NEWS ITEMS ON CAG/ AUDIT REPORTS (04.03.2023 to 06.03.2023

1. **What is 'blue economy' and why India and the world are talking about it** *(theprint.in)* March 6, 2023

A key focus of India's G20 presidency, conversations on blue economy, or use of ocean resources for economic growth, come at a time when marine bodies are being impacted by climate change.

Last month, environment minister Bhupender Yadav said the "blue economy" — the use of the ocean's resources for economic growth — would be among the areas of focus during India's G20 presidency.

Discussions on the matter are already underway. The Environment and Climate Sustainability Working Group (ECSWG), during its first meeting in Bengaluru between 9 and 11 February, discussed ways to curb marine litter, how to design principles based on a "sustainable and climate-resilient blue economy", and the protection and enhancement of biodiversity.

The Supreme Audit Institution (SAI) Engagement Group of G20 countries (SAI20), chaired by the Comptroller Auditor General of India (CAG), has also taken up blue economy as an area of interest, with the objective of assessing the benefits accrued from blue economy and the conservation of marine economy.

According to the SAI20, auditors "can scale up their audits, especially SAIs of those nations who have close proximity to the oceans and seas, develop study papers on the condition of the blue economy, and make recommendations on how governments could direct their efforts and policies for the development of the blue economy of their nations".

Discussions on harnessing a blue economy are occurring at a time when the oceans are seeing unprecedented levels of warming owing to rising global temperatures and the effects of climate change, which are causing environmental degradation and threatening livelihoods.

ThePrint explains why the blue economy is being talked about, the challenges involved and India's blue economy policy.

'The next frontier'

Blue economy is considered the "next great economic frontier", but has no universally accepted definition.

The World Bank defines "blue economy" as "sustainable use of ocean resources for economic growth, improved livelihoods and jobs, while preserving the health of the ocean ecosystem".

Seafood harvesting (fishing and aquaculture), extraction and use of marine non-living resources (such as minerals and oil and gas), generation of renewable energy (such as offshore wind), and commerce and trade are examples of activities that could count towards a blue economy.

Recently, in a presentation organised by the CAG on 27 February, Tapas Paul, lead environmental specialist at the World Bank, said that the total value of ocean assets (natural resources) globally was $24 trillion.

Developing a blue economy is also linked to the 14th Sustainable Development Goal (SDG, laid down by the UN and calling for action to promote prosperity while protecting the planet) about "life below water", which involves the conservation and sustainable use of the oceans, seas and marine resources for development.

Some policymakers argue that in order to achieve SDG 14, shaping a blue economy policy is necessary.

Among the 17 UN SDGs, the 14th has also got the least amount of long-term funding, according to a white paper by the World Economic Forum. It found that while $175 billion per year is needed to achieve SDG 14 by 2030, just below $10 billion was actually invested between 2015 and 2019.

Challenges

Harnessing the benefits of the blue economy is not without challenges.

According to a document by the UN and World Bank, one challenge pertains to current economic trends, which are rapidly degrading ocean resources through "unsustainable extraction of marine resources, physical alterations and destruction of marine and coastal habitats and landscapes, climate change, and marine pollution".

There is also a need to “invest in the human capital required to harness the employment and development benefits of investing in innovative blue economy sectors”.

Many have criticised the concept of a blue economy as favouring the exploitation of ocean resources for economic growth, which runs contrary to conservation objectives.

An editorial on blue economy in the journal Sustainability Science said: “The lack of a common definition can be particularly problematic not only because of its incoherence, but also since it remains open for manipulation by different actors depending on their interests.”

International research and advocacy firm Transnational Institute noted that “tragically, small-scale fisher people are, in most cases, the only actors that can truly be said to be using these ocean-spaces in a sustainable manner”, adding that the blue economy discourse “seems to be less about really challenging what is driving the destruction of marine and coastal ecosystems, namely the many different ocean industries, and more about turning conservation into a profitable venture, while accommodating destructive uses of ocean-space”.

India’s blue economy policy

India has a 7,517 km coastline, making discussions around a blue economy particularly relevant.

Central government thinktank NITI Aayog has coined its own definition of “blue economy” for the Indian context, which would include “the entire system of ocean resources and manmade economic infrastructure in marine, maritime and onshore coastal zones within India’s legal jurisdiction, which aid in the production of goods and services and have clear linkages with economic growth and environmental sustainability and national security”.

The Centre is also in the midst of designing a domestic “blue economy policy” emphasising the sustainable development of the nation’s coastal areas.

India’s position as G20 president is also an opportunity to advocate for the global south, where many ocean-dependent communities are vulnerable, according to Nilanjan Ghosh and Srinath Sridharan of Observer Research Foundation, who wrote in an article published in January that it “brings about the unique opportunity to prioritise the blue economy for the purpose for growth, green economy and social equity”. https://theprint.in/world/what-is-blue-economy-and-why-india-and-the-world-are-talking-about-it/1421393/

2. Withering away *(business-standard.com)* March 6, 2023

When it comes to cultural heritage, India is clearly a country like no other

Withering away

EYE CULTURE

VEENU SANDHU

The setting was perfect: Khajuraho, the ancient city of magnificent temples and stunning statues. And the message powerful: Return India's "displaced" cultural treasures voluntarily.

The first G20 Working Group meeting of culture that began in Khajuraho on February 22 had in focus the voluntary repatriation of artefacts and antiquities taken away from India. What better platform for this message than a gathering of countries, many to which have been self-appointed custodians of historic treasures that belong to India. An exhibition, "Re(ad)dress: Return of Treasures", was also put up to drive the point home.

Culture was included in the G20 agenda for the first time in 2020 during Saudi Arabia's presidency when this group of the world's most significant economies acknowledged its potential to contribute across social and economic spectrum.

India, meanwhile, has had some success in bringing back some of its artefacts.

Last year in August, in a first by a UK museum, Glasgow Museums agreed to repatriate seven artefacts to India. Among these were 11th and 14th century carvings and stone doorjambs stolen from temples; and a sword from the collection of the seventh and last Nizam of Hyderabad, then the world's richest man.

The National Gallery of Australia in Canberra, too, returned close to 30 Indian paintings and sculptures dating back to the 11th, 12th and 13th centuries. It also returned artefacts bought from Subhash Kapoor, an art dealer who was later convicted for trafficking antiquities. The US, too, has given back over 150 such treasures.

When it comes to cultural heritage, India is clearly a country like no other. Sprinkled across its towns, villages, hills and remote hamlets are ancient artefacts that draw art thieves and swindlers like magnets. The seven items the Glasgow Museums agreed to return present a picture: Some are said to have come from Gwalior, some from Kolkata and others from Kanpur, Bihar and Hyderabad.

Every year, Indian antiquities are stolen, smuggled out and sold in a thriving grey market. The poor attention to heritage, its conservation and security is a reason these thefts are often just waiting to happen.

A theft in the Hyderabad museum in 2018, which has inspired a book *(The Hyderabad Heist)*, was a rare case that was cracked in less than a fortnight. Like many others, this, too, was a cash-strapped museum with bare basic security that had little to hold thieves back.

A lot has been lost since the Koh-i-Noor. And a lot is being lost every year — not just to thieves but also to apathy.

Ten years ago, the Comptroller and Auditor General of India (CAG) published a "Performance Audit of Preservation and Conservation of Monuments and Antiquities". The CAG said it had selected this topic because "heritage structures, sites and antiquities are national assets". The audit included a physical inspection of 1,655 of the 3,678 centrally protected monuments and sites spread across the country. The report, which was supported by pictorial evidence, was damning. It showed that let alone "less significant" sites, even iconic ones such as the Taj Mahal, the Red Fort, Hampi and the Ajanta Caves in Aurangabad had signs of callous neglect. Pictures of the storage of art objects in museums showed priceless statues gathering dust in basements or stored alongside fire extinguishers, and even in staff quarters.

The CAG has since kept an eye on the progress. In a follow-up report last year, it said that while new initiatives had been taken for the management of monuments and antiquities, most of the recommendations of the Public Account Committee were yet to be complied with. This time, too, the report published pictures of cracks and black stains on monuments, of the plaster peeling off, of antiquities lying in the open, of "restoration" carried out with modern bricks and shoddy patchwork....

Even in the national capital, signs of crumbling heritage are in your face. Step into Chandni Chowk, for instance, where rickshaws stamped with G20 logos can these days be seen tearing through the central promenade carrying foreign tourists.

