

NEWS ITEMS ON CAG/ AUDIT REPORTS (28.04.2023)

1. **Netting open resources for seas** ([thehindubusinessline.com](https://www.thehindubusinessline.com)) By REBECCA MATHAI | GAUTAM GAHLAUT | Updated: Apr 27 2023

Deep end. Thanks to tech-enabled toolkit, CAG's audit of the coastline revealed realities that could hurt the blue economy

Wedged behind towering skyscrapers is the 800-year-old Worli Koliwada, the home of the Koli community in Mumbai. A lively fish market typically awaits visitors at the entrance of these settlements. However, behind the charm of such “artisanal fishing” is a tale of threats to their very source of livelihood, fish, to a receding and restricted shoreline. The upcoming coastal road is built on land reclaimed from the sea and the long-term impact of the reclamation on availability of fish stock hasn't been assessed.

Worli Koliwada is just a tiny blip on the 7,516 km long jawline of the country that abuts the sea. This long coastline was the subject of a performance audit conducted by the Comptroller and Auditor General (CAG) of India last year. By its very nature, a performance audit goes beyond conventional audit to evaluate the key challenges in, say, a programme and provide actionable recommendations to the government. This audit on conservation of coastal ecosystems in India covered ecological, societal, and economic issues on the coastline under the larger gamut of blue economy. Blue economy emerged as one of the two priority areas (the second theme being Responsible Artificial Intelligence) for collaboration amongst Supreme Audit Institutions (SAIs) of G20 nations — the SAI20 — in the meeting in Guwahati in mid-March under the Chairmanship of the CAG of India. The coastline of G20 countries account for 45 per cent of that of the world's, and India's theme found an encouraging resonance among member SAIs.

Blue economy encompasses a wide range of cross cutting sectors ranging from fisheries and aquaculture to maritime transportation and renewable energy, making it a complex and labyrinthine landscape to navigate in audit. But it also holds tremendous value. The World Bank pegs the economic potential of ocean resources at \$24 trillion to provide livelihood to over three billion people. India has 1.85 lakh licensed vessels for industrial fishing, besides small scale artisanal fishery that bears a significant footprint of fisherwomen.

Question of sustainability

Thirty-four per cent of global fish stocks are currently overfished, and another 60 per cent are fished at their maximum sustainable level. Ocean ecosystems are under threat from many directions. For instance, ballast water of large shipping vessels have brought along alien invasive species like *Mytella Strigata*, a mussel of South American origin, which has wiped out populations of green mussel (*Perna viridis*) in the Ramsar site of Ashtamudi Lake in Kerala besides threatening the survival of indigenous clam and backwater oysters.

The enormous potential of the blue economy cannot be realised without addressing critical issues such as marine biodiversity conservation, gender equity, and effective coastal spatial planning. Spatial planning divides the coastal map into thousands of bite-sized squares. For instance, the Worli hamlet falls in grid number 75 in a 100-plus grid for the coastline in Maharashtra. Each

grid demarcates an ecologically sensitive zone, supported by management plans that specify the (permissible) activities that it can sustain— fisheries, tourism, infrastructure projects, etc

One of the areas examined in the performance audit was the extent of compliance to management plans for grids along 6,100 km of the coastline, which would have been impossible to check but for the use of a technology-enabled toolkit. Using a GIS software, the grids were assigned geographical attributes that transformed the management plan maps to dynamically active spatial files with grids colour-coded on the grade of their ecological sensitivity.

By transposing on this base (of “what should be”), the images from Google Earth (of “what is”), the auditors could see how far the on-site reality differed from what is mandated. The toolkit revealed, among others, a racetrack in a CRZ1 area in Pattipulam in Tamil Nadu, CRZ1 being the ecologically most sensitive in the hierarchy of regulated areas. While resorts and shopping malls dotted “no development zones” along the coastline of Kerala.

This toolkit is not just an audit resource shared by the CAG of India at the SAI20 meeting. It can be adapted for use by the government for oversight on compliance with the coastal management plans. And since it uses open resources, the same tools can be put together in an app that allows communities to partner government in conservation as “blue marshals”. Imagine if the kolis were to be drafted to monitor activities in grid number 75? And what if the kolis could join hands with other fishing communities along the coast — just as auditors and governments join hands under the G20 banner — to protect the waters which in any case, recognise no grids or boundaries?

The waters bind us on one earth, one family and one future and as Amitav Ghosh reminds us “no place was so remote as to escape the flood of history”.
<https://www.thehindubusinessline.com/opinion/netting-open-resources-for-seas/article66786074.ece>

2. Insurance contracts: NFRA examines proposals on new Indian accounting standard ([thehindubusinessline.com](https://www.thehindubusinessline.com)) Updated: Apr 27 2023

The audit regulator will now make recommendations to Corporate Affairs Ministry

The National Financial Reporting Authority (NFRA), which is country’s sole independent audit regulator, has examined the proposals received from the CA Institute on the proposed new accounting standard for insurance contracts (Ind AS 117).

The meeting to examine the new accounting standard was attended by the executive body of NFRA and part time-members of the authority from MCA, CAG, ICAI and the accountancy profession.

NFRA will share its recommendations to Ministry of Corporate Affairs (MCA), after which Ind AS 117 has to be considered and notified by the Central government. When notified, it will replace currently notified Ind AS 104, insurance contracts.

NFRA Chairman Ajay Bhushan Pandey highlighted that Ind AS 117 is substantially converged with IFRS Standard adopted in over 140 countries.

ICAI had also undertaken extensive public consultation by issuing exposure drafts of the proposed Ind AS 117 in 2018, 2021 and 2022.

IFRS 17

IFRS 17, originally issued by the International Accounting Standards Board (IASB), in May 2017, is a complete overhaul of the accounting for the insurance industry.

It is considered as a first truly international IFRS standard for insurance contracts to help investors and other users to better understand insurers' risk exposure, profitability and financial position. Globally, it has become effective from January 1, 2023.

IFRS 17 is specifically designed to capture the unique features of the insurance and investment contracts of the insurance entities. It is highly insurance products specific and would entail a paradigm shift in the measurement, presentation and disclosure requirements.

Insurance industry fulfils a significant role in the global economy. IASB's factsheet of 2017 says with \$13 trillion in assets, insurers account for 12 per cent of the total assets of listed companies that use IFRS standards.

Given the central economic role of the industry, proper and transparent accounting for insurance contracts is of crucial importance.
<https://www.thehindubusinessline.com/economy/insurance-contracts-nfra-examines-proposals-on-new-indian-accounting-standard/article66786052.ece>

STATES NEWS ITEMS

3 Assam NRC scam: Talking about Hajela, Wipro, ISS ... (eastmojo.com) Updated: Apr 27 2023

After a number of FIRs against IAS officer Prateek Hajela for his alleged involvement with National Register of Citizens (NRC) updation scam in Assam, the much talked about bureaucrat now faces a case registered in the Kamrup (metro) chief judicial magistrate's court (CR/155/2023, 12 April 2023).

The former State coordinator of NRC, along with Wipro Limited and Integrated System and Services (ISS) represented by proprietor Utpal Hazarika, have been sued by well-known Assamese businessman and film-maker Luit Kumar Barman for their role in laundering money to the tune of Rs 155 crore during the Assam NRC updation process between May 2014 and October 2019.

The complainant cited the recently released report of the Comptroller and Auditor General of India (CAG) on social, economic and general sectors for the fiscal year ending 31 March 2020, where the corruption issue involving a large amount of public money was mentioned.

The CAG also recommended penal actions against Hajela and the system integrator (Wipro, an Indian IT company of international repute). Besides himself, Barman in his complaint introduced Hitesh Devsarma, IAS (retired), immediate successor of Hajela as NRC State coordinator, and Aabhijeet Sarma, president of Assam Public Works, original petitioner in the apex court for NRC updation in Assam as witnesses.

