City Partnership and the report of the Comptroller and Auditor General of India, the Greater Chennai Corporation had taken steps to identify its own sources of revenue.

A team of officials, led by Corporation Deputy Commissioner (Revenue and Finance) Vishu Mahajan, had come up with the plan to improve the finances of the civic body.

"We will get huge revenue once the government permits hoardings," said an official.

#### Residents oppose move

Residents in many areas opposed the move to permit hoardings. T. Nagar resident V.S. Jayaraman said the  $\Box$  government should not permit hoardings in  $\Box$  the city.

"If it is for collection of revenue, let them collect property tax first. The risk of accidents is high. There have been accidents in the past involving pedestrians. Hoardings are dangerous and have the risk of falling on pedestrians," he said.

Former IAS officer M.G. Devasahayam said the negative impact of hoardings outweighed the pros.

"Our roads already have many problems and hoardings will make them worse. When there is heavy wind and rain, the hoardings crash. People have died. They block the walkways and have several disadvantages," he said.

K. Kumar, visiting faculty at the School of Architecture and Planning, Anna University and former chief planner of CMDA, said hoardings distract motorists.

Also, hoardings would affect the visibility on the road. "They don't put up hoardings parallel to the road but in an angle to draw people's attention. You are distracting me and it is wrong," he says.

"There are no hoardings in major cities of other countries. They are an eyesore. The vista gives a kind of an attraction, enjoyment of the ride itself, that is the kind of visual enjoyment. But the visual intrusion of the hoardings will affect aesthetics," he said. https://www.thehindu.com/news/cities/chennai/government-decides-to-permithoardings-in-urban-areas-residents-and-experts-slam-themove/article66800524.ece

#### SELECTED NEWS ITEMS/ARTICLES FOR READING

#### 6. **GST needs reform** (*livemint.com*) 02 May 2023

Even as the West grapples with yet another bank failure, with First Republic Bank being acquired by JPMorgan Chase & Co in an emergency government-led intervention, India's economy seems to be steaming ahead. Revenue from the goods and services tax (GST) hit a new high of ₹1.87 trillion in April, nicely exceeding the recent trend level of about ₹1.6 trillion per month. This buoyancy seems to corroborate optimism in the manufacturing sector, with its purchasing managers' index for April having risen to 57.2 in April from 56.4 in March. Car sales data, also released on Monday, was encouraging too. All these points to our economy charting its own path of growth, largely unruffled so far by a downturn setting in globally. With GST collections in such fine fettle, ₹2 trillion per month doesn't seem far off. This offers the government a chance to carry out some tax reforms. Our GST must reduce complexity. Its rate structure is yet to fulfil its conceptual promises of easy-to-grasp simplicity and immunity from frequent or ad hoc changes, let alone wide applicability, with large categories still taxed separately. India's coffers, meanwhile, must reduce their dependence on indirect https://www.livemint.com/news/india/quick-edit-gst-needs-reformlevies. 11682965029695.html

## 7. We need a new approach to mitigate PPP project risks (*livemint.com*) 02 May 2023

## The key to PPP success is risk sharing among partners that's optimized by each party's strengths

The route of public-private partnerships (PPPs) has become popular in India for the provisioning of critical infrastructure. This is due to many policy and structural reforms. Compared with traditional models of infrastructure provisioning, PPPs have two distinct features. First, these show a significantly increased level of private-sector participation, which can boost project efficiency and effectiveness through its life cycle. Second, PPPs can spread the project cost over an extended period, which can free up public resources for investment in sectors where private investment may be shy to enter.

As India aspires for an over  $\gtrless100$  trillion infrastructure push to drive growth, the role of PPPs needs close consideration. The recent Delhi high court order that Delhi Metro Rail Corporation (DMRC) has to pay  $\gtrless8,009.38$  crore due to Reliance Infrastructure Ltd opens up debates on setting up public private partnerships as well as on sharing the risks involved. That the amount ordered is several times the annual revenue of DMRC from its Delhi operations points to the scale of the financial impact this could have. The effects might last for years. While risk sharing is one of the major reasons for implementing PPPs, technical and organizational challenges occur for some PPP partners. These include unclear agreements on risk and responsibility sharing, insufficient procedures to deal with disputes between partners, and a lack of agreement on ways to deal with risks of failure. The problem gets more complicated in the absence of reliable tools for risk assessment. This often results in incorrect evaluations and inequitable distribution among or between partners.