One of India's oldest wholesale markets built in the 17th century, it is also a world of heritage havelis, many of which are now in a state of decay. There is, for example, the Khazanchi's haveli that belonged to Shah Jahan's treasurer. It is said there used to be a tunnel under it that led to the Red Fort, but the British sealed it after the Mutiny of 1857, when Indian soldiers used it to smuggle weapons. With every passing year, this haveli gets more and more dilapidated. It won't be long before it is gone for good. As will be several other such structures here. The laws don't particularly facilitate their conservation.

There are hundreds of such treasures scattered across India: The unique stepwells of Delhi, Rajasthan, Gujarat; the crumbling forts; the ancient, forgotten temples.... all of which are withering away.

Let us get our cultural heritage back from the world. But let us also salvage the wealth we have at home.

https://www.business-standard.com/article/opinion/withering-away-123030301340_1.html

3. Is There an Adani Link to Modi Govt's Actions Against the Centre for Policy Research? *(thewire.in)* 04 March 2023

In the Union government's action against the Centre for Policy Research (CPR), there is a name that hovers between the lines and persists as an invisible presence but is never spelt out – the Adani Group.

The recent ministry of home affairs (MHA) order suspending the Foreign Contribution Act (FCRA) license of CPR followed a show-cause notice by the income tax (IT) department to the organisation, as first reported by The Indian Express, alleging that several of its activities are not in conformity with its stated objectives and that its funding to some non-governmental organisations (NGOs) violates FCRA guidelines.

At the centre of the notice, dated December 22, is CPR's association with Jana Abhivyakti Samajik Vikas Sanstha (JASVS), an NGO working in Chhattisgarh. JASVS is among some 30 organisations CPR has funded for data collection and various academic and research purposes.

The IT notice begins with an accusation about the "involvement of CPR in Hasdeo protests through Jana Abhivyakti Samajik Vikas Sanstha", and goes on to list several objections over the association. The notice mentions that the IT department summoned JASVS trustee Alok Shukla, and retrieved WhatsApp and Signal messages from his phone. Significantly, Shukla recorded his statement before the IT department on September 22 last year, just a fortnight after the department's investigation wing carried out a survey at CPR's Delhi premises on September 7.

What the IT department doesn't mention in the 33-page notice – which The Wire has reviewed – is that Hasdeo has been the site of a massive Adivasi movement against the Adani Group for over a decade. Several news reports have underlined irregularities in Adani's coal mining operations in the area. Shukla, who is also the convenor of Hasdeo Bachao Andolan, is a prominent face of the Adivasi-led protests.

"The JASVS has a consultancy agreement with CPR over non-compliance of environmental laws and related research. We published reports in pursuance of the agreement. Our consultancy work has nothing to do with the Hasdeo movement," Alok Shukla told The Wire.

Adani and Hasdeo-Raigarh zone

The IT notice repeatedly objects to CPR's funding to NGOs and individuals "engaged in resisting the mining operations in Chhattisgarh". The notice uses the word 'Hasdeo' on at least 20 occasions but doesn't even once mention who the prime beneficiary of mining in the region is.

A natural habitat of elephants, the Hasdeo area is a fragile biodiversity zone that stretches into elephant corridors of Raigarh, and also has some of India's richest coal fields. Spread across Surguja, Korba and Raigarh districts of Chhattisgarh, it is also the bastion of the Adani Group's coal empire. The company has nine coal blocks in the region, several of which are yet to begin operations due to continuing protests. These blocks were allotted to various state governments, but the Adani Group won the tender for all of these as the mine developer and operator over the years.

While Rajasthan Vidyut Utpadan Nigam is the owner of Parsa East & Kete Basan, Parsa and Kete Extension coal blocks in Surguja district, Gidhmuri Paturia block in Korba district is owned by the Chhattisgarh government. The Bhupesh Baghel government awarded these blocks to the Adani Group in 2019. Significantly, Congress leader Rahul Gandhi had visited Madanpur village in Korba on June 16, 2015, and promised the villagers that he wouldn't let mining take place in the region.

In the adjoining Raigarh district, where the elephant corridor lies, the company operates the Gare Pelma III block of the Chhattisgarh government, besides the Maharashtra government's coal block Gare Pelma Sector II and Gujarat government's Gare Pelma I. While Gare Pelma III is functional, the other two are yet to begin operations.

Hasdeo ensures that the Adani Group is now India's largest coal mine developer and operator (MDO) with blocks that hold at least 3,000 million tonnes of coal. "Its cumulative peak production capacity would be 100 million tonnes per annum, more than many subsidiaries of Coal India Limited," advocate Sudeep Srivastava told The Wire. He has been contesting several cases related to Adani's coal blocks in various courts. "Awarding such a large number of coal blocks to a single entity monopolises the entire coal and power production market," he says.

The coal generated from the Hasdeo zone is being supplied to various government companies, as well as to the Adani Group's own power plants. While local Adivasis allege that the permission given by the gram sabha for mining was obtained through fraudulent means, several news reports have uncovered other irregularities in coal deals.

A Scroll report noted that "millions of tonnes of 'reject' coal from Parsa East and Kanta Basan" fuelled three Adani-owned power plants. The deal benefited the Adani Group and put the owner of the block, the Rajasthan government, at a huge disadvantage because "Rajasthan paid Rs 2,175 per tonne for the coal, while Adani Power paid Rs 450 per tonne".

A recent Reporters' Collective investigation published by Al Jazeera noted that the Narendra Modi government "brought in laws that helped the Adani Group keep its 'coal-scam era' deals" in the Hasdeo region. While the Supreme Court had quashed the allotment of 204 coal blocks in 2014, the Modi government brought a new law that allowed the reinstatement of the previous MDO.

"MDO is the worst model India has adopted for mining of coal that lies with public sector utilities, because under this model a private company receives a mine for perpetuity free of cost and assured profit. The profit that could have come to the PSU [Public Sector Unit] that was allotted the block passes on to the mine developer," says Srivastava.

The objective of the coal policy is to provide cheap coal to the PSUs so that they can produce cheap electricity and pass the benefit on to the consumer, but it gets defeated under the MDO model.

Top environment bodies have also spoken against mining in the Hasdeo zone. Over a year ago, a report by Indian Council for Forestry Research and Education (ICFRE) noted that the entire Hasdeo region, except for the mines that are already operational, should be declared a "no-go" area.

A 2021 biodiversity study conducted by ICFRE and the Wildlife Institute of India noted that mining in Hasdeo will adversely affect geo-morphological/hydrological changes and the drainage system. Since over 90% of households in the region are dependent on agriculture and forest produce, displacement due to mining will lead to loss of livelihood, identity and culture, the report said.

The Hasdeo region was declared a "no-go" area by the ministry of environment and forests during the United Progressive Alliance (UPA) rule, but soon official policy took a different turn, leading to massive Adivasi protests. Gathering support at various international forums, the protests have ensured that mining is yet to start at several blocks.

Adani and the IT notice

Read the IT department's allegations against CPR in light of the above, and the picture takes a different turn.

CPR first entered into an agreement with JASVS in May 2015, which has since then been extended from time to time. The two organisations have jointly published six reports on compliance with environmental law, five of which specifically focus on Chhattisgarh.

The IT department's notice says that the JASVS is "involved in identifying litigation issues, mobilisation of people and funds for the Hasdeo movement, therefore funding of JASVS by CPR is not in pursuance of its approved objectives".

CPR rejects the charge. "We are in complete compliance with the law and are routinely scrutinised and audited by government authorities, including the Comptroller and Auditor General of India. There is no question of having undertaken any activity that is beyond our objects of association and compliance mandated with law," CPR stated in a public statement.

"I have been working in Chhattisgarh for marginalised communities for over two decades. I often coordinate among affected people and lawyers for Hasdeo and other movements. But I am also a researcher. The JASVS agreement with CPR is reflective of my research work. The output is in the public domain in the form of research publications. CPR has absolutely no role to play in the Hasdeo movement," says Alok Shukla. https://thewire.in/rights/is-there-an-adani-link-to-modi-govts-actions-against-the-centre-for-policy-research

4. **Raising farm income** *(financialexpress.com)* Ashok Gulati | March 6, 2023

It was on February 28, 2016, that Prime Minister Narendra Modi shared his dream of doubling farmers income in the year India completes 75 years of Independence and enters the amrit kaal. Now that we have entered the amrit kaal, it is a good time to revisit that dream and see if it has been fulfilled, and if not, how best it could be realised.

First of all, let me say that it was a noble dream because unless the incomes of farmers from agriculture go up, we cannot have a sustained high growth of overall GDP. This is because the manufacturing sector starts facing a demand constraint soon after meeting the demand of well-off urban consumers. After all, agriculture engages the largest share of work force (45.5% in 2021-22, as per the Periodic Labour Force Survey). So, focusing on agriculture, even if it is in a dream, is the right way to ensure long term high growth of the overall economy.