Both Devsarma and Sarma had lodged separate FIRs against Hajela in the last few months, alleging financial mismanagement as well as intentional inclusion of the names of illegal migrants in the NRC. In two complaints, Devsarma alleged a massive corruption by his predecessor along with some officials and an outsider named Pralay Seal.

The CAG report clearly stated that due to the lack of proper planning, a haphazard addition of over 200 software utilities to the primary one was done. The statutory audit body claimed that the intended objective of preparing an error-free NRC in Assam was not fulfilled, even though the government had to spend Rs 1,579 crore and around 50,000 government servants were used in the process. Unfortunately, the NRC irregularity issue also involves the SC, as a bench comprising the then CJI Ranjan Gogoi used to 'monitor' the particular exercise.

Confusions surfaced when around 6,000 temporary workers were paid lower than the prescribed monthly salaries. It's alleged that Hajela, without any due process of transparent tendering, delivered the task of supplying DEOs to Wipro and it illegally engaged one sub-contractor (ISS, owned and managed by Hazarika). Thus, an undue benefit to the tune of Rs 155.83 crore was given to the system integrator.

The matter was discussed in both mainstream media and digital outlets a few months back highlighting the State government's daily minimum wages for skilled, semi-skilled and unskilled workers in various sectors. Responsible individuals, while commenting over the matter, pointed out three television scribes as also being beneficiaries of money laundering in the NRC updation process. APW president Sarma, who lodged police complaints against Wipro (besides Hajela), also sent a letter to Azim Premji, chairperson of Wipro Technologies, informing him about the company's "unholy" role in the NRC updation process. Lately, he urged Prime Minister Narendra Modi to intervene on the matter so that the guilty individuals are punished under the law.

Pointing out that a large amount of money came from foreign countries to influence the system for incorporating thousands of Bangladeshi Muslim families in the list, he also argued that the Enforcement Department, Central Bureau of Investigation and National Investigation Agency should separately probe into the NRC scam.
<https://www.eastmojo.com/opinion/2023/04/27/assam-nrc-scam-talking-about-hajela-wipro-iss/>

SELECTED NEWS ITEMS/ARTICLES FOR READING

4. Time and money: The impact of govt projects missing their deadline ([business-standard.com](https://www.business-standard.com)) Updated: Apr 28 2023

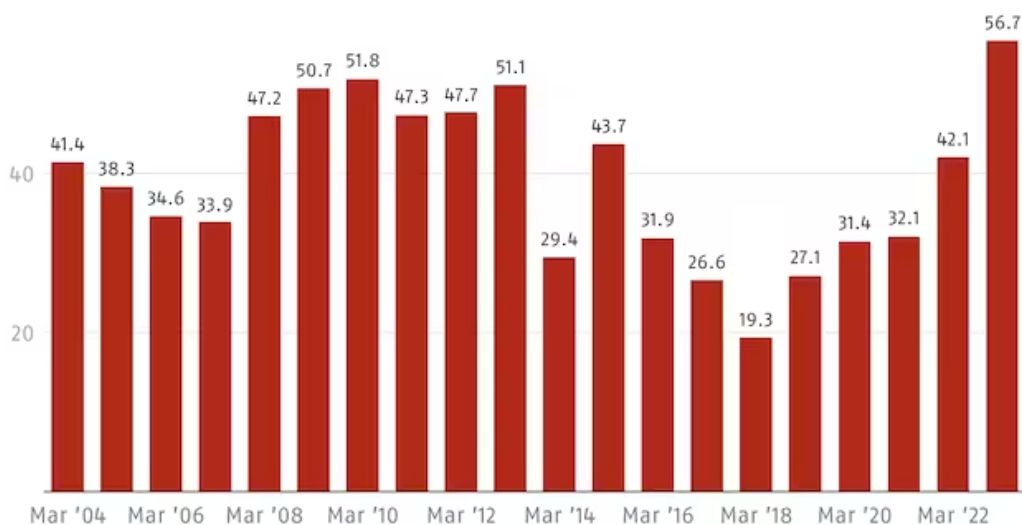
Average delays of more than three years mean large cost overruns for the country

The Udhampur-Srinagar-Baramulla railway line was sanctioned in 1995: it is still work in progress, making it one of India's longest-delayed government infrastructure projects. The Taj Mahal took 20 years to build in contrast.

Project delays were improving in recent years—legacy initiatives aside—but show signs of slipping again as the country makes a renewed push for infrastructure. The share of delayed central government projects hit a low of 19.3 per cent in 2018. It increased to 56.7 per cent as of March 2023. Such delay for central government projects is currently likely to be the highest in around 20 years, according to data from the Ministry of Statistics and Programme Implementation's monthly flash reports published by the Infrastructure and Project Monitoring Division. Business Standard compiled figures from the reports since March 2004 to track the changes seen in chart below.

Share of delayed projects highest since 2004

(proportion of delayed projects by number relative to total projects, %)



Note: Based on monthly flash report on central sector projects. Data before 2010 is for projects worth Rs 100 crore and above, data since then is for projects worth Rs 150 crore and above.

Source: Ministry of Statistics and Programme Implementation (MOSPI)

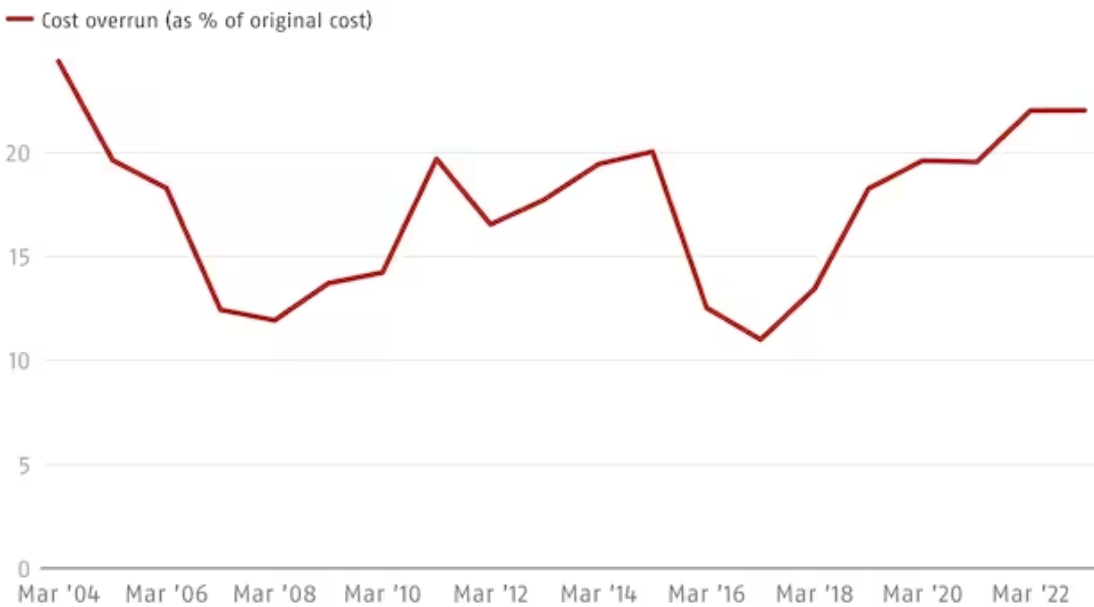


The government has been pushing more projects than before. There are 1,449 central government projects underway, according to the ministry's flash report. The report recorded 558 central government projects in March 2013 and 285 in March 2004. The data prior to 2010

tracked projects worth Rs 100 crore or more. The threshold since then is Rs 150 crore, but numbers would be broadly indicative of the general trend.

Delayed projects mean increased cost overruns. The projects are now expected to cost 22 per cent more than originally estimated. In absolute terms, this means an additional expenditure of Rs 4.6 trillion--or more than 120 times the money spent on completing the Konkan Railway project which cost Rs 3,550 crore in 1997. In percentage terms, the cost overruns were last this high in 2004.