Managing risks in PPP projects needs an accurate formulation of rules for partners and a mechanism specified for their mitigation. Effective risk allocation entails parties identifying project risk factors in advance and allocating these to the party which can manage them best. Still, some possible risks may emerge beyond the agreed terms. However, risks in PPPs should be allocated to the partner most effective in managing it at the least cost. Generally, public-sector partners are good at handling risks associated with changes in political and regulatory environments, while private-sector partners better manage risks associated with project management. PPP projects that do not transfer risk and gain from the private sector's risk-management capabilities will have a higher probability of failing. To better manage the risks of large projects, PPP policy can explicitly assign this to the private sector, with a transfer of specific risks and responsibilities throughout the project's life cycle, including development, construction and operation. This entails a risk premium that in large private projects is a central part of the costs, and should be included in PPP projects. Government agencies should realize the need for specific risk-management capabilities and partner with the private sector. It is also important to recognize that in many areas, the public sector has not had sufficient experience in managing certain types of projects to acquire the necessary risk-management capabilities. In these situations, a misalignment arises that may lead to the project's overall failure.

At the heart of this problem is the fact that the public and private sectors think about risk differently. Though many public agencies have evolved sophisticated strategies of managing risk, their focus is still confined to a specific set of issues. Often, these revolve around definitions of transparency and compliance with procurement laws. In some extreme situations, adherence only to these aspects can be at the expense of the efficiency of the whole project itself. An excessive focus on administrative risks ignores the fact that a project needs to cope with hard budget constraints, which is a result of low volumes of usage. Public-sector partners also have a tendency to push construction, operational and commercial risks out of central consideration. Operational and commercial risks emerge when a project faces cost overruns or construction delays. Public agencies tend to overlook these risks, as they do not face liquidity problems. This is because the failure of a project is unlikely to affect their liquidity as demand for additional funds can be mobilized from government budgets. But the fact that the promised benefits of the project will take longer time to appear is overlooked.

In contrast, for the private partner, commercial risks can have massive financial consequences. Anything from a 10-15% cost overrun can mean that a company no longer earns a profit on that specific project, and an accumulation of such projects can push the entire company to bankruptcy. This forces successful private players to build strong capabilities in risk management across project life cycles. Often, this is vetted by private investors for its sophistication. The private partner considers all risks—construction risks, commercial risks after completion, and others—and adds a premium to cover the additional measures and activities required to mitigate them. But for the government, some risk premia look like unnecessary costs. This might be viewed as good governance and financial control, but it tends to focus only on budgetary elements, leaving out project risks on an apparent assumption that these should be managed for free. We need explicit recognition of the fact that the private sector's risk-management capabilities

generate efficiency gains. So we need appropriate mechanisms for the transfer of these risks to private stakeholders.

In conclusion, for PPP projects to succeed, we require a fresh approach. https://www.livemint.com/opinion/columns/we-need-a-new-approach-tomitigate-ppp-project-risks-11682964954739.html

## 8. GST collection rises 12 pc to Rs 1.87 lakh cr in April, highest ever collection (*financialexpress.com*) May 1, 2023

GST collection grew by 12 per cent in April to Rs 1.87 lakh crore, the highest monthly mop-up since the rollout of the indirect tax regime. The gross GST revenue collected in the month of April 2023 is Rs 1,87,035 crore of which CGST is Rs 38,440 crore, SGST is Rs 47,412 crore, IGST is Rs 89,158 crore (including Rs 34,972 crore collected on import of goods) and cess is Rs 12,025 crore, the finance ministry said in a statement.

The previous high collection of Rs 1.68 lakh crore was in April last year."The revenues for the month of April 2023 are 12 per cent higher than the GST revenues in the same month last year," the ministry said.

During the month, the revenues from domestic transactions (including import of services) are 16 per cent higher than the revenues from these sources during the same month last year.