India's agriculture also has to provide food and nutritional security to the largest population on this planet. However, if this objective has to be achieved in today's context, it must encompass policies that also protect the basic resources of this planet, such as soil, water, air, and bio-diversity. It is here that one finds a paradoxical situation. Let me elaborate.

Supporters of PM Modi would say that the government is already giving a lot of subsidies to farmers. And I tend to agree with them. Take the case of fertiliser subsidy, whose budget crosses Rs 2 trillion. Even when the global prices of urea crossed $1,000/tonne, the Indian price of urea remained flat at around $70/tonne. This is perhaps the lowest price of urea in the world. On top of this is the PM-KISAN of Rs 60,000 crore. And further, many small and marginal farmers also get free ration of at least 5 kg/person/month through the PM's Garib Kalyan Anna Yojana. There is also a subsidy for crop insurance, credit, irrigation (drip), etc. States also give power subsidies in abundance and on irrigation water from canals, etc. Even farm machinery for custom hiring centres is being subsidised by many states. The combined value of these subsidies would easily cross Rs 4 trillion per annum. However, we need to evaluate the impact of all these on farmers' incomes and also on the environment.

Maybe the Comptoller and Auditor General (CAG) should take up the audit of all subsidies given by the Centre and by the states to examine their outcomes in terms of incomes of farmers and environmental consequences. The results of such an audit, if taken up, are not likely to be very palatable. But that can induce us to streamline these policies to make them farmer- and planet-positive.

However, I do want to bring in the other side of policies too. While input subsidies do help raise farmers' incomes on one the hand, there could be output trade and marketing policies adopted by the government that suppress farmers' incomes onthe other. For example, the ban on exports of wheat, or 20% export tax on rice, suspension of several commodities from the futures markets, and imposition of stocking limits on certain commodities from time to time. Even unloading of 2.5 million tonnes of wheat right now to bring down prices of wheat in the mandis just before the procurement so that the government can buy at the MSP, which is lower than the market price. These are hidden policy instruments of 'implicit taxation' of farmers' incomes. One has to net out this market support and input subsidy support to see where our farmers stand. The results that we have estimated are not showing 'pro-farmer approach'. In fact it is pro-consumer. This is the fundamental problem with our policy framework.

The policy of heavy subsidisation of input subsidies, especially fertiliser and power, along with assured and open-ended procurement of paddy and wheat in some states is playing havoc with environment. They are all crying for rationalisation.

One of the ways to move forward is to re-align these support policies keeping in mind the environmental outcomes. Millets, pulses, oilseeds, much of horticulture that consumer less water, and less fertilisers may be given carbon credits to incentivise them. But if people keep getting free/heavily subsidised wheat and rice, why will the masses will adopt millets? We need to make subsidies and support crop-neutral, and if they need to be skewed, they should be in favour of those crops that are benign to the planet's basic resources. Can we do that?

But let me get back to farmers incomes as no policies can succeed unless farmers' incomes increase. In my recent visit to Madhya Pradesh, I found one corporate working on 100 acres to develop medicinal plants, which they have already scaled up to 5,000 acres on farmers' fields. The lands are too poor to grow wheat or paddy, and farmers are readily adopting these medicinal plants as it gives them better incomes. The corporate is giving them assured buy-back to reduce their market risk. Another corporate I met is buying soybean at Rs 6,000/quintal, much above the MSP of Rs 4300/quintal, to make tofu, soya milk powder, soya ice cream, and even frozen soya yogurt!

The bottom line is that we need innovations of technologies, products, institutions, and policies, for more diversified, high-value agriculture that is also planet-friendly.

On the question of doubling farmers' income, we must realise it is going to take time. It can be by increasing productivity through better seeds, better irrigation, etc. It will have to combined with unhindered access to best markets for their produce. Further, diversifying to high-value crops, and even putting solar panels on farmers' fields as a third crop could help raise incomes sustainabily. It is only with such concerted and sustained efforts that one can hope to double farmers' incomes. Else, the dream will remain unfulfilled. https://www.financialexpress.com/opinion/raising-farm-income/3000431/

5. PMAY Gramin: Here's What Made Modi's Rural Housing Scheme a Success *(news18.com)* March 4, 2023

The Pradhan Mantri Awaas Yojana (PMAY-Gramin) was launched by Prime Minister Narendra Modi on November 20, 2016, from Agra, after detailed planning and beneficiary selection processes had all been firmed up. Since coming to power in 2014, the Modi government has constructed 29 million homes in rural India, which is a significant 6 percent of total rural households in India. This includes the nearly 7.5 million Indira Awaas Yojana (IAY) homes that were taken up between 2014-2016 and the backlog of incomplete units. This was only possible due to the adoption of Direct Cash Transfers to the verified bank accounts, the creation of the state nodal account and other reform processes that characterise PMAY-Gramin. A total of 21.35 million homes have been completed so far, of which 9.45 million (44 percent) belong to SC/STs and 2.79 million (13 percent) to minorities. Over 80 percent of homes have been constructed in some of the poorer states, regions and districts of India. Clearly, the social and regional disparities have been bridged by PMAY-Gramin.

The starting point in planning for PMAYG was to address all the critical failures of IAY, identified through an outstanding performance report of the Comptroller and Auditor General. We did not want to make the same mistake all over again and therefore began with the development of housing typologies, agro-climatic zone-wise, and soil-type wise by the best architects from the Universities. Traditional housing was studied and ways to keep the design with reinforcement to ensure safety from an earthquake, wind, flood, rains, heat, etc. were worked upon, resulting in over 200 housing designs across the country to suit the region. They were adopted by the states after an intensive and deliberative process. Detailed costing exercises were carried out to understand what is the minimum amount that would be needed to provide poor household dignity through housing. This homework helped us defend the unit cost of a total of Rs 1.5-1.6 lakh (including 90 days of MGNREGS work and SBM toilet). Electricity connection, Ujjwala gas, and drinking water connection are also being provided on priority.

Luckily, for the identification of beneficiaries of the programme, the Socio Economic and Caste Census (SECC- 2011) results had been released in July 2015. It provided complete details on the housing type, roofing material and so on. Since most households did not know for what purpose the SECC was being carried out, they were reasonably honest in their responses. The enumerators were also fair in their assessments. The SECC data was mapped Gram Panchayat-wise and the list of those with two kutcha rooms was sent across to all Gram Panchayats for ratification by the Gram Sabha. A total of 40.3 million such households had been identified by the SECC, of which 25.4 million could be validated and confirmed as being kutcha. These were given specific PMAY identities, based on the temporary identification number of the SECC 2011. An effort was made to ensure that the woman of the house was also a co-owner. Over two-thirds of homes have women as owners/co-owners.

Simultaneously, work began on a real-time monitoring system using the modern technology of geotagging of assets, bank account validation, and direct transfer to the validated bank accounts. Throughout, the approach was to use technology as a means and never an end in itself. Physical records with the name of a person geotagging beneficiary standing in front of their kutcha home with a signature were mandatory to ensure that no pucca home person gets a PMAY house. In case they got it by corruption, responsibility could be fixed on the fellow who geotagged, as physical records were also there. Well before the launch of the PMAY Gramin, the MIS was fully functional and even for the incomplete IAY homes at that time, the same rule of online payment was enforced. All district-specific accounts were closed and a single state nodal account was made functional, where both the state and Central share was credited.

Construction on this scale required trained masons and for that, a 45-day onsite approved certificate skill programme was started where thousands were trained. Rani Mistris (women masons) are also the product of these initiatives. The PMAY homes of the Divyang, widow, and the infirm, were made training sites as otherwise, they would have found it difficult to organise the construction.

Making six geotagged images mandatory, including the one before the old kutcha home, ensured full transparency from a public website. As a consequence, of the 25.4 million validated, about 20.3 million came forward for a PMAY Gramin home. There were other inter-generational new kutcha homes that had to be provided for. The survey for the same was very difficult. No one was willing to speak the truth and a large number came forward to claim housing, including many who had already got IAY homes (and had become dilapidated). Housing policy will have to define inter-generational housing entitlement or else, it will become a never-ending demand. Another nine million new beneficiaries have been identified and their homes are currently under construction, to be completed by 2024.