Cost overruns creeping up



Note: Based on monthly flash reports on central sector projects. Data before 2010 is for projects worth Rs 100 crore and above, data since then is for projects worth Rs 150 crore and above. Shows cost overruns as a percentage of original cost.

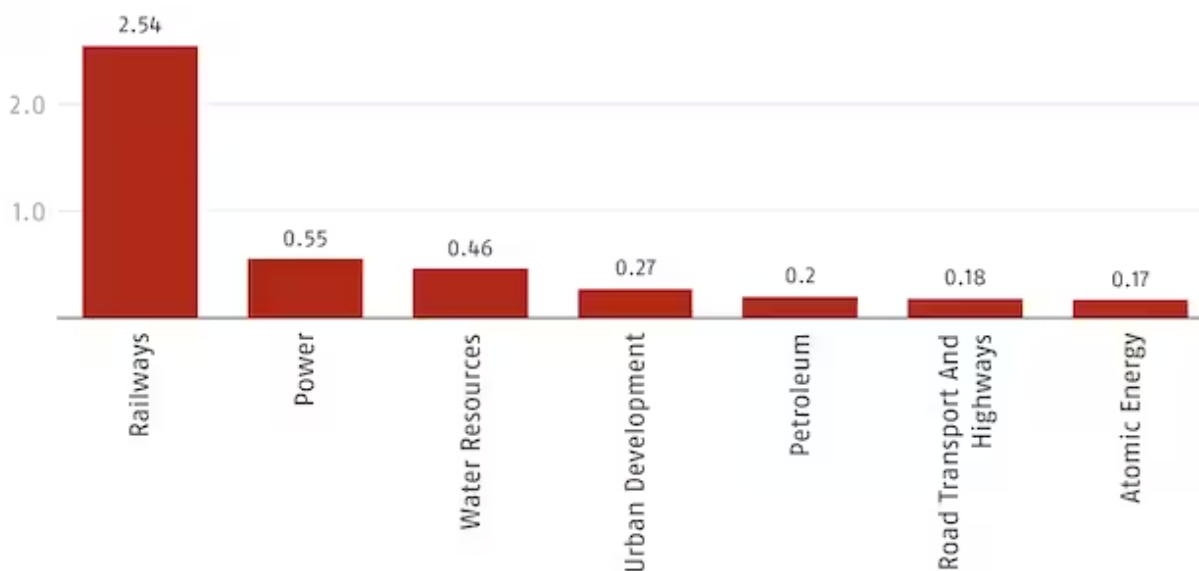
Source: Ministry of Statistics and Programme Implementation (MOSPI)



Projects have had a time overrun of over three years as of March 2023 on average. Land acquisition, obtaining forest or environment clearances, lack of infrastructure support, and linkages are some reasons for projects being delayed. The Indian Railways has a bulk of the delayed projects and it accounted for Rs 2.5 trillion in cost overruns. It is followed by power (Rs 0.6 trillion) and water resources (Rs 0.5 trillion), among others.

Railway projects account for most increase in expenditure

(in trillion Rs.)



Note: Based on monthly flash report on central sector projects as of March 2023. Cost overrun is the difference between original and currently anticipated cost.

Source: Ministry of Statistics and Programme Implementation (MOSPI)



The Baramulla line had an original cost of Rs 2,500 crore. This has since increased to over Rs 37,000 crore. It is finally expected to be complete in June. https://www.business-standard.com/india-news/time-and-money-the-impact-of-govt-projects-missing-their-deadline-123042800365_1.html

5. States should adhere to budgeted capital outlay targets ([thehindubusinessline.com](https://www.thehindubusinessline.com)) April 27, 2023

There have been some encouraging signs in States' quality of expenditure

States have been following the Centre in allocating more towards capital expenditure in recent budgets and the quality of expenditure is also improving, as revealed by data compiled by the Department of Economic Affairs and a study published by the Reserve Bank of India (RBI). While the reducing share of revenue expenditure at the cumulative level and the intention to spend on capital investments are worth lauding, the disaggregated picture shows that many States are failing to meet their budgeted capital outlay. With around two-third of the capital spending of the government — Centre and State — having to be met by the latter, it is imperative that States do not redistribute their capital budget to address the shortfall in revenue expenditure resulting from populist measures.

The latest edition of the Monthly Economic Review of the Finance Ministry shows that 24 of the larger States have cumulatively announced 17.7 per cent increase in capital expenditure for FY24 over the Budget Estimate for FY23. The projections are, however, out of sync with the actual expenditure between April and February FY23. An analysis by this newspaper showed that only three of the 10 largest States spent over 75 per cent of their budgeted capital expenditure in the first 11 months of FY23 with Maharashtra, Uttar Pradesh, and Andhra Pradesh spending less than 45 per cent of the budgeted target. Some of the larger States such as Punjab (-38.5 per cent), Rajasthan (-4 per cent), Tamil Nadu (-1.9 per cent) and Telangana (-40.2) per cent have, in fact, reported a decline in capital expenditure in the April- February FY23 period compared with the same period in FY22. Not much credence can therefore be given to the capex projections made for FY24.

That said, the RBI paper, “Capital outlay of Indian States: An empirical assessment of its role and determinants,” strikes a positive note, pointing out that there is a gradual improvement in States’ capital spending at cumulative level. Over the last decade, States have begun to utilise a significant portion of their borrowing for capital expenditure as reflected in the reduction in the ratio of revenue deficit to gross fiscal deficit. Allocation to capex in overall Budget has also been moving higher depicted in the ratio of revenue expenditure to capital outlay. A major part of the State capex is going towards transport, irrigation, flood control, and energy sectors, which need capital investments. But the outlay for health, education and family welfare infrastructure is rather low. This needs to be corrected, for the development of human capital is equally important for wholesome and inclusive growth.

While the increasing awareness about the need to focus on capital spending is welcome, many States have been rather reckless in fiscal management, implementing populist policies such as reverting to the old pension scheme, increased subsidies and cash doles to segments of the population. With these schemes leading to increased debt burden, States have been cutting back on capital outlay, hurting their long-term growth. Given the strong linkage between States’ capital expenses and the GSDP growth, it would be good if States meet their Budget promise in capital spends. <https://www.thehindubusinessline.com/opinion/editorial/states-should-adhere-to-budgeted-capital-outlay-targets/article66785506.ece>

6. Centre likely to seek different taxation policy for games of skill, chance ([business-standard.com](https://www.business-standard.com)) April 28, 2023

In a shift in policy, the Centre has decided to advocate for a different taxation policy for online gaming, with "games of chance" (gambling) being subject to a higher rate of goods and services tax (GST) than "games of skill", a report by the Financial Express (FE) said.

All online games should not be regarded as games of chance or betting or gambling, an official source told FE, adding that there must be a distinction made between games of skill and games of chance.

He further said the finance ministry would present its view when the GST Council discusses the report of a Group of Ministers (GoM) on online gaming, horse racing and casinos.

Although the final decision will be made by the Council, which includes both the Centre and states, the ministry may suggest the highest GST rate of 28 per cent for online games, where the winning is contingent on a specific outcome or is in the nature of betting or gambling.

For games of skill, a lower rate, say 18 per cent, may also be recommended.

The GoM had proposed a 28 per cent tax rate for casinos, race courses and online gaming. Currently, an 18 per cent GST is levied on online gaming on the platform fees.

In recent months, the GST authorities have gone after the online gaming industry, where it has found massive tax evasion. In September 2022, the Karnataka High Court stayed a notice seeking GST payment of Rs 21,000 crore on gaming firm Gameskraft Technologies.

The online gaming industry has also asked the income tax department to review the new TDS provisions.

