

## **NEWS ITEMS ON CAG/ AUDIT REPORTS**

### **1. Off-budget borrowing: is it behind us now? (*livemint.com*) 01 Dec 2023**

Off-budget borrowings by states rose sharply in 2020-21 and 2021-22. Worried (they widen the fiscal deficit), the Centre cracked down on the habit in March 2022 and they have decreased. Mint looks at off-budget borrowings and their implications.

What are off-budget borrowings?

Borrowings that are not directly made by the government, but the principal and the interest are serviced from the budget qualify as off-budget. These debts are typically raised by a public sector unit, or a special purpose vehicle floated by the government. As these borrowings are outside the budget, they escape legislative oversight. They also enable governments to bypass the borrowing limits set under the Fiscal Responsibility and Budget Management (FRBM) Act, which aims to institutionalize fiscal discipline and ensure better management of public funds for both the Centre and the states.

How rampant are such borrowings?

They were rampant until recently. Andhra Pradesh, Telangana, Kerala, Chhattisgarh and Sikkim resorted to such borrowings in a big way. Studies put off-budget borrowings in 2020-21 at ₹2.79 trillion and in 2021-22 at ₹1.71 trillion. One study estimated that Telangana's off-budget borrowing in 2021-22 was 30% of its total borrowings that year. For Kerala it was 22%, Chhattisgarh 17% and Andhra Pradesh 12%. The 15th Finance Commission and the Comptroller and Auditor General of India (CAG) repeatedly flagged these borrowings saying they subverted fiscal transparency and threatened fiscal sustainability.

Doesn't the Centre resort to such borrowings too?

It doesn't anymore. In 2018-19, it was as high as ₹1.62 trillion. In the Union Budget for 2020-21, finance minister Nirmala Sitharaman came out with a statement on extra budgetary resources and made a commitment that the Centre will clean its balance sheet and end off-budget borrowings which dropped to ₹752 crore in 2021-22 and to zero in 2022-23.

How did the Centre clamp down on states?

The Centre in March 2022 announced that states' off-budget borrowings will be included in determining their regular borrowing ceiling. So, off-budget borrowings as of 2021-22 will now be adjusted against states' net borrowing ceilings between 2022-23 and 2025-26. This severely crimped the ability of states to borrow, triggering cash flow problems in Andhra Pradesh and Kerala. Many states protested, a few threatened legal action, but they have eventually accepted the Centre's order.

Is India's balance sheet any better now?

Only to the extent of off-budget borrowings. States' off-budget borrowings will reduce to ₹18,499 crore in 2022-23. However, India's finances can become truly sustainable only when the Centre and states reduce their deficits in line with the FRBM Act. The Act seeks to eliminate revenue deficit and stipulates the fiscal deficit at 3% of GDP. In 2023-24, 11 states will have a revenue deficit, and aggregate fiscal deficit of all states

will be 3.1%. The Centre's revenue deficit is expected at 2.9% and fiscal deficit at 5.9% of GDP. <https://www.livemint.com/economy/offbudget-borrowing-is-it-behind-us-now-11701370922339.html>

## **2. Why Adding Medical Colleges Isn't Enough to Improve India's Healthcare** (*indiaspend.com*) 1 Dec, 2023

### **Faculty shortages and gaps in the specialist roles remain even as the number of medical colleges and seats have increased between 2017 and 2023**

India added 225 new medical colleges in the last five years, with the total number surging 47% to 704 as of 2023-24, the Union government told the Lok Sabha in August 2023. Similarly, the number of medical seats grew 61% to 107,950. The number of postgraduate seats also doubled in the country in the last eight years.

Yet, both public and private institutions continue to face a range of issues including faculty shortages and infrastructure issues, revealed a study on medical education by the Center for Social Economic Progress (CSEP), a Delhi-based think-tank. The study also highlighted regulatory complexities and budget constraints which impede private-sector involvement in medical education.

India has 0.9 doctors for every 1,000 people, close to the World Health Organization standard of 1:1,000. Yet