The partnership of state and local governments has been integral to the PMAY Gramin. 40 percent of funds come from the states in the mainland and 10 percent from the Himalayan region and the Northeastern states. The Framework for Implementation was written by seven Secretaries of State that had performed well in the housing programme. All financial management and governance improvement thrusts and capacity building had the unstinted support of the states. They were co-partners in this massive effort and the partnership was one of mutual respect. Ranking of states and districts, tracking laggard blocks, and annual prizes for performers, were all designed together. Negotiations with banks for additional funds, where beneficiaries wanted to make larger aspirational homes, were all in partnership with states. The Quarterly Programme Review Committee meetings and the unstinted hard work of Prashant, Alka, Gaya, Rajeev, Ajay, Prashant, Nagesh, and Ramakrishnan, really made a difference. It is teamwork, technology, partnerships across states and local governments, public information, direct cash transfers to validated and verified accounts, geotagging, etc, that made the difference. N.R. Bhanumurthy's periodic evaluation of the programme, externally from the National Institute of Public Finance and Policy (NIPFP), pointing out what has worked and what has not, the Common Review Mission findings and recommendations, all added value.

Putting more money in PMAY Gramin in the Budget, therefore, is a welcome decision. Rural housing also has many useful multisectoral growth linkages. Demand for steel, cement, pipes, sanitary fittings, glass panes, etc. all go up. Jobs get created and the dignity of a poor household gets restored. It is truly a win–win for economic growth and social development. https://www.news18.com/news/opinion/opinion-pmay-gramin-heres-what-made-modis-rural-housing-scheme-a-success-7216837.html

6. Not ECI Alone *(orissapost.com)* March 06, 2023

The Supreme Court of India needs to be appreciated for its decision which it has served for a Public Interest Litigation (PIL) on 2 March 2023. The Apex Court has said that the method of appointing the Chief Election Commissioner (CEC) and Election Commissioners for the Election Commission of India (ECI) will henceforth be done by the President of the Union based on recommendations by a committee that will comprise the Prime Minister (PM), the Chief Justice of India

(CJI) and the Leader of Opposition (LoP) as its members. It also elaborated that in case there is no single party capable of taking up the post of Leader of Opposition due to lack of requisite strength in the Lok Sabha, the leader of the largest Opposition party shall be inducted as a member.

This, of course, has been perceived by some interested parties as a judgment that demonstrates judicial overreach. Their argument is that the Courts, which are overburdened with a few million cases pending at various levels of the judiciary for long, should first make all out efforts to sort out their own problems and do their own work efficiently rather than interfere in matters of governance. While this allegation of pending cases cannot be brushed aside, the relevance of transparency in the nomination of Election Commissioners also deserves great attention, especially in present times when the world views India as turning away from its avowed path of democracy as the means of forming governments.

On one hand such people blow the trumpet loud that India is all set to become an internationally recognized economic ‘Super Power’. They love praises and acknowledgements from across the world. Getting photographed with foreign dignitaries is a wonderfully pleasant pastime for some leaders in India. However, when the same foreigners point fingers and criticize the dwindling freedom within the country, our leaders are indignant and intolerant. At such times, our ‘Super Power’ dreams are damned and the ‘foreign hand’ becomes the enemy within and without.

It is sad but true that most Indian voters believe casting their ballot once every five years is their penultimate contribution towards upholding and safeguarding democracy in the country. The interim five years are time to sit back and praise the government for all the wrong reasons or be negative towards the government for all the wrong reasons again. Those who oppose the government today forget what and how they treated the people of this nation when they were occupying the seats of power. Those who support the government today forget how they bitterly criticized the people in power earlier for sins which are now, again, being committed by their favorite politicians today. One can only laugh seeing retired bureaucrats, judges and people with business interests vomit wise words now but were mute spectators when they were holding the reins of power themselves or, like business folks, got their work done post haste at great costs to the nation earlier but not a whimper was heard from them when it mattered most. Similarly most politicians, when not in power, criticize governmental actions vehemently. Yet when they themselves get to form a government, they tumble into the same trap and repeat the exact same follies albeit in different forms.

It is undoubtedly a sign of great incompetence that the Indian judicial system is slow and it meanders at snail's pace when judgments are to be pronounced. However, it is also a matter to be pondered as to why the whole Indian legal system is so bogged down with these millions of cases. One guess could be that the instruments of civil society do not function as they should. For instance, the Police in this country is not only terribly corrupt but also highly inefficient. Refusal of timely and seemingly honest action on the part of the Police results in petty cases going to Courts. Police, it can be said, deals mostly with criminal activities and is rarely, if ever, observed to be offering justice to the negatively impacted parties. Similarly, Revenue department that deals with land holding matters, Tax and other such departments of the government, both of the Union and the States, that deal with civil matters that touch the life of every single citizen, refuse to function transparently and efficiently, resulting in the Courts getting clogged with cases those that could have been easily dealt with by the concerned government agency. Apart from these reasons, every Indian knows that in any judicial matter in this country, no matter at which Court a case is listed, both sides of the litigation invariably instruct their lawyers to postpone the dates of hearing as long as is possible. It can safely be said that the long pending cases in Courts of India are the gifts of the litigants themselves to the system. Very rarely does a Complainant and more so the Defendant desire immediate justice. Prolonging cases is also in the interest of almost all lawyers. Magistrates and Judges make it easier for the advocates as it suits everyone to delay and drag the litigations seemingly endlessly. That apart any judgment passed hastily, with the ground work prepared by inept investigating agencies and untruths abounding, will be very lopsided. So to expect any judge to pass a judgment quickly, under Indian circumstances, will be equal to expecting immediate injustice to be served.

On the other hand, it is extremely dangerous to compartmentalize the Indian governance system. We have all observed how the Indian Legislatures, Judiciary and Bureaucracy function. With no overlapping and if everyone goes in one singular direction, it becomes difficult to obtain justice from the system. India has seen it in the mid 1970s and is seeing it in current times also. Therefore, not only the Election Commission but other constitutional posts also need to be democratically selected. It is important that posts like the Governor of Reserve Bank of India (RBI), Comptroller and Auditor General of India (CAG), Chief of Union Public Service Commission (UPSC) and even Governors of the states should all be vetted by a committee which could have a similar composition as suggested by the SC in the matter pertaining to the Election Commission of India. Such a move would greatly strengthen the democratic set up of India. https://www.orissapost.com/not-eci-alone/

7. Review: As Good as My Word *(thehindubusinessline.com)* March 5, 2023

This book by former Cabinet Secretary KM Chandrasekhar offers a critique of institutions and covers a period marked by much tumult

The Cabinet Secretary as the helmsman of civil service captured popular imagination in the British sitcom ‘Yes Prime Minister’. Humphrey Appleby, the fictional cabinet secretary, portrayed by Nigel Hawthorne, would make us believe that the civil service sets the rules of the game for ministers to follow while discharging matters of state. KM Chandrasekhar, in his memoir As Good as My Word gives us a reality check.

The Cabinet Secretary reports directly to the Prime Minister and is the conscience keeper of the council of ministers. He is also a custodian of national secrets. The interest of a reader would naturally be piqued by the possibility of a juicy nugget tumbling out of the pages of a memoir authored by such a personality. This memoir would disappoint those looking for some anecdotes for cocktail gossip. This narrative has been written with a cautious pen of a civil servant trained in traditions of exercising discretion. Yet it covers a period of history, which was marked with much tumult – the 26/11 attack, the global financial crisis and the series of insinuations of political corruption: Commonwealth Games, 2G scam and the coal scandal.

Chandrashekhar expresses his consternation on the role of the Comptroller and Auditor-General which resulted in a veritable ‘policy paralysis’. The “fault finding mission initiated by CAG” and the theory of “presumptive losses’ brought into play has been called into question. The ‘dramatic findings’ of CAG in its report on spectrum allocation had ‘high publicity value’ but holds the prospect of eroding the credibility of the institution.

Human dynamo Sheila Dikshit

For the Commonwealth Games, the author had ‘explicit direction from the PM’ for successful coordination of the event. He is unsparing on the role of Suresh Kalmadi, who ‘exerted pressure’ to become Chairman of the games organising committee, and created a ‘personal fiefdom’. The games presented an opportunity to overhaul the city infrastructure. Chandrashekhar pays glowing tributes to Delhi’s former chief minister Sheila Dikshit, describing her as a ‘human dynamo’, who had the capacity to ‘stimulate her officers to almost superhuman levels of performance’. Her leadership in the construction of the Barapulla flyover, induction of a new bus fleet, and construction of the city airport has been commended. For the Lieutenant Governor, who was responsible for construction of the games village, he is less charitable. In spite of the last minute scramble for completion, the opening ceremony was a ‘resounding success’.