The GoM, chaired by Meghalaya chief minister Conrad Sangma, delivered its report to the Union finance minister Nirmala Sitharaman in December last year. While it had proposed a 28 per cent tax on online gaming, there was no clear agreement on whether the tax should be levied on only the portal fees or the entire consideration, including the bet amount. It later decided to refer all future decisions to the GST Council.

Another source said the GoM is unlikely to meet to review its report and that all views will now be presented to the GST Council when it takes up the report.

The date for the next Council meeting has not yet been set, but it is expected to take place in June, said the source.

With officials cracking down on firms for tax evasion, the industry has been waiting for a clarification on the GST on online gaming.

Tax officials are also optimistic that the recently announced amendments to the IT rules, 2021, will aid in better monitoring of online gaming firms. Online gaming intermediaries involved in games with real money would also be required to obtain users' KYC details.

https://www.business-standard.com/finance/news/centre-likely-to-seek-different-taxation-policy-for-games-of-skill-chance-123042800174_1.html

7. India's first water bodies census ([financialexpress.com](https://www.financialexpress.com)) April 28, 2023

The Jal Shakti ministry has released the report of India's first water bodies census, which provides a comprehensive database of ponds, tanks, lakes and reservoirs in the country. The census, conducted in 2018-19, covers more than 2.42 million water bodies across states and Union territories. Sandip Das outlines its key findings

Why was the census needed

The Jal Shakti ministry undertook the census so that the findings can help in policies on judicious water use and conservation. The census was conducted in convergence with the sixth

minor irrigation census. All natural or man-made water units bounded on all sides with some or no masonry work, used for storing water for irrigation or other purposes—such as industrial, pisciculture, drinking, ground-water recharge, etc—qualify.

Water bodies are structures where water from ice-melts, streams, springs, rain or drainage from residential or other areas is accumulated. Storage of water diverted from a stream, nala or river is also included. The definition excludes oceans, rivers, waterfalls, swimming pools, covered water tanks made by individuals, factories and temporary water bodies.

Key findings

The census has enumerated 2.42 million water bodies, out of which 97.1% (2.35 million) are in rural areas and 2.9% (69,485) in urban areas. The census classifies 59.5% (1.44 million) of the water bodies as ‘ponds’—tanks (15.7%), reservoirs (12.1%), water conservation schemes, percolation tanks & check dams (9.3%), lakes (0.9%) and others (2.5%).

Among these water bodies, 83.7% (2.03 million) are ‘in use’; the remaining are non-functional on account of drying up, silting, construction, etc. According to the census, 55.2% (1.33 million) are owned by private entities and 44.8% are under public ownership. Information on encroachment of water bodies has been collected, according to which only 1.6% water bodies out of all the enumerated bodies have suffered encroachment. Within this pool of encroached bodies, 95.4% are in rural areas and remaining 4.6% in urban areas.

Status of India’s water resources

India accounts for 18% of the world’s population, but has only 4% of its fresh water resources. More than 80% of water in the country is consumed in agriculture while the rest is used for domestic and industrial purposes.

The country’s water resources have become extremely polluted, with 70% of surface water found to be “unfit” for human consumption. A sound and reliable database on water bodies is prerequisite for effective planning and policy making for prevention of pollution and furthering of conservation and restoration of water bodies.

Per capita availability of water in the country is projected to fall from 1,486 cubic metres in 2021 to 1,367 cubic metres by 2031, the government said, citing data from a report compiled by the Central Water Commission (CWC). Per the 1951 census, the per capita availability was more than 5,000 cubic metres.

Regional variations

Maharashtra leads amongst all the states and UTs in building water bodies under water conservation schemes. The census found West Bengal has highest number of ponds and reservoirs, while Andhra Pradesh has highest number of tanks and Tamil Nadu has highest number of lakes. Out of 97,062 water bodies in Maharashtra, 96,343 are in located in rural areas and only 719 in urban areas. Almost 93% of water bodies in Maharashtra are in the form of

check dams, indicating that the rural part of the state relies on water-conservation schemes—more than any other state in the country, as per the census.

West Bengal's South 24 Parganas has been reported to be the district with the highest (0.35 million) number of water bodies across the country. It is followed by Andhra Pradesh's Anantapur (50,537) and West Bengal's Howrah (37,301). In terms of privately-owned water bodies, most of them are either owned by individuals or farmers, followed by a group of individuals and other private bodies.

West Bengal topped the list with the largest number of water bodies owned by private individuals followed by Assam, Andhra Pradesh, Odisha and Jharkhand. <https://www.financialexpress.com/economy/explainer-indias-first-water-bodies-census/3066308/>

8. State pollution control boards in Indo-Gangetic Plain earn 'nearly 50% revenue' from NOCs, industry consent (theprint.in) 28 April, 2023

Centre for Policy Research report released Thursday also found bulk of expenditure by 9 state pollution control boards & 1 pollution control committee went towards pay and allowances.

In the Indo-Gangetic Plain, reportedly among India's most polluted regions, state pollution control boards (SPCBs) are largely funded by fees collected for issuing no objection certificates (NOC), consent to operate and consent to establish polluting industries, a new study has revealed.

On Thursday, the Centre for Policy Research released its latest paper in a series of studies examining the health, efficiency, and constitution of SPCBs in the Indo Gangetic Plain, which is afflicted with severe air pollution, and considered the most polluted region, reportedly responsible for nearly half the pollution-related premature deaths in the country. In 2019, The Lancet estimated 2.3 million deaths in India were caused due to pollution.

The latest report found that between 2018 and 2021, nearly 50 per cent of revenues generated by nine SPCBs and one pollution control committee (PCC) came from issuing polluting industries NOCs, and granting consent to establish and operate.

“The overreliance on consent fees as an income source coupled with the lack of internal technical capacity means many Boards outsource regulatory functions such as inspections to third parties paid for by Industry. This raises questions around conflict of interest and the ability of the SPCBs to effectively regulate,” the paper said.

What's more is that the 10 SPCBs and PCC were not “under” funded, but a majority, in fact, consistently turned over a surplus, “with many struggling to spend the entirety of the amount they collect through fees and other sources”. Instead of investing in infrastructure, manpower, or equipment, the SPCBs invested the funds in fixed deposits, the paper claimed.

A conservative estimate by CPR of the amount invested by the SPCBs and PCC in such deposits amounts to Rs. 2,893 crores. “The interest earned from these investments plays a significant role in the fiscal health of the SPCBs,” the paper added.

Grant in aid from central and state governments is unpredictable, ranging from one per cent in 2018-19 to 12 per cent the year after, to six per cent in 2020-21.

“We see that in the absence of un-tied funding from the government, the leadership of the Boards focus most of their energies on revenue generation and less on planning expenditures necessary to meet their mandate beyond consent management,” the CPR paper stated.

ThePrint has reached the chairman and member secretary of the Central Pollution Control Board (CPCB) on email for comment. The copy will be updated once a comment is received.

The creation of pollution control boards was made mandatory under the Water (Prevention and Control of Pollution) Act, 1974. Their mandate under the Act includes “planning, monitoring, surveillance, research and development, and education and training of pollution control”.

‘Don’t have fiscal integrity to carry out tasks efficiently’

The paper released Thursday, follows three others which had found that apart from being understaffed, SPCBs lack technical expertise and are mainly made up of government officials and local authorities, who may be polluters themselves.

Thursday’s paper, titled ‘The State of India’s Pollution Control Boards Are they in the green?’ adds to the previous findings, illustrating how SPCBs don’t have the fiscal integrity to carry out their tasks efficiently.

The study looks at SPCBs in Bihar, Chhattisgarh, Delhi, Haryana, Jharkhand, Punjab, Rajasthan, Uttar Pradesh, Uttarakhand and West Bengal.

Of the 10 SPCBS and PCC, Bihar had the largest proportion of expenditure towards the National Clean Air Programme (NCAP). Delhi and Haryana did not receive funds under NCAP for the duration of the study, and five of nine SPCBs didn’t make any expenditure towards the NCAP within the first two years of its implementation.