The total gross collection for the 2022-23 fiscal stood at Rs 18.10 lakh crore, 22 per cent higher than the previous year. https://www.financialexpress.com/economy/gst-collection-rises-12-pc-to-rs-1-87-lakh-cr-in-april-highest-ever-collection/3070392/

## 9. Government decides to extend Smart Cities mission deadline till June 2024 (economictimes.indiatimes.com) May 2, 2023

The Union Housing and Urban Affairs Ministry has decided to extend the deadline for the Smart Cities Mission till June 2024, following requests from some cities that sought more time to complete their ongoing projects, officials said on Monday. The existing deadline of the Mission was June 2023.

An official said that it would be inequitable to grant an extension merely to "a selected subset of cities".

"The extension is being granted not only to complete projects but to complete documentation, dissemination, institutionalisation of all best practices, templates, innovations created under the Mission so that they can be taken up for replication across the country," the official told PTI.

The Narendra Modi government launched its flagship Smart Cities Mission (SCM) on June 25, 2015 and 100 cities were selected for redevelopment through two-stage competition from January 2016 to June 2018.

The official said that on-ground project execution began at least 18 months post city selection.

"The Mission deadline was fixed as June 2023 to enable all cities to get five years for completing Mission activities. The current extension of one year from June 2023 to June 2024 is only the first extension beyond the five-year period," the official said.

According to the ministry, the one-year extension will ensure 100 per cent works under the SCM get completed in all 100 smart cities. The budget allocated to the Mission in 2023-24 is sufficient for the purpose, the officials said.

"Considering the tremendous impact of the SCM on ease of living for citizens and ease of doing business for businesses, the ministry has decided to extend the Smart Cities Mission by one year, from its current deadline of June 2023 till June 2024," the official said.

According to the officials, out of 100 cities, around 50 have completed close to 75 per cent of their projects and are on track to complete remaining works by June 2023.

Over 66 per cent projects in small cities, and over 80 per cent projects in the metros have been completed.

"This pace amounts to completion of an average of 100 projects worth around Rs 1,850 crore every month; three+ projects worth Rs 60+ crore every day, equivalent of completing around six kms of two-lane highways every day," the official said, adding that in most cities, the amount of infrastructure spending as part of the Mission is much higher than their regular budgetary spends.

As many as 232 public-private partnership projects worth Rs 15,006 crore have been taken up across 53 smart cities - both small and big.

These projects are multi-sectoral and include infrastructure like multimodal transport hubs, common mobility cards, multi-level car parking and public bike sharing.

"The Smart Cities Mission is thus creating templates to boost PPP investments in India's urban sector going forward," the official added.

The ministry said that the government has released around Rs 38,000 crore to 100 cities. Combining this with state and urban local bodies releases, the cumulative amount of funds released to cities stands at Rs 71,000 crore.

"The pace of Mission implementation can be gauged from the fact that around 90 per cent of these funds have been utilised. An amount of Rs 8,000 crore, budgeted in FY 2023-24, is sufficient to meet the needs of ongoing projects," the official said.

India's current urban population of around 46 crore is projected to double in the next 25 years.

According to the ministry, it is estimated that close to Rs 500 lakh crore of investments in India's cities and towns will be needed to support this rapid urbanization, a multiplier of 166 times over 25 years (taking current annual urban investments of Rs 3 lakh crore). https://realty.economictimes.indiatimes.com/news/smart-city/government-decides-to-extend-smart-cities-mission-deadline-till-june-2024/99922139

# 10. Railways earns Rs 2,242 cr more from senior citizens by suspending ticket concession in FY23: RTI reply (*economictimes.indiatimes.com*) May 01, 2023

The Railways has earned an additional revenue of around Rs 2,242 crore from senior citizen travellers in 2022-23 by revoking concession offered to them, an RTI response has found. The national transporter had generated Rs 1,500 crore in excess between March 20, 2020 -- when the assistance was suspended after the onset of the Covid pandemic -- and March 31, 2022.