The memoir is also a critique of institutions. Chandrashekhar expresses disappointment with Indian media, which demonstrated “irresponsibility and callousness” while reporting the 26/11 attacks. There was a “cavalier disregard for preserving secrecy of operations.” He also reflects on the flawed intelligence architecture, which suffered from lack of coordination. The CAG, was “no friend of the games or the government.” Judiciary wading into policy domain, strictly an executive preserve is also frowned upon.

Chandrashekhar’s career is a unique case study of an officer who was bestowed a rare opportunity of specialising in a domain, while being in a generalist service. The positions he held in Kerala, and later in the Central government were predominantly in the economic domain. For enthusiasts of trade policy, the book gives a rapid tutorial on the intricacies of WTO and global trade negotiations.

As Indian ambassador to the WTO in Geneva, he writes about India’s leadership role of the developing nations and the trade G20, whose bread-and-butter dynamics are far removed from the diplomatic niceties of foreign affairs. In this forum, alliances change, based on domestic realpolitik and national interest. As ambassador, Chandrashekhar forged alliances with Brazil, China, Africa and even EU, on matters of agricultural trade. He describes his tenure in Geneva as the “high point” in his career. During his tenure, India’s stand on compulsory licensing safeguards, perhaps led to strengthening of the generic pharmaceutical industry for life saving drugs at affordable prices for developing nations. Chandrashekhar is effusive in his praise for successive Commerce ministers - Maran, Shourie and Jaitley. Working with Chidambaram, as Revenue Secretary, was ‘no walk in the park.’ After his retirement, he moved back to Kerala as vice-chairman of the state planning board. But he missed the ‘strains and stresses’ of Delhi.

Reflections on civil service reform

Chandrasekhar paints a benign picture of Manmohan Singh as Prime Minister, dismissing the ‘two centres of authority’ during UPA. He recalls his conversations with him that ‘a hundred years later, history would recognize him and his comrades in arms during those exciting years of change as the saviours of India.’ The book has been written with broad strokes - with reflections on contemporary polity to civil service reform.

He ends the book on a philosophical note on lessons of life - which are imbued with a sense of detachment. He confesses that retirement has been a window for looking at the spiritual side of life and he is particularly drawn to Advaita, Zen and Tao schools of thought. Revealing a Sufi world view, he draws parallels across diverse religious teachings.

Glimpses of his persona can read between the lines — for instance, him being a foodie. Interestingly, for someone who was amongst the toppers in the civil service, his school record was less distinguished - he flunked the class nine exams. This turned him into a recluse and books became his 'sole refuge.' In the fitness of things, things ended up rather well, as he wrote a brilliant one himself. https://www.thehindubusinessline.com/books/reviews/memoirs-biographies/review-as-good-as-my-word/article66584563.ece

STATES NEWS ITEMS

8. CAG Report: Rajasthan reports increase in illegal mining by 169 pc in 2019-20 *(thestatesman.com)* March 5, 2023

The CAG says the Mines Department itself identified 48,486 cases of illegal mining activities during the years 2015 to 2020.

A report of the Comptroller and Auditor General of India (CAG) states that illegal mining activities during the year 2019-20 increased 169 per cent in comparison to 2015-16 in the state.
Rajasthan is blessed with 81 varieties of minerals, out of which 57 are being commercially exploited. The state has the highest number of mining leases in the country. There were frequent reports of the rampant illegal mining of minerals, the CAG report tabled in the State Legislative Assembly recently cautioned.

The CAG has conducted a performance report to assess whether the State Government is taking adequate measures to curb illegal mining and to identify/check the cases of illegal mining in the state by using Remote Sensing Data and available Geographic Information System (GIS).

The CAG says the Mines Department itself identified 48,486 cases of illegal mining activities during the years 2015 to 2020, and the illegal mining cases during 2019-20 were increased 169 per cent as compared to 2015-16.

With the use of remote sensing data and GIS Technology, CAG audit identified illegal mining activities in 122 ases nearby sanctioned leases in five selected Tehsils under five selected Divisions out of total 49 divisions.

Thus, the identified area of illegal mining was 83.25 hectare. CAG also noted 13 mining leases where mineral was not excavated, however 5.20 lakh tonnes was shown dispatched by misusing 22854 e-rawannas.

On October 10, 2017, the state Mines Department introduced a web-based application ‘DMGOMS’ for effective monitoring of the mining activities. However, the Department failed to utilize the system effectively. Demands related to illegal mining activities worth Rs.71.20 crore were not shown on the demand register maintained at DMGOMS in 53 cases.

In brief, the CAG noticed that despite the prevalence of Rajasthan Mineral Policy-2015, there was ample scope for improvement in strengthening the system to curb unlicensed mining activities. The use of available data and leveraging GIS technology can prove to be a powerful tool in the hands of the Rajasthan government in this regard.

The CAG also found that assessment of royalty was not finalised with due diligence which resulted in incorrect assessment of royalty, cost of mineral and compounding fee of Rs 14.20 cr in 28 cases.

Similarly the prescribed monthly and annual returns by the lessees to submit the quantity of excavated and dispatched minerals were not monitored by the Mining Department.

The performance of vigilance wing was not upto the mark and the purpose of establishment of specialised wing for identification of illegal mining activities was also defeated to that extent.

The CAG has made seven points recommendations to contain the unlicensed mining in the state including use of Remote Sensing/GIS technology such as Google Earth Pro application to identify illegal mining activities along with other modern technology such as drone survey to expedite identification of illegal mining activities, and do away the overlapping of leases.

When tried to contact, Rajasthan Mines and Petroleum Minister Pramod Jain Bhaya was not available for his reaction on the CAG report. Whereas the former

Chief Minister Vasundhara Raje in her speech at Salasar quoted the CAG report alleging that corruption is at its peak in Rajasthan. https://www.thestatesman.com/india/cag-report-rajasthan-reports-increase-in-illegal-mining-by-169-pc-in-2019-20-1503159650.html

9. 15 Rajasthan companies see complete erosion of net worth: CAG *(timesofindia.indiatimes.com)* March 04, 2023

JAIPUR: Out of 41 state public sector enterprises (SPSEs), 25 earned profit during 2018-19 and 2020-21. But the profit decreased to Rs 1232.32 crore in 2020-21 as compared to the profit of Rs 73843.10 crore in 2019-20.

The reduction in profit was mainly due to discontinuation of subsidies to the state discoms under UDAY as the scheme ended in 2019-20 only, CAG said in its report released recently.

Of the enterprises that made profits was RIICO, which made profits due to its monopolistic advantage as it has the right to develop land and sell. Similarly, Rajasthan State Mines and Minerals Ltd also registered profits by selling rock phosphates in which the company has near monopoly.

The CAG's analysis also revealed that the net worth of 15 SPSEs was eroded completely. "Investment and accumulated losses for the year 2020-21 disclosed that net worth was fully eroded in 15 of the 41 SPSEs as capital investment and accumulated losses were Rs 33754.35 crore and 96491.58 crore, respectively, the government accountant watchdog said.

Of the 15 SPSEs, four power sector companies including JdVVNL, JVVNL, AVVNL and Giral Lignite Power Ltd (GLPL) and Rajasthan State Road Transport Corporation saw the maximum net worth erosion. Of the 15 loss making companies, again power sector and RSRTC are on the top of the table. These companies went from making significant profit to huge losses.

CAG reported that Rajasthan State Vidyut Utpadan Nigam Ltd withdrew the return on equity charges of 1811 crore on the dues of discoms which impacted its profitability. In case of JVVNL and JdVVNL, the subsidy under UDAY was discontinued impacting their profitability. The other two SPSEs, GLPL and RSRTC remained in loss during 2018-19 to 2020-21.

Similarly, return on capital employed (ROCE) which measures profitability and efficiency also declined.

The ROCE of the 41 SPSEs came down to 19.98% in 2020-21 from 29.55% in 2019-20. This was mainly because of decrease in earnings before interest and taxes (EBIT). It also reflects that the capital infusion reduced considerably.

Out of the 41 SPSEs, 22 had accumulated losses worth over Rs 1 lakh crore, of which Rs 97,000 crore pertained to six power sector companies with two other companies accounting for Rs 5500 crore. https://timesofindia.indiatimes.com/city/jaipur/15-rajasthan-companies-see-complete-erosion-of-net-worth-cag/articleshow/98438471.cms

10. Bareli अधिक भुगतान पर कार्रवाई की संस्तुति *(samacharnama.com)*
March 03, 2023

उत्तरप्रदेश: अधूरी रामगंगा बैराज में 33.66 करोड़ का घपला सीएजी रिपोर्ट में सामने आया है. बाढ़ खंड के अधिकारियों ने ठेकेदार को 33.66 करोड़ का डिवॉटरिंग शुल्क का अधिक भुगतान करा दिया. सीएजी रिपोर्ट में जिम्मेदार मुख्य अभियंता व अन्य अफसरों के खिलाफ अनुशासनात्मक कार्रवाई की संस्तुति की है.