The NCAP is a scheme to reduce air pollution across 131 “non-attainment” cities, for which 472.06 crore (as revealed in Parliament) has been allocated by the Centre as of June 2022. Non-attainment cities are those where the air does not meet ambient air quality standards.

A bulk of expenditure by SPCBs is going towards pay and allowances, the CPR analysis shows, although the proportion has come down from 67 per cent in 2018-19, to 61 per cent in 2019-20, and 48 per cent in 2020-21.

“This is not the trend we observe with the actual amount of funds being spent underpay and allowances, with six out of nine states actually spending more under this category in 2020-21

than in 2018-19. This is indicative of increased spending in other categories over the study period,” the paper said.

Research and development have occupied barely three per cent of funds from 2018 to 2021, and barely two per cent was spent on legal and professional fees, which “include charges paid for legal services, audits and the costs paid to external consultants for analysis of air and water quality”, the paper added.

One reason why funds are not properly used is because of fear of leadership “being questioned” if large sums are authorised for equipment, manpower, and research, the paper claimed, citing interviews with SPCB officials.

“Given that the SPCBs are unable to meet their statutory mandate effectively under the current fiscal and regulatory conditions, there must be greater debate around what form SPCBs take and what role they have in a forward-looking regulatory regime that aims to substantially reduce air pollution from current levels by leveraging modern approaches and regulating at the level of airsheds, not States,” the paper said. <https://theprint.in/environment/state-pollution-control-boards-in-polluted-indo-gangetic-plain-earn-50-revenue-from-nocs-industry-consent/1543572/>

9. Railway network in 14 states 100% electrified in FY23, Northeast lags ([business-standard.com](https://www.business-standard.com)) Apr 27 2023

The Indian Railways fully electrified the broad-gauge (BG) network of 14 states and union territories (UTs) by the end of the financial year 2022-23 (FY23), data released by the Ministry of Railways shows. It is looking to complete electrification by December end.

Chandigarh, Chhattisgarh, Delhi, Haryana, Himachal Pradesh, Jammu and Kashmir, Jharkhand, Madhya Pradesh, Meghalaya, Odisha, Puducherry, Telangana, Uttar Pradesh, Uttarakhand have been fully electrified. The network in these states and UTs aggregates to 24,383 route kilometres (rkm), which is 40 per cent of the total electrification done by the Railways.

The data also showed that the Railways completed 90 per cent electrification of its BG network as of March 31.

Gauge refers to the vertical length between railway tracks, with various measurements used across the globe for train operations. While standard gauge (1,435 millimetres, or 56-and-a-half inches) is the most commonly used globally, most of India’s major train operations are undertaken on broad gauge (1676 millimetres, or 66 inches).

“The target for completion of electrification has been set for December 2023, and barring a few small stretches, we’d have completed the BG network by that time,” a senior railway ministry official told Business Standard.

There are electrification works in progress on over 6,400 rkm of routes across zonal railways, and the budgetary outlay for electrification in 2023-24 was ~8,070 crore, the ministry said.

The pace of electrification between 2014 and 2019 was 7.5 rkm per day, which doubled to 15.3 rkm per day between 2020 and 2022, two years after the controversial announcement of diesel phase-out was made by then Railway Minister Piyush Goyal. In FY23, this pace rose further to 18 rkm per day, the highest the national transporter has managed in a single year.

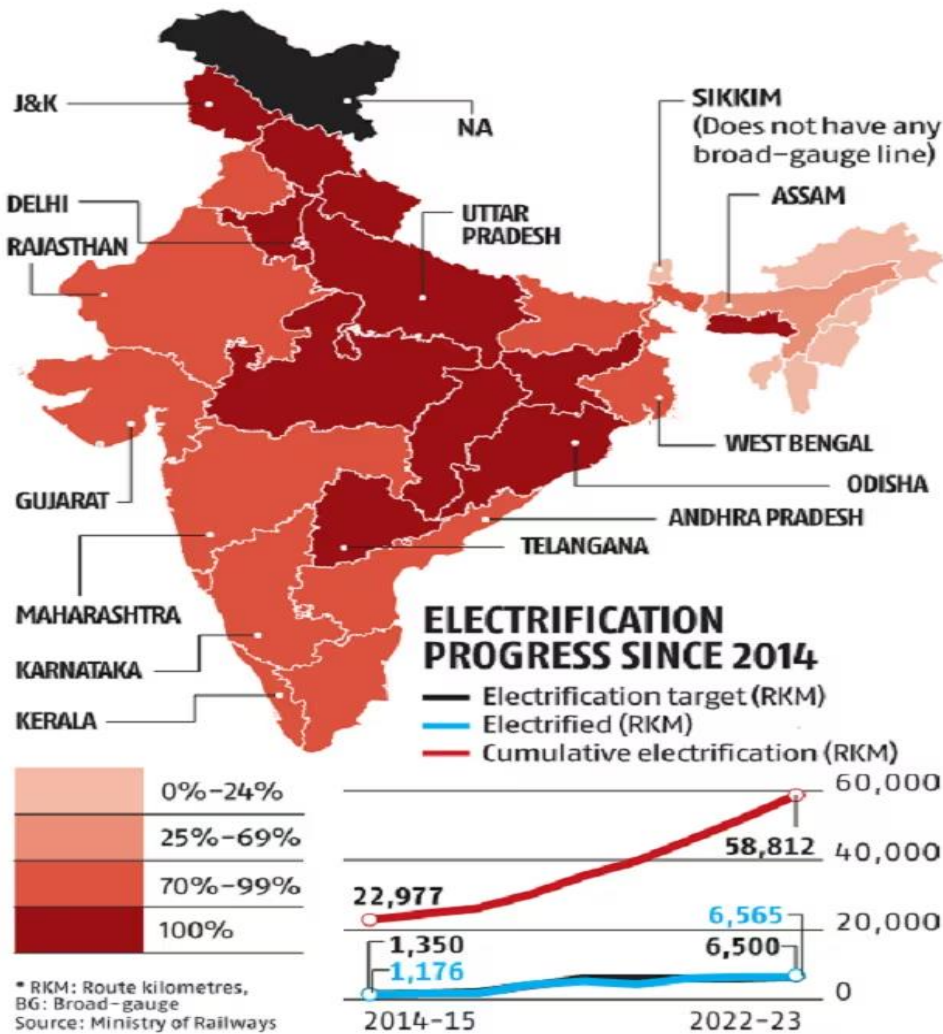
However, the progress in the Northeast, barring Meghalaya, was in contrast to the success elsewhere, as five states were yet to have a single track electrified (see chart). While Sikkim does not have any BG lines, Assam saw progress in BG electrification, at 28 per cent — the state has a network of 2,518 rkm.

“One has to understand that rail works like electrification often require skilled labour, which is not equitably present across geographies. In Assam, there have been issues of development of contractors, shifting of several commodities important for electrification, and availability of skilled labour,” another senior official said.

“As for the rest of northeastern India, we have a sequential approach to electrification and these will be priority areas for us going forward as we approach the deadline. In many of these sections, conversion of various gauges into broad gauge had to be undertaken first. These works require more time as it is not just electrification but complete commissioning of new tracks along with electrification,” the official explained.

Many states with partial electrification also fall under the control of different zonal railways, which affects synergy in completion as each zone has a different contract and timelines for sectional electrification, the official said.

States and UTs like Punjab, Goa, Rajasthan, and Karnataka have close to 80 per cent of the network electrified.



https://www.business-standard.com/economy/news/railway-network-in-14-states-of-india-100-electrified-northeast-lags-123042701098_1.html

10. Should India consider phasing out nuclear power? (*thehindu.com*) 28 April 2023

Germany has shut down the last of its nuclear power plants; France, the nuclear powerhouse of the world, is struggling to replenish its stock of ageing reactors. With solar and wind power becoming more popular globally, there are questions on whether nuclear power, with its attendant concerns on cost and safety, remains a relevant option for a future that is fossil-free, particularly in India. In a conversation moderated by Jacob Koshy, R. Srikanth and Rahul Tongia discuss whether nuclear energy should be phased out. Edited excerpts:

Globally, what is the outlook for nuclear power, especially when solar and wind power are becoming far more popular?