In its reply to a Right to Information (RTI) query filed by Madhya Pradesh-based Chandra Shekhar Gaur, the Railways said that between April 1, 2022 and March 31, 2023, it did not offer concessions to almost eight crore senior citizens which included about 4.6 crore men, 3.3 crore women and 18,000 transgenders. The total revenue from senior citizen travellers during the period is Rs 5,062 crore which includes an additional Rs 2,242 crore, earned due to the suspension of the concession, according to the RTI

For the Railways, the earnings from senior citizen fares has increased at a steady pace. Between March 20, 2020 and March 31, 2022, the Railways did not offer concessions to 7.31 crore senior citizen travellers. These included 4.46 crore male passengers aged 60 years and above, 2.84 crore female travellers over 58 and 8,310 transgender people.

The total revenue from senior citizen travellers during 2020-22 was Rs 3,464 crore which was Rs 1,500 crore more than what it would have earned if they had offered the concessions to them.

During the financial year 2022-23, the Railways earned Rs 2,891 crore from male senior citizen passengers, Rs 2,169 crore from female travellers, and Rs 1.03 crore from transgenders.

Women senior citizen travellers are eligible for a 50 per cent concession, while male and transgenders can avail 40 per cent in all classes. The minimum age limit for a woman to avail the concession is 58 years, while it is 60 for a man.

The concessions, which were put on hold since March 2020 after the coronavirus pandemic hit the country, have remained suspended till date.

While train services remained suspended through most of 2020 and parts of 2021, the demand for concessions began surfacing as services normalised.

Over the last two decades, the Railways concessions have been a much discussed topic with multiple committees recommending their withdrawal. As a result of this, in July 2016, the Railways made the concession for the elderly optional.

The national transporter incurs a huge burden of around Rs 2,000 crore every year due to around 53 types of concessions it offers to various kinds of passengers, according to official data.

The senior citizen concession amounts to around 80 per cent of the total discounts given by the Railways.

Recently, the Supreme Court rejected a plea seeking the restoration of concession in railway ticket prices for senior citizens. https://economictimes.indiatimes.com/industry/transportation/railways/railw ays-earns-rs-2242-crore-more-from-senior-citizens-by-suspending-ticketconcession-rti-reply/articleshow/99911930.cms?from=mdr

# 11. Finance Ministry wants state-run banks to enhance recovery rate from written-off accounts to about 40% (economictimes.indiatimes.com) May 02, 2023

Worried over the low recovery rate from written-off accounts, the Finance Ministry has asked state-owned lenders to increase it to about 40 per cent, sources said. Currently, the recovery rate from written-off accounts is less than 15 per cent. Public sector banks (PSBs) could recover only 14 per cent of the written-off loans worth Rs 7.34 lakh crore in the last five years ended March 2022.

Of Rs 7.34 lakh crore written-off loans, state-owned lenders recovered Rs 1.03 lakh crore. So after recovery, the net written-off stood at Rs 6.31 lakh crore at the end of March 2022.

It seems that after the write off banks get complacent about recovery from those non-performing assets (NPAs), the sources said, adding, this level of recovery is not acceptable.

Besides, they said, higher recovery from written-off accounts directly adds to their bottomline and improves their capital.

To review the situation on the issue, the sources said, the Department of Financial Services would soon hold a meeting with senior officials of PSBs.

The proposed meeting would take stock of pending cases with regard to such accounts in various courts, including Debt Recovery Tribunal and Debt Recovery Appellate Tribunal.

Banks have been directed to be more proactive with regard to big written-off accounts.

Banks have written off Rs 11.17 lakh crore as bad loans from their books in the last six years till the financial year 2021-22. As per RBI data, public sector banks (PSBs) and private sector banks wrote off an aggregate amount of Rs 8,16,421 crore and Rs 3,01,462 crore, respectively, during the last six financial years.

Non-performing assets (NPAs), including those in respect of which full provisioning has been made on completion of four years, are removed from the balance sheet of the bank concerned by way of the write-off.