करीब 12 साल से रामगंगा बैराज परियोजना पर काम चल रहा है. 630 करोड़ की परियोजना की लागत करीब 2 हजार करोड़ पर पहुंच गई है. कई साल से सरकार ने बैराज परियोजना को बजट नहीं दिया है. 630 करोड़ से बैराज का निर्माण हो गया है. नहरों का निर्माण बाकी है. बाढ़ खंड के अधिकारियों ने रामगंगा बैराज के कार्यों में नींव की डिवाटरिंग शुल्क के लिए ज्यादा भुगतान किया. 6 लाख केडब्ल्यूएच (किलोवाट प्रति घंटे) तक 39 रुपये/केडब्ल्यूएच के हिसाब से मापी गई बिजली की खपत के आधार पर भुगतान करना था. बाकी का भुगतान ऊर्जा विभाग की किलोवाट प्रति घंटे की दर से भुगतान करना था. मगर अधिशासी अभियंता के अभिलेखों की जांच (जनवरी-फरवरी-20) में पाए बिजली खपत 122.36 लाख केडब्ल्यूएच का भुगतान 39 रुपये की दर से कर दिया गया. https://samacharnama.com/city/bareilly/recommended-action-on-bareli-overpayment/cid10172101.htm

SELECTED NEWS ITEMS/ARTICLES FOR READING

11. Road transport and highways sector has maximum number of delayed projects: Govt report *(auto.economictimes.indiatimes.com)* March 04, 2023

The road transport and highways sector has the maximum number of delayed projects at 460, followed by railways at 117 and the petroleum industry at 90, showed a government report. In the road transport and highways sector, 460 out of 749 projects are delayed.

In railways, out of 173 projects, 117 are delayed, while in the petroleum sector, 90 out of 152 projects are running behind schedule, as per the latest flash report on infrastructure projects for January 2023.

The Infrastructure and Project Monitoring Division (IPMD) is mandated to monitor central sector infrastructure projects costing INR 150 crore and above based on the information provided on the Online Computerised Monitoring System (OCMS) by the project implementing agencies.

The IPMD comes under the Ministry of Statistics and Programme Implementation.

The report showed that the Muneerabad-Mahaboobnagar rail project is the most delayed project. It is delayed by 276 months.

The second-most delayed project is the Udhampur-Srinagar-Baramulla rail project, which is delayed by 247 months.

The third-most delayed project, Belapur-Seawood-Urban Electrified Double Line, is running 228 months behind schedule.

The flash report for January 2023 contains information on the status of the 1,454 central sector infrastructure projects costing Rs 150 crore and above. As many as 871 projects are delayed with respect to their original schedules and 272 projects have reported additional delays vis-a-vis their date of completion reported in the previous month. Of these 272 projects, 59 are mega projects costing 1,000 crore and above.

About the road transport and highways sector, the report stated that the total original cost of implementation of 749 projects when sanctioned was of the order of INR 4,09,053.84 crore, but this was subsequently anticipated at INR 4,27,518.41 crore, implying a cost overrun of 4.5 per cent.

The expenditure incurred on these projects till January 2023 was INR 2,34,935.32 crore, which was 55 per cent of the anticipated cost of the projects.

Similarly, in railways, the total original cost of implementation of 173 projects when sanctioned was of the order of INR 3,72,761.45 crore but this was subsequently anticipated to rise to INR 6,26,632.52 crore, implying a cost overrun of 68.1 per cent.

The expenditure incurred on these projects till January 2023 was INR 3,72,172.64 crore, which was 59.4 per cent of the anticipated cost of the projects.

About the petroleum sector, it said the total original cost of implementation of 152 projects when sanctioned was of the order of INR 3,78,090.07 crore, but this was subsequently anticipated to increase to INR 3,96,608.48 crore, implying a cost overrun of 4.9 per cent.

The expenditure incurred on these projects till January 2023 was INR 1,49,364.38 crore, which was 37.7 per cent of the anticipated cost of the projects. https://economictimes.indiatimes.com/news/economy/infrastructure/road-transport-and-highways-sector-has-maximum-number-of-delayed-projects-govt-report/articleshow/98425336.cms

12. India's Defense Spending Needs to Balance Modernization and Indigenization *(bharatshakti.in)* March 04, 2023

India's attempted rapid strides towards the indigenisation of defence equipment undoubtedly serve a purposeful objective of great import to the nation. However, there is a possibility of modernisation being adversely affected by pursuing indigenisation too fast. With both the northern and western borders being threat prone, the pace of modernisation cannot be allowed to lose momentum. The article examines such a probability in the context of limited budgetary allocation for India's defence.

The resounding theme from the Modi government's final full-year budget, tabled in Parliament on 1st February, was the significant increase in total capital expenditure, which India's Finance Minister Nirmala Sitharaman vowed to increase by 33 per cent over the next fiscal year. However, the increases in India's defence spending were disproportionate. There was a noticeable disparity with the increased capital expenditure for the Army, Navy, and Air Force, rising by only 16, 11, and 2 per cent, respectively.

Two weeks later, India's Defense Minister Rajnath Singh announced that India would reserve 75 per cent of its defence capital budget over the next fiscal year for domestic industry to strengthen India's indigenous defence sector. Even as underinvestment remains a challenge, the government can take measures to efficiently use available resources while simultaneously promoting indigenisation and modernisation of the force – both worthy yet challenging goals to pursue simultaneously.

Indigenisation of defence production is undoubtedly an important goal for India to pursue. Indigenisation decreases reliance on other countries for critical defence technology while promoting domestic industry. However, as India faces an increasingly complex global environment, India must balance its spending aimed towards indigenisation with that which advances its goals on modernisation, especially as modernisation is imperative for the forces' access to and adoption of new technologies.

The topline figures of India's defence spending (including civilian and pension spending) show an increase of 13 per cent compared to the last fiscal year to $72.6 billion (Rs. 5.94 lakh crore). This allocation includes similar increases to the overall budgets of all three services, with the Army, Navy, and Air Force increasing their budgets by 12, 17, and 14 per cent, respectively.

However, a closer analysis shows that this year's Budget, too, continues a years-long trend of underinvestment in the capital expenditure budget for the armed forces. Looking at data from the reports tabled by the Parliamentary Standing Committee for Defence outlining the "Demand for Grants," which outline the military's requirements for funds, between FY 2017-18 and FY 2021-22, the gap between the military's stated requirements for capital expenditure and the fund allocated in the Budget stood at $89 billion (Rs. 7.37 lakh crore).

This continued gap in allocations to capital expenditures poses negative implications for India's overall military modernisation drive, particularly given the armed forces evolving operational needs considering the ongoing border standoff with China along the Line of Actual Control (LAC) in Eastern Ladakh.

While this gap has continued to grow, the Modi government has steadily ramped up policy measures to increase the indigenisation of India's defence production. Since August 2020, the Indian government has released four "positive indigenisation" lists, outlining a total of 411 defence weapons and platforms that should be manufactured domestically. In addition, Defence Minister Singh's latest announcement that India would reserve 75 per cent of its total defence capital budget for domestic industry builds on earlier similar allocations, which stood at 68 per cent for FY 2022-23 and 58 per cent in FY 2021-22.

While the merits of forced indigenisation can and should be debated, greater indigenisation of India's defence industry is a worthy, long-term goal that policymakers should continue to pursue. However, given the coercive challenges India faces in the near-term along the LAC, India's desire to continue to maintain its primacy in the Indian Ocean, and the impact of Russia's invasion of Ukraine on the sustainment of India's Russian-origin military hardware, a greater balance between modernisation and indigenisation is the need of the hour.

First, the government should proceed with the long-pending demand of the armed forces to create a non-lapsable modernisation fund, which would allow the armed forces to reallocate unspent funds from previous budget allocations to supplement their budgets for the following fiscal year. This idea, which was endorsed by the Fifteenth Finance Commission and received "in principle" approval from the government, has yet to be taken forward.

Second, the government should move forward with long pending defence reforms that could create efficiencies and reduce costs. Forward momentum on creating theatre commands, for example, which can reduce logistics and costs by creating greater synergies between the services, can free up more significant resources for the armed forces operational and new acquisition needs.