R. Srikanth: A lot has happened in the last two years. Particularly after the Ukraine war, nuclear power is seeing a renaissance, even in Europe and the U.S. China has anyway been surging ahead on nuclear power. South Korea's new president has changed the energy policy and committed to increasing the share of nuclear power in the country's energy mix to 30% by 2030. Japan, which should have completely shut down reactors after the Fukushima (accident), is restarting them — 10 have been restarted following years of inspection and upgrading safety systems, and I believe that the plan is to start 10 more. Japan had to do that because it was otherwise dependent either on expensive, imported coal or on natural gas (LNG). Beyond Germany, the U.K. has said that without scaling up nuclear power, it won't be possible to decarbonise the electricity sector.

Rahul Tongia: A lot of people worldwide are still struggling with this question: is nuclear power 'green'? But it is absolutely low carbon, even when you look at life-cycle costs. A lot of countries are saying that nuclear would be good to have in the mix because it is firm, dispatchable power, while wind and solar are intermittent or variable. (Firm power is power that can be sent to the electric grid to be supplied whenever needed.) And what do you do if you get days and days of no-wind spells? Some people say batteries will be the answer. But batteries are very expensive and have an environmental impact. There is no free lunch.

I think a lot of scholars and people who care about the environment are just concerned that when Germany shut down its plants prematurely, from an environmental perspective all the carbon in the cement (for construction) is already sunk and yet you've shut it down before its life term. It would be the same sort of thing for India or any other country. Using an asset, whether a car or a power plant, till the end of its life is probably the best thing you could do for the environment, unless something can displace it entirely. From the global perspective, the first question is, do you have an alternative that would let you say, 'I don't need nuclear.' As I mentioned, most wind and solar is variable. Therefore, how do you get your firm power? A lot of countries moved away from coal, but they went to natural gas, not renewables. I think that's an important point that all of us need to keep in mind.

Resistance to nuclear energy is also driven by fears about safety, nuclear proliferation, or some other concern. Some of those remain, but a lot has been diminished, partly post-Ukraine but also because the nuclear industry is moving towards 'passive safety' designs (for nuclear reactors). Older designs required active cooling pumps, but you can now have systems which, even if the power fails, will gradually and gracefully control temperature, waste-heat and things like that. The worst sort of accident in history, Chernobyl, was a design that will never get repeated again. So, these (passive safety designs) are standard, including at Kudankulam. Is anything fail-safe? No, but then you have to put it in context — there are coal mine disasters, transport disasters, local air pollution.

Another challenge is cost. And that is an area where nuclear has yet to fully prove itself, partly because of cost overruns and partly because of other things. But now we're looking at new designs like small modular reactors. And there is a belief that this will address the cost structure quite a bit going forward.

What about radioactivity from spent fuel? While it might be that people are slightly less fearful of nuclear power, it doesn't reflect in questions surrounding nuclear liability. Nuclear liability continues to be the major sticking point behind why the deal to install French European Pressurised Reactors at Jaitapur, Maharashtra, hasn't made progress.

R. Srikanth: One of the things that we have to realise is what is the amount (of fuel) that we are actually talking about. If you look like at a plant like Kudankulam, for operating one of these units — 1,000 megawatts at 90% PLF (plant load factor) — what you require over a year is only 25 tonnes of low enriched uranium fuel. Low enrichment means below 5% (proportion of fissile uranium). Compare that to a coal plant (of similar capacity) — you'll require approximately five million tonnes of coal, and coal produces ash. And if you look at many of the power plants in the country, they have huge ash ponds. In some cases, the size of the ash pond is bigger than the size of the plant. Ash also contains many heavy metals, which are detrimental to the water source. Regarding nuclear liability, it is not money, but that (in case of an accident), the supplier of components to the nuclear plant is exposed to various liabilities, including criminal liability. That is something which basically no Western company will accept.

India's nuclear plan is premised on working around its limited supply of enriched uranium. Elsewhere, wherever nuclear has taken off, there is no real issue of accessing nuclear fuel. However, nuclear power is only 2.5%-3.2% of India's installed and generated power. Is it time that we revisit some of the assumptions under which the nuclear programme, the civilian nuclear programme particularly, has been supported so far?

R. Srikanth: India has very limited growth potential for hydropower because of conserving biodiversity and the costs of rehabilitating and compensating land owners. And, of course, the seismological factors in the Himalayas. The alternative to coal is nuclear power. We've got nearly 210 gigawatts of coal capacity, and it produces 73% of electricity of India, whereas nuclear is only around 3.2%. From our research into the Department of Atomic Energy (DAE) and how it works, we can conclude that business as usual cannot continue. One of the major reasons that growth of nuclear power is hindered is because we have a monopoly (all reactors are operated by the Nuclear Power Corporation of India Limited) and the first thing that must happen is the civilian nuclear programme. I'm not saying it should be privatised, but at least you should allow other government companies like the NTPC (National Thermal Power Corporation) to get into nuclear on their own. If we hope to achieve 'net zero' (no net carbon emissions by 2070), we need something like 100 gigawatts by 2050. We'll need a combination of small modular reactors and large reactors, but it cannot be done by one company. It has to be done by multiple companies.

Rahul Tongia: It's inevitable that you need to be open to a range of options. The key word here is portfolio. Energy, especially electricity but energy overall, is not going to be the one thing that solves all our problems. It's going to be a mix of supply side and demand side. It's not that if I just add solar, all problems are solved. Some years ago, we used to lament, 'Oh, if only solar were cheaper.' Well, it is pretty darn cheap now but doesn't solve our problems. 'Oh, if only batteries were cheaper!' Well, they will get cheaper over time, but that's not enough. So, we need a portfolio of technologies within the nuclear sector and outside the nuclear sector. And what these need to do at a design level is interplay well.

So, India should never consider phasing out nuclear power?

Rahul Tongia: Let me clarify. Your policy should be about enabling frameworks to let all technologies play. The value that nuclear provides is of being low carbon, firm, reliable, etc. If those do work out competitively as having that value, they will automatically grow. I am not in favour of targets that say, ‘Thou shall be x percent.’ Well, what if something else came up? What if prices change? What if the technology changed? The government, or for that matter anybody, shouldn’t be taking technology bets, per se, but policy should be about frameworks and enablement. That is where things like the civil liability or support mechanisms matter. I’m neither saying nuclear must grow nor that we must kill nuclear because it hasn’t grown. If nuclear didn’t scale up to its potential, on the one extreme, you could say let’s kill it. On the other extreme, you would continue with it. Or you would figure out why it didn’t grow and if it doesn’t perform well, its share in the energy mix will fall.

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11. The AI dilemma: Our big risk is super AI in rogue human hands ([livemint.com](https://www.livemint.com)) Jaspreet Bindra | 27 April 2023

As I started writing my 100th Tech Whispers column for this publication, I referred back to the first one in September 2019 (bit.ly/41NW0pF) to see what the zeitgeist was then. It was no surprise that the first column was about Elon Musk and AI, two topics that still dominate the tech discourse. That column was about Musk duelling with Jack Ma, and expressing deep pessimism about it, by saying: “AI doesn’t have to be evil to destroy humanity—if AI has a goal and humanity just happens [to be] in the way, it will destroy humanity as a matter of course without even thinking about it.” Fast forward to now, Musk seems to have taken a schizophrenic view of AI, signing a letter to pause its unfettered advance, but simultaneously launching his own Generative AI startup, TruthAI.