Banks write off NPAs as part of their regular exercise to clean up their balance sheet, avail tax benefits and optimise capital. The write-off is carried out by the banks in accordance with the RBI guidelines and policies approved by their boards. https://economictimes.indiatimes.com/industry/banking/finance/finance-ministry-wants-state-run-banks-banks-to-enhance-recovery-rate-from-written-off-accounts-to-about-40/articleshow/99908818.cms

## **12.** Better performance in statistics (*financialexpress.com*) Bibek Debroy & Aditya Sinha | May 02, 2023

Earlier (2004-21), World Bank had a Statistical Capacity Indicator (SCI) for different countries. Post-Covid, this has been replaced by a Statistical Performance Indicator (SPI). There are five pillars—data use, data services, data products, data sources and data infrastructure. Indicators under each pillar are aggregated, and those are aggregated again to get SPI. While there is rationale for such a comprehensive view, often, when we think of government data, we have Pillar 2 and Pillar 4 in mind. On Pillar 2, "The data services (output) pillar is segmented by four service types—(i) the quality of data releases, (ii) the richness and openness of online access, (iii) the effectiveness of advisory and analytical services related to statistics, and (iv) the availability and use of data access services such as secure microdata access." On Pillar 4, "The data sources (input) pillar is segmented by four types of sources generated by (i) the statistical office (censuses and surveys), and sources accessed from elsewhere such as (ii) administrative data, (iii) geospatial data, and (iv) private sector data and citizen-generated data."

India performs reasonably well on data use and data services, but performance is middling on data sources and inferior on data products and data infrastructure. Importantly, between 2016 and 2019, there has been little change in scores. Across 174 countries, India may be in the fourth quintile. But that's not true of every pillar, and India ought to perform better.

In 2019, India's scores were 70.4 overall, 80.1 for data use, 88 for data services, 60 for data products, 68.9 for data sources and 60 for data infrastructure. The relative weakness is for Pillars 3, 4 and 5. Obviously, SPI is still a work in progress, and every conceivable indicator under the pillars isn't included yet. If one scrutinises indicators under Pillar 3, those have to do with indicators for SDGs 1-17. Pillar 4 covers censuses and surveys, administrative data and geospatial data. "The following censuses and surveys are considered: Population & Housing census, Agriculture census, Business/ establishment census, Household Survey on income/consumption/ expenditure/ budget/ Integrated Survey, Agriculture survey, Labour Force Survey, Health/Demographic survey, Business/ establishment survey."

Administrative data today covers civil registration and vital statistics. "An ideal indicator for ... would include a score based on the density of administrative data available in sectors including social protection, education, labour, and health. However, social protection, education, health, and labour admin data indicators are not included because of lack of established methodology." For geospatial data, "Geospatial data available at 1st Admin Level. This data source from Open Data Watch focuses on data availability at the sub-national level and provides a partial understanding of a country's ability to produce geospatial data."

Finally, other than SDGs, Pillar 5 is about standards and methods. "This set of indicators is based on countries' use of internationally accepted and recommended methodologies, classifications and standards regarding data integration. These indicators help facilitate data exchange and provide the foundation for the preparation of relevant statistical indicators. The following methods and standards are considered: System of national accounts in use, National Accounts base year, Classification of national industry, CPI base year, Classification of household consumption, Classification of status of employment, the Centre's accounting status, Compilation of government finance statistics, Compilation of monetary and financial statistics, Business process."

Sometimes, when India doesn't perform well on cross-country rankings, valid questions are raised about methodology, especially if perception-based questionnaires are involved. That's not true of something like SPI. Other World Bank rankings have been used to ensure improvements. A similar trigger should now be used to improve the statistical system. Take Pillar 5. India uses international standards and methods, for the most part. Why is the score low? Probably because the base years are old. India's administrative data are remarkably good and almost real-time. India doesn't get the credit for this because administrative data are restricted to civil registration and vital statistics. We know the problems with census and surveys:delays, faults with sampling design of surveys, inconsistency in questions across various surveys, inability to use technology and so on. These weaknesses of Pillar 4 spill over into Pillar 3. Even then, on Pillar 3, we are told, "The primary data source is the UN SDG database." If you sift through this database, there is no obvious reason why India should score badly on data for Pillar 3. Data, across indicators, are reasonably recent. Perhaps we have three problems. First, there is indeed a problem with censuses, surveys, and base years. Second, even when there is no real problem, there is a perceived problem because MoSPI doesn't take these issues up with relevant agencies. Third, India should not only use rankings like SPI to specifically target improvements but also interact with World Bank to improve and refine SPI further. An instance is getting credit for administrative data. The blame, if not the buck, partially stops with MoSPI. https://www.financialexpress.com/opinion/betterperformance-in-statistics/3070622/