Finally, the government should continue to invest in fostering greater R&D by private defence industry players, start-ups, and universities. The decision by the Finance Minister last year to earmark 25 per cent of the defence R&D budget for private industry was encouraging but needed to go further. Given that the total R&D budget for FY 2022-23 was $1.45 billion (Rs. 11,981 crore) and stands at $1.55 billion (Rs. 12,850 crore) for FY 2023-24, a 25 per cent allocation to entities in the private sector and academia falls short of what is needed to make an impact.

Indian policymakers have rightly recognised the need to boost capital expenditure as they shepherd India through its post-COVID recovery. However, as they look to navigate India through a series of geopolitical challenges – from the challenges along its border from China and Pakistan to the ongoing effects of Russia's invasion of Ukraine – the need of the hour is to balance defence spending between indigenisation, which continues to see forward momentum, and modernisation, which hasn't but should. https://bharatshakti.in/indias-defense-spending-needs-to-balance-modernization-and-indigenization/

13. Unused funds, unsuitable land: The problems with Compensatory Afforestation in India *(indianexpress.com)* 6 March 2023

The showpiece effort for extending India's forest cover has been its compensatory afforestation programme, which seeks to ensure that forest lands getting 'diverted' for industrial or infrastructure development is mandatorily accompanied by afforestation effort on at least an equal area of land.

As part of its international climate change commitments, India has promised to increase its forest and tree cover to ensure that they are able to absorb an additional amount of 2.5 billion to 3 billion tonnes of carbon dioxide equivalent by 2030. Unlike the two other commitments India has made — one related to improvement in emissions intensity and the other about the deployment of renewable energy — the forestry target is a relatively difficult one to achieve.

Forests are under stress due to the need for rapid industrial and infrastructure development, and accompanying urbanisation. In the last 10 years, more than 1,611 square km of forest land, a little more than the area of Delhi, has been cleared for infrastructure or industrial projects. Nearly a third of this — 529 sq km — has been cleared in the last three years itself.

But government data also shows that total forest cover had increased by 1,540 square km in the two years between 2019 and 2021.

A number of tree plantation, afforestation and reforestation programmes are being implemented to increase India's forest and tree cover. These include the Green India Mission, national afforestation programme, and the tree plantation exercises along the highways and railways. Other flagship government programmes like the national rural employment guarantee scheme (MGNREGS) and Namami Gange also have significant afforestation components.

What is Compensatory Afforestation?

But the showpiece effort for extending India's forest cover has been its compensatory afforestation programme that seeks to ensure that forest lands getting 'diverted' for non-forest purposes, like industrial or infrastructure development, is mandatorily accompanied by afforestation effort on at least an equal area of land.

While the plantation exercise on new lands cannot be compared with the fully grown forests getting diverted, compensatory afforestation — made a legal requirement through the Compensatory Afforestation Fund Act of 2016 — does ensure that newer parcels of land are earmarked for developing them as forests. Project developers, public or private, are required to fund the entire afforestation activity on these new lands.

The law also acknowledges the fact that newly afforested land cannot be expected to immediately start delivering the range of goods and services — timber, bamboo, fuelwood, carbon sequestration, soil conservation, water recharge, and seed dispersal — that the diverted forests were providing. As a result, project developers are also asked to pay for the Net Present Value (NPV) of the forests being cleared, based on a calculation decided by an expert committee. According to the recently revised calculations, companies have to pay NPV at rates ranging between Rs 9.5 lakh and Rs 16 lakh per hectare, depending on the quality of forests getting diverted.

Some other fees and charges are also levied
All this money is meant to be spent solely on increasing, or improving the quality of, forest cover in the country, or on works that help this objective. The money is parked in special funds created for this purpose at the Central and state levels. The money is first deposited in the Central fund, from where it gets disbursed to states where the projects are located. The Central fund can keep up to 10 per cent of the total money for spending towards administrative expenses. The rest has to be sent to the states according to their share.

Critics say compensatory afforestation had legitimised clearing of forests, and see it as an example of 'greenwashing'. The contrary view is that since the clearing of forests for one or the other purpose cannot be entirely eliminated, compensatory afforestation is a good mechanism for attempting to make up for these losses to some extent.

Huge money for Compensatory Afforestation

The compensatory afforestation law came into being only in 2016, but the concept has existed since the 1980s, as an offshoot of the Forest Conservation Act of 1980, which made it mandatory for project developers to seek ‘clearance’ of the Environment Ministry for any diversion of forest land. The practice got institutionalised through the Supreme Court orders and observations during the hearings of the famous Godavarman case in the 1990s and 2000s.

But due to other litigation, the money collected for compensatory afforestation before 2016 had remained largely unutilised. Serious work on compensatory afforestation has begun only after the 2016 Act.

More than Rs 66,000 crore has been realised in the Central fund through different levies prescribed in that law. A substantial part of this — nearly Rs 55,000 crore — has already been sent to the state governments. But as the accompanying investigative report in The Indian Express shows, much of this money remains locked in state government funds.

State governments have to prepare an annual plan of operations for afforestation work through this money. The APOs contain details of money that is intended to be spent during a financial year for specific works related to afforestation. Once this plan gets approval from the Compensatory Afforestation Management and Planning Authority (CAMPA) at the Central level, the state government transfers the approved amounts to the state forest departments, which then carry out the work. Government records show that APOs by the state governments have not made full utilisation of the funds at their disposal, and even the money approved for this APOs has not been entirely spent.

Sporadically, there have also been allegations of misutilisation or diversion of these funds, and in some cases investigations have been ordered.

Other problems with the practice

Besides the low utilisation of funds, lack of availability of suitable land remains the biggest problem for compensatory afforestation, as has been brought out in The Indian Express investigations as well. The land that is made available for afforestation usually cannot be used for any other purpose, and is often extremely unsuitable for growing plantations. While there are examples of some good plantations having come up, the poor quality of land poses a difficult challenge in most instances.

Also, while the law mandates at least an equal area of land to be provided for compensatory afforestation, rarely is a contiguous stretch of land made available for this purpose. The total area of land is often distributed over twenty or more different locations. Even if very good plantations were grown, these can never be compared to the kind of forests that often get diverted.

Then there are other problems as well. Activists working on the ground complain that often the plantations are monocultures, meaning they contain only one species of plants. A key element of any forest is biodiversity. Forest officials on the other hand point to biotic pressures, referring to the challenge the plantations face from nearby human habitations and cattle. https://indianexpress.com/article/explained/explained-climate/unused-funds-unsuitable-land-act-as-red-light-before-green-shoots-8479659/

14. PM-KISAN scheme or just an election scam? *(thenewsminute.com)* MARCH 03, 2023

The way the PM-KISAN is used by the Modi government is a classic example of the rule of a neo-liberal regime, legitimised by a systemic, mythic factory.

On February 27, Prime Minister Narendra Modi released the 13th instalment of the PM-KISAN (Pradhan Mantri Kissan Samman Nidhi) scheme. Pegged at Rs 16,000 crore, the PM declared that every single penny of this amount will be transferred to the bank accounts of crores of farmers. He contrasted this with the scenarios during the terms of the previous governments and claimed that back then, hardly 20% of the funds released were used to reach the ultimate beneficiaries. It was obvious that the PM was taking a dig at the famous statement made by Rajiv Gandhi and the Congress government. However, the credit, if any, for the zero pilferage in the Direct Beneficiary Transfer (DBT) schemes should go to technology rather than the administration or the government, and employing such technology started long before the Modi government.

But the irony is that like the previous governments, even the Modi government uses the technology-enabled DBTs to exclude real beneficiaries and as a first step towards closing the welfare schemes altogether. Here, one must also remember what happened to the DBT of cooking gas subsidies in the last few years!

But unlike the previous governments, the Modi-led BJP and RSS, and their propaganda ecosystem within and outside the government, has developed a dubious system of creating an environment where people and the nation would be declared beneficiaries without actually providing benefits. Questioning the same would later amount to sedition and the like.

The PM-KISAN scheme is the best example of this fallacy.

Kisan Seduction Nidhi?

The PM-KISAN scheme was announced by the Modi government in the interim budget on February 1, 2019, just a few months before the 2019 general elections. This was envisaged as an income support scheme for farmers owning up to 2 hectares of land under which the beneficiary would receive a sum of Rs 6,000 annually, in three equal instalments of Rs 2,000 each. There was a context to this well-calculated move by the Modi government.