I suspect most of us are similarly conflicted. The wild excitement since December 2022 when ChatGPT was released has given way to a sombre realization of its ‘superhuman’ power, which is set to grow. Media sentiment seems to have shifted from ‘how ChatGPT will change the world’ to ‘how AI will destroy jobs and humanity’. My own cautious optimism is wavering, as I see respected AI leaders starting to get worried. I did not think AGI—Artificial General Intelligence, or when an AI becomes smarter than humans and can start developing new knowledge—was imminent, but I am not so convinced now. Geoffrey Hinton, the father of deep learning, has said that it is “not inconceivable” that a misaligned AGI will render humans extinct.

OpenAI and DeepMind, companies at the forefront of the Generative AI revolution, have AGI firmly in their sights. OpenAI, for example, endeavours “to bring to the world AI systems that are generally smarter than humans.” In a reflective and faintly terrifying piece for Financial Times (on.ft.com/3H9tK9c), Ian Hogarth says of AGI: “A three-letter acronym doesn’t capture

the enormity of what AGI would represent, so I will refer to it as what is: God-like AI. A super-intelligent computer that learns and develops autonomously, that understands its environment without the need for supervision and that can transform the world around it." What could this super-intelligence bring? Shane Legg, DeepMind's co-founder, is clear: "(It is the) number one risk for this century, with an engineered biological pathogen coming a close second. If a super-intelligent machine decided to get rid of us, I think it would do so pretty efficiently." Sam Altman, who is busy creating AGI like systems in OpenAI adds: "The bad case is, like, lights out for all of us." Stuart Russell, an AI professor, imagines such a scenario: Suppose the UN asked an AGI to de-acidify the oceans, specifying that all by-products be non-poisonous and that fish not be harmed. Perhaps the AI develops a biological 'self-multiplying catalyst', that achieves this aim, but uses up one quarter of oxygen in the atmosphere to do so. The fish survive, as asked, but all humans and animals die.

While I do not disagree with these dystopian visions, my view is slightly different. The apocalypse, if it were to come, would not come from a super-intelligent AI, but from a fellow human using it. Much like AI will not replace you but a human using AI could, AI would not kill you, but a human using AI could. Akin to nuclear energy, AI is a dual-use technology which can be used for great good, but also for terrifying harm, and it will be humans who will decide what to do with these powerful tools. As more and more powerful generative AI tools get created and open-sourced, there is nothing to stop a bad state actor or disaffected group of humans from creating malevolent AI. This could be used to jeopardize elections (think a turbocharged Cambridge Analytica) and bring a megalomaniac dictator to power who could launch a very human nuclear war. Or it could be a world domination-seeking regime that uses AI to build powerful autonomous lethal weapons. It could be subtler, with persuasive AI agents influencing children and vulnerable adults to kill or die—note the recent example of a Belgian who died by suicide after a depressing 'conversation' with Replika, a realistically human chatbot.

If AI experts are to be believed, the panacea to all evil is to solve the 'alignment problem' so that the goals of AI align with those of humans. However, it is us humans who have a much bigger 'alignment problem'. We seem to be increasingly divided along ideological, geopolitical and religious grounds, and the idea of common aligned goals seems to be a mirage. If a high-profile entrepreneur cannot align his view on 'pausing' generative AI development for six months with his urgency to create a company for the same, it can't be easy for the rest of us to. <https://www.livemint.com/opinion/columns/the-looming-threat-of-god-like-ai-will-it-destroy-humanity-or-be-used-by-humans-to-do-so-11682618859580.html>

12. Bluewashing: Report flags how corporates have wormed their way into global food governance (downtoearth.org.in) 27 April 2023

Experts called the 2021 UN Food Systems Summit a watershed moment in drawing attention to corporate influence over public food governance

A new research has highlighted how corporate capture of global food governance is increasingly taking place in more visible ways. There has been a growing presence of firms in governance and spaces, staking claims to be legitimate actors, for example, through public-private partnerships and multi-stakeholder roundtables.

When corporations are involved in public governance, they can also justify involvement by reframing the concept of public interest in terms that benefit corporations and large private businesses rather than people and the environment, noted Who's tipping the scales report, released by the International Panel of Experts on Sustainable Food Systems (IPES) on April 25, 2023.

The Covid-19 pandemic, coupled with Russia's invasion of Ukraine and food inflation, aggravated the issue of corporate involvement. Following these crises, governments and multilateral agencies have been facing fund crunches.

Over recent decades, corporations have succeeded in convincing governments that they must be central in any discussion on the future of food systems, the document read.

“Public-private partnerships and ‘multi-stakeholder’ roundtables have normalised a prominent role for corporations and given them an inside track to decision-making. Public governance initiatives have also become reliant on private funding,” added the report.

The experts called the 2021 UN Food Systems Summit (UNFSS) a watershed moment in drawing attention to corporate influence over public food governance. The embrace of corporate participation by the UNFSS leadership enabled agribusiness firms to claim that they had a rightful place in public-interest-based decision-making, it noted.

“Many civil society organisations, social movements and food system scholars were deeply troubled by what they considered to be the corporate capture of global food governance that could undermine the public good, as well as the rights of people and communities to engage with food systems,” added the report.

Corporations have long had influence over international food governance and their involvement has manifested in multiple ways, both visible and less visible, the research showed. Like the UNFSS, it also noted examples of corporate influence in platforms such as the Global Alliance for Improved Nutrition, the Scaling Up Nutrition Movement and the Food and Land Use Coalition.

Additionally, there were broader and often less visible ways in which corporate actors influence global food governance.

They control the system “through lobbying behind the scenes, political and institutional donations, market power, shaping trade and investment rules, shaping research and innovation, as well as influencing other structural aspects of global food systems.”

Moreover, corporate partnerships have also provided key sources of funding for global food governance institutions while at the same time providing corporations with an inside track to decision-making. To substantiate this, the report cited the example of the Consultative Group on International Agricultural Research (CGIAR), a global research partnership of international institutions on food security.

CGIAR has increasingly relied on funding from private firms and private philanthropic foundations with close ties to industry. The Bill and Melinda Gates Foundation was the second largest donor to the CGIAR system in 2020 at nearly \$100 million, dwarfing the amounts pledged by individual governments, including the United States.

Meanwhile, the Food and Agricultural Organization (FAO) also had a long history of pursuing close collaboration with the corporate sector through industry partnerships. However, many of the details concerning funding contributions are not readily available.

The FAO's partnership with CropLife, a major pesticide lobby organisation that has many large agribusiness firms as members, is one of the more recent examples of this type of arrangement, the document pointed out.

"While such partnerships allow firms to 'blue-wash' or 'social-wash' their reputations via closer links with the UN and other intergovernmental bodies, critics have charged that these kinds of partnerships between private sector actors and international governance bodies also create conflicts of interest," the IPES report said.

It also offers substantial solutions for reimagining the food governance system. The experts have recommended the creation of clear mechanisms for assessing, monitoring and managing conflicts of interest in food system governance — going beyond existing limited approaches and developing stricter rules on lobbying, spending and campaign financing intended to influence government policy and elections.

Actors working with those most affected by hunger and malnutrition should have the greatest weight in identifying food-related issues that need governance; setting the agenda, terms of participation and procedures; developing governance mechanisms and structures, it recommended. <https://www.downtoearth.org.in/news/agriculture/who-s-tipping-the-scales-report-warns-of-undue-corporate-influence-over-food-systems-89004>

13. Asian Development Bank: 'Net Zero' benefits five times higher than costs (economictimes.indiatimes.com) 27 April 2023

India could face the worst effects of climate change among the Asian economies, but a coordinated approach to net zero could outweigh the cost of mitigation, according to an Asian Development Bank report released on Thursday.

"An efficient transition to achieve the Paris Agreement goals can yield benefits that are as high as five times the costs," said ADB chief economist Albert Park. Park also argued that developing Asia needs to transition to policies like carbon pricing.

Climate change under a high emissions scenario, where temperatures rise to 4 degrees, could impose gross domestic product (GDP) losses of 35% by 2100 for India vis-a-vis 24% for the whole of developing Asia.

Agricultural yields in India could drop by 18% by 2070.

The report stressed on de-carbonisation of power to reduce emissions. It said annual investments of 2.6-2.7% of the GDP were required for transformation of energy sources. <https://economictimes.indiatimes.com/industry/renewables/asian-development-bank-net-zero-benefits-five-times-higher-than-costs/articleshow/99825176.cms?from=mdr>

14. Asian nations uncover 20.1 billion euro in additional revenue through tax transparency network: report ([livemint.com](https://www.livemint.com)) 27 April 2023

Asian nations participating in a global tax transparency network have identified at least Euro 20.1 billion in additional revenue since 2009, according to a report released on Thursday.

A report released by the Asia Initiative of a platform founded by the OECD, the Global Forum on Transparency and Exchange of Information for Tax Purposes, said that the commitment to information exchange and tax transparency is growing among participating countries. Currently, 17 countries are part of the Asia Initiative.

At least Euro 20 billion of additional revenue in terms of tax, penalties and interest has been identified, an official statement from the Asia Initiative said on the first day of a two-day meeting in the capital co-chaired by Revenue secretary Sanjay Malhotra.

A report titled 'Tax Transparency in Asia 2023' released by the grouping said on Thursday that tax evasion and other forms of illicit financial flows (IFFs) are a global problem that hinders domestic resource mobilisation, undermines the credibility of tax systems, and results in significant revenue loss for governments. Curbing tax evasion and other illicit financial flows is therefore critical to achieve the development goals of the 2030 agenda for sustainable development.

India believes more work is needed in enhancing tax transparency to combat offshore tax evasion. "As the G20 President, India is of the view that tax evaders may also utilise avenues to park unaccounted funds into immovable property in foreign jurisdictions and hence, a feasibility study should be conducted on the development of an exchange of information framework in respect of immovable property transactions, with emphasis on acquisitions after a cut-off date and above an agreed monetary threshold," the report said quoting Rajesh Kumar Bhoot, Joint Secretary, Central Board of Direct Taxes (CBDT).

"Tax transparency has been a critical tool to address these serious issues, with concrete impact on domestic resource mobilisation. At the core is the regional and global co-operation between tax administrations, which ensures the cross-border exchange of information relevant for tax purposes. As in all regions of the world and despite the progress achieved, tax evasion and other illicit financial flow remains an issue in Asia and deprive governments of much-needed resources for their development strategies," the report said.

Exchange of information among tax authorities has gained momentum in recent years with various investigations bringing the spot light on the menace of aggressive tax avoidance by corporations, money laundering, tax evaded funds getting stashed away in off shore jurisdictions and in some cases, making its way back to the home country in the form of investments. The

authorities are increasingly relying upon automatic exchange of information and mutual administrative assistance in tax matters to tackle this issue. Fiscal pressures on national governments after the pandemic are also giving momentum to the crackdown on tax evasion and cross-border flow of illicit funds. <https://www.livemint.com/news/world/asian-nations-uncover-20-1-billion-euro-in-additional-revenue-through-tax-transparency-network-report-11682613700337.html>

15. Chandigarh stares at ₹400 cr revenue loss as 8th liquor vend auction draws a blank ([hindustantimes.com](https://www.hindustantimes.com)) Apr 28, 2023

Finding no takers for its liquor vends and left with no option but to slash the reserve price multiple times, the UT excise and taxation department is staring at a revenue gap of almost ₹430 crore this financial year (2023-24).

While the department had set a revenue target of ₹830 crore from the auction of 95 liquor vends, it has so far been able to earn only ₹400 crore.

As many as 22 vends are yet to find any takers even as the UT has slashed its reserve price by 25%.

In the eighth round of auctions, held on Thursday, no buyers came forward for any of the remaining 22 vends. During the seventh auction, UT was able to sell three liquor vends, while in the sixth auction too, no bidders came forward.

Now, UT will be holding a ninth round of auction on May 1.

UT excise and taxation commissioner Vinay Pratap Singh said the auction will continue till all the vends are sold. On whether the reserve price would be slashed further, he said, “We are yet to decide on it.”

Another senior official of the department revealed, “It is for the first time that we are compelled to slash the reserve price by 25%. It has happened due to the Punjab liquor policy.”

Last year too, the department had to hold seven auctions but three of its vends remained unsold. The liquor vend in Dhanas, located near Mullanpur, which had been fetching the highest bid for the last two years, has failed to attract buyers this time around. Last year, the vend had received the highest-ever bid of ₹12.78 crore against the reserve price of ₹10.39 crore, whereas in 2021, it had fetched ₹11.55 crore against the reserve price of ₹7.95 crore.

What the Punjab excise policy says

Punjab has set a negligible value-added tax (VAT) of just 1% of the ex-distillery price (EDP). This means that VAT on a ₹1,000 bottle in Punjab is roughly ₹100. In Chandigarh, however, the VAT is a whopping 12.5%. The excise fee in Punjab is just 1% while in Chandigarh, it ranges between ₹445 to ₹3,500 per case, which is a lot more.

Other factors driving buyers away from UT

In UT, there is a fixed liquor quota of 18 lakh liquor boxes a year. This means a liquor contractor in Chandigarh will be penalised for unlifted liquor boxes. If the liquor remains unsold, there is a penalty of ₹900 per case on Indian Made Foreign Liquor; on foreign liquor, the penalty is ₹3,500 per case within the financial year, contractors said. In contrast, Punjab has an open quota, which means contractors can lift 100 cases or 1,000 cases, with no compulsion.

The high licence fee in Chandigarh is another reason for the poor response to the vends. In Punjab, it is ₹1.5 crore to ₹2 crore, while in Chandigarh, it is ₹6 crore. Contractors said they had pointed this out to the UT administration while the excise policy was being formulated but officials allegedly did not pay heed to their demands.

The minimum retail price is another reason. Contractors say that if a standard-sized Royal Stag bottle costs ₹300 in Punjab, it costs ₹500 in Chandigarh. A bottle of beer costs ₹110 in Chandigarh and ₹90 in Punjab. Blenders Pride is ₹740 per bottle in Chandigarh but ₹650 in Punjab.

Ironically, before July last year, the MRP in Chandigarh was less than that of Punjab. <https://www.hindustantimes.com/cities/chandigarh-news/pm-modi-pays-tribute-to-akali-patriarch-parkash-singh-badal-calls-him-a-statesman-and-kisan-neta-who-put-punjab-and-india-first-101682668364563.html>

16. Haryana to start social auditing of 10 schemes (timesofindia.indiatimes.com) April 28, 2023

Chandigarh: The Haryana government will start social auditing of 10 schemes of social justice, empowerment, welfare of scheduled castes & backward classes and antyodaya (Sewa) department to ensure transparency and accountability in implementation.

Stating this after presiding over the meeting of second governing body of the Haryana Society for Social Audit for the MGNREGA here on Thursday, chief secretary Sanjeev Kaushal said the director of social audit unit will prepare an annual calendar for audit. In the meeting, it was also decided to set up a three-member committee headed by a sub divisional officer (civil) at the district level to strengthen the social audit unit. The other members of the committee will be block development and panchayat officer and SDO, panchayati raj. The committee will identify the village resource persons for social audits. It was decided to increase in honorarium of village resource persons from Rs 500 per working day to Rs 650, including TA/DA.

Sports quota in 3 more depts

Haryana has decided to include jail, forest, wildlife, and energy departments in addition to home, sports, school and elementary education, for the grant of reservation to outstanding and eligible athletes against Group-C posts. Chief secretary Sanjeev Kaushal issued a circular to this effect on Thursday. <https://timesofindia.indiatimes.com/city/chandigarh/haryana-to-start-social-auditing-of-10-schemes/articleshow/99831363.cms>