#### **13.** Mind the skill gap (*financialexpress.com*) May 02, 2023

The World Economic Forum has projected a slightly lower churn in jobs for the labour markets in India over the next five years compared to the global average of 23%. This churn is the expected movement of jobs (the absolute number of new jobs created and jobs erased) as a proportion of current employment. The WEF's Future of Jobs 2023 report says the churn globally—led by supply-chain and transportation, media and entertainment, and sports industries—will see 69 million jobs created and 83 million lost. This means 2% of current employment (as surveyed) will be lost. Automation will eat up some of the conventional jobs, but not as fast as expected—at present, it accounts for 34% of the tasks involved, against the Future of Jobs 2020 report's 33%. Indeed, respondents covered in the 2020 survey believed this would reach 47% by 2025.

The churn in India will largely be technology-driven, via sectors such as artificial intelligence and machine learning, or AI & ML (38%), followed by data analysts and scientists (33%) and data entry clerks (32%). The smallest churn, predictably, will be in labour-intensive segments of the economy. This means, whether or not the number of jobs created exceeds the number of jobs erased, India will have to focus on getting skilling right.

To illustrate, the Organization for Economic Cooperation and Development (OECD) believes India has the highest likelihood of a worker having AI skills due to its large youth bulge. At the same time, there exists a 51% gap between AI & ML and big data analytics' (BDA) talent demand and supply, as per a report by Nasscom, Draup, and Salesforce, even when one takes into account the current talent base of 420,000. The gap is significantly worse for specific jobs within AI, ML & BDA—for ML engineers, data scientists, DevOps engineers and data architects, the demand-supply gap is 60-73%. The problem is exacerbated by the quality of talent available; studies such as the one conducted by Aspiring Minds have shown that an overwhelming number of engineering graduates are unemployable with their current level of skills.

But, it is not all bad news. The WEF survey shows employers in India and China remain the most upbeat in terms of future talent availability; more respondents among the companies surveyed for the report in India believed that the existing workforce can be upskilled to pack the pipeline and talent can be retained than those who believed to the contrary. A larger proportion of respondents in the Indian set were inclined to consider improving talent progression and promotion process as well as providing effective reskilling and upskilling as business practices that could improve access to talent than in the global set.

That said, there are many areas where matters need to improve urgently. AI, ML, BDA is just one area of skilling and potential employment generation. The overall skilling effort, across segments of the economy, falls far short of what is required. For instance, just 22% of those certified under the Pradhan Mantri Kaushal Vikas Yojana have found placement. The country's investment in mid-career upskilling, as per WEF, remains middling, reflected in the high unemployment rate among those with advanced education. Unless India gets its skilling strategy right, the much-hyped demographic dividend may indeed become a demographic disaster. https://www.financialexpress.com/opinion/mind-the-skill-gap/3070644/

#### 14. Caste census in last stage, halting it will cause loss to exchequer: Bihar govt to HC (*hindustantimes.com*) May 02, 2023

The Bihar government has already spent around ₹115 crore for the ongoing caste survey and any efforts to stall the exercise, which is in its final stage, will cause immense loss to the state exchequer, the Patna high court was informed on Monday.

The Nitish Kumar-led government made the statement in an affidavit in response to a petition filed by Youth for Equality on April 29, challenging and seeking an interim stay on the survey. The first round of the survey was held between January 7 and 21. The second phase began on April 15 and will continue till May 15.

In its counter affidavit, the government said that it has already spent around  $\gtrless 115$  crore and has to pay another  $\gtrless 11.6$  crore for printing more than 30 million forms for the survey.

"The Bihar caste based survey, 2022, was now in last stage of completion and any impediment will not only cost a heavy loss to the public exchequer of the state, but the objective of developments of poor, deprived and needy people shall also be denied," the state's counter affidavit to the petition said. HT has seen a copy of the affidavit.

Hearing the matter earlier in the day, a division bench of chief justice K Vinod Chandran and justice Madhuresh Prasad found that the government's counteraffidavit was not placed on record. It then agreed to advocate general PK Shahi's request to adjourn the hearing by a day, and directed the state to file the counter affidavit during the day.