During the entirety of 2018, the year before the impending general elections in 2019, the Modi government faced a backlash from farmers and tribals all over India. There was a firing in Mandsur in Madhya Pradesh on the agitating farmers by the ruling BJP government. Subsequently, the BJP lost Madhya Pradesh and Chhattisgarh in the state elections. All this pressurised the BJP government to immediately portray itself in a pro-farmer image. This dire need for an image makeover resulted in the PM-KISAN scheme.

But the Pulwama terrorist attack on the soldiers, and the subsequent Balakot revenge attack by India, changed the whole narrative of the ongoing elections in favour of the BJP and Modi, as the BJP-RSS were successful in convincing the nation about the need for a strong security state and an authoritarian leader.

Though in the beginning, the PM- KISAN scheme was restricted to farmers owning up to two hectares of land, it was relaxed to include all farmers. But a different, exclusionary criterion was later evolved, based on the income limit. Even this grand announcement did not include the agricultural workers and the tenants, who constitute a major chunk of the rural population.

Despite this, the PM-KISAN scheme is repeatedly cited by the Modi government as proof of its commitment to farmers. A closer study of the subsequent budget allocation to the scheme exposes its hypocrisy.

Belying budgetary allocations

According to the 2015 agricultural census, there are 14.5 crore agricultural holdings in the country, out of which 85% (12.5 crore) are holdings below two hectares of land. The governments equate the number of holdings with the number of farmers and declare that all the 14.5 crore of farming families would get Rs 6,000. A simple mathematical understanding would suggest that to provide Rs 6,000 annually to 14.5 crore families, a budgetary allocation of Rs 87,000 crore is required. Even if this number is restricted to just 12.5 crore small and marginal holdings, an amount of Rs 75,000 crore is required. But these are the budget allocations for the scheme in the subsequent years.

In 2019-20 even though the budget estimate allotted Rs 75,000 crore to the scheme, the actual expenditure made by the government on PM-KISAN was just Rs 48,714 crore. During the year 2020-21, the budget estimate was Rs 75,000 crore, but the actual expenditure was just Rs 60,990 crore. In 2021-22, the budget estimation itself was reduced from Rs 75,000 crore to Rs 65,000 crore, and in the 2023-24 budget, the estimation for the scheme was further reduced to Rs 60,000 crore.

Thus, even though the Modi government made a pompous claim of providing income support of Rs 6,000 to 14.5 crore farmers, the budgetary allocation, leave alone actual expenditure, could not even cover all the eligible farmers owning below two hectares of land.

Beneficiaries and hypocrisy

According to a written reply provided by the Union Minister for Agriculture and Farmers Welfare to a question asked in the Lok Sabha on February 7, 2023, among the 12 instalments of PM-KISAN that have been distributed hitherto, the highest number of beneficiaries was in the 11th instalment, at 10.45 crore. This number immediately collapsed to 8.55 crore in the 12th instalment. The 13th instalment released by the PM is Rs 16,000 crore. As Rs 2,000 per beneficiary is provided, the beneficiaries of the 13th instalment would be only 8 crore, 55 lakh less than the 12th instalment.

Thus, the actual beneficiaries of PM-KISAN have never gone beyond 60% of the 12.5 crore farmers owning up to two hectares of land, leave alone the entire farming community of 14.5 crore. But does the 11th instalment, which shows the highest number of beneficiaries at 10.45 crore, reflect the reality?

The fraud in the 11th instalment

The 11th instalment of PM-KISAN was disbursed during May-June of 2022. Activist Kanhaih Kumar made a query under the RTI about the beneficiaries of the 11th instalment in September 2022, and the reply was at best, shocking.

In fact, in the 11th instalment, there was a dip of more than 67% in the number of beneficiaries, compared to the previous instalment. A report in The Hindu based on the RTI reply explains that in the 11th instalment, the number of beneficiaries was just 3.87 crore.

Though the GOI (Government of India) gave an immediate rejoinder explaining the process of identifying the beneficiaries, it did not give any explanations for the numbers given in the RTI reply by the very same Ministry. Later, the number of beneficiaries of the 11th instalment was magically increased to 10.45 crore in the official records!

Electoral manipulation of KISAN by the PM

A few more magic tricks and manipulations can be found in the reply given by the Ministry in Lok Sabha. Even though the Ministry claims that the number of beneficiaries is dynamic in nature, this dynamism follows a pattern.

The pattern is this: whenever there is an election due in a state, the number of beneficiaries of the scheme in that state swell in the previous instalments prior to the election, and steeply decrease after the elections!

Consider these examples:

• Tamil Nadu went into elections in the month of April 2021. The beneficiaries of the 5th, 6th, and 7th instalments of PM-KISAN in Tamil Nadu prior to April 2021 swelled from 21 lakh to 44 lakh. After the elections, surrealistically, the number of beneficiaries has been decreasing to reach a lowest of 22 lakh - a 50% decrease.

• Kerala also went into elections in April 2021. While the number of the PM-KISAN beneficiaries in Kerala prior to that reached 34 lakh, it reduced to 20 lakh for the 12th instalment.

• In Assam, the number of beneficiaries prior to the election held in 2021 April was 24 lakh. Even the High Court of Assam had ordered an enquiry about the random selection of beneficiaries. By the 12th instalment, the number of beneficiaries reduced to a mere 4.88 lakh, which shows misuse of state funds by 80%.

• In Punjab, the election was held in 2022 February. The number of PM-KISAN beneficiaries in the previous instalments kept on swelling to reach 19.04 lakh in the 9th instalment. But after the elections, the number of beneficiaries for the 12th instalment was just 2.07 lakh.

Thus, the above examples amply prove that the PM-KISAN scheme is being used by the Modi government as a bribe to voters prior to elections and that the Modi government has been misusing a state fund of Rs 60,000 crore for the partisan purposes of the BJP.

The media eco-system of the BJP-RSS exaggerates the intention behind the PM-KISAN, which is not all reflected in the budgetary allocations. It does not even enquire about the delivery of the scheme, which proves to be abysmally low and skewed towards the BJP's electoral interests.

The budget for 2023-24 has made it amply clear that the Modi government is aggressively implementing a neo-liberal fiscal policy which entails further cuts in welfare and social security expenditures. To achieve the same, the BJP government is using technology and processes as an instrument of exclusion, where filling up of e-KYC, Aadhaar, and electronically verified land and residential documents are being made compulsory. This would automatically exclude lakhs and lakhs of eligible beneficiaries, which would serve the neo-liberal purposes of the government.

Thus, even in the pre-election budget, the Modi government had the audacity to scuttle allocations for rural and farmers' welfare schemes like the MGNREGA (Mahatma Gandhi National Rural Employment Guarantee Act), PM-KISAN, and PMFBY (Pradhan Mantri Fasal Bima Yojana), among others. It reflects the confidence the party has in its capacity to rule by lies and propaganda.

The way the PM-KISAN is used by the Modi government is thus, a classic example of the rule of a neo-liberal regime, legitimised by a systemic, mythic factory. https://www.thenewsminute.com/article/pm-kisan-scheme-or-just-election-scam-174043

15. No major irregularities found in implementation of PM Awas Yojana in Bengal, writes Centre *(millenniumpost.in)* 6 March 2023

Refuting allegations from the BJP leaders in Bengal about corruption in PM Awas Yojana, the Union Ministry of Panchayati Raj has written to the state government that there has hardly been any misappropriation of funds or any major irregularities in connection with the housing scheme.

The communiqué from the Secretary of Ministry of Panchayati Raj to the Chief Secretary of Bengal follows after Central team visited a number of districts in

Bengal and submitted their report to the Union government. The letter states that the selection of beneficiaries in Bengal have been in adherence to rules and regulations and the beneficiaries whose names have been omitted have also been done according to rules.

"I will make a statement regarding the letter from the Centre in the floor of the state Assembly," state Panchayats and Rural Development minister Pradip Majumdar said.

A senior official of the department said that the letter mentions that the Centre has investigated whether there has been demand for money against sanctioning of houses under Awas Yojana but there has hardly been any evidence in support. "The letter also stated that action should be taken against persons who have been found to be involved in irregularities. However, the Centre has found no irregularities. So will we take action against those who had made false allegations of corruption?," a Nabanna official questioned sarcastically.

The Centre has spoken with people in as many as seven districts but there have been hardly any complaints of demand of any bribe for inclusion of name in beneficiary list of Awas Yojana. In Malda where maximum allegations of corruption were made by the saffron leadership, it was found that the state has cut off 11 out of 13 names that were wrongly put in the beneficiary list. "The Central team has found some minor lapses which are primarily procedural," the Nabanna.
https://www.millenniumpost.in/bengal/no-major-irregularities-found-in-implementation-of-pm-awas-yojana-in-bengal-writes-centre-510833