In its affidavit, the government also dismissed the petitioner's contention that ₹500 crore had been set aside from the Bihar Contingency funds to meet the expenditure pertaining to the exercise. It said that a regular budget provision was made in the first supplementary budget (2022-23) for the survey.

The state also allayed fears that the survey intended to cause caste divisions in the society. "...(It will) help the state to identify the deprived and destitute groups for whom special targeted policies and programmes need to be formulated and implemented for their upliftment and it will be effective in correcting the societal inequalities," the affidavit said.

The high court is hearing a bunch of public interest litigations (PILs) against the caste survey. The state, however, has filed just one counter-affidavit in response to all the petitions.

The Bihar government launched the caste survey exercise on January 7. It plans to compile data on each family both in physical form and digitally through a mobile application as part of the eight-level survey — from the panchayat to the district level. The exercise is being completed in two phases. In the first phase, the number of all households in the state were counted. In the second phase, data pertaining to people of all castes and religions are being collected.

For the survey, an estimated population of 127 million in over 25 million households across 38 districts, which have 534 blocks and 261 urban local bodies, is being covered. https://www.hindustantimes.com/india-news/bihar-government-spent-115-crore-on-caste-survey-stalling-it-will-cause-loss-patna-hc-informed-101682969406936.html

#### 15. Over 1.23cr 'inactive' job cards under MGNREGS cancelled in Bihar: Minister (economictimes.indiatimes.com) May 01, 2023

The Bihar government has cancelled more than 1.2 crore "inactive" job cards under the Mahatma Gandhi National Rural Employment Guarantee Scheme in the last one year, a minister said on Monday.

The government has also provided 23.07 lakh fresh job cards to labourers, including 9,267 disabled people, in various districts of the state during the period, state Rural Development Minister Shrawan Kumar said.

"During a drive by the Bihar Rural Development Department (till April 30), a total of 1,23,13,927 job cards, out of 3,85,69,626, were found inactive for the last several years. In some cases, these were found fake or were not linked with provided Aadhaar numbers, or beneficiaries had died.

"We have cancelled all such cards after proper physical verification. Besides, cards of labourers who had earlier obtained MGNREGS jobs and migrated from the state have also been found inactive for the last several years, Kumar told PTI.

In fact, 33.04 lakh and 4.51 lakh job cards were cancelled in 2021-22 and 2020-21 respectively, he said, adding that in 2019-20, 2.25 lakhs were scrapped.

The Mahatma Gandhi National Rural Employment Guarantee Act 2005 (MGNREGA) is aimed at enhancing the livelihood security of households in rural areas of the country by providing at least 100 days of guaranteed wage employment in a financial year.

The maximum number of cancellations in the last one year have been reported from Vaishali (8,89,150), followed by Patna (7,55,308), Samastipur (6,30,654), Araria (6,14,530), Darbhanga (5,79,778), Aurangabad (2,20,330) and Begusarai (3,13,696), he said.

Under the scheme, the government had provided jobs to 1.26 crore cardholders in various parts of the state in the 2022-23 financial year, the minister said.

"The department has issued a total of 23.07 lakh fresh job cards to labourers in different districts of the state in the last one year.

"Besides, instructions have been given to officials concerned to provide employment under the scheme to job seekers within 15 days of their demand and penalty will be imposed on government officials concerned if they fail to comply with MGNREGA guidelines," the minister said.

Reacting to the state government's decision to cancel over 1.23 crore "inactive" rural job cards, Bihar BJP spokesperson Nikhil Anand said, "It is really surprising. These cardholders must have availed of benefits under the government scheme. The state administration has misused a huge amount of public money with the help of officials."

He also claimed it appeared that "these fake MGNREGS job cards were created and used by the Nitish Kumar-led government to siphon off the money for their own benefits".

"After using these cards in the past, now they are cancelling to hide a scam. The Nitish Kumar government's claim of zero tolerance on crime and corruption stands exposed," he alleged. https://economictimes.indiatimes.com/jobs/government-jobs/over-1-23cr-inactive-job-cards-under-mgnregs-cancelled-in-bihar-minister/articleshow/99911316.cms?from=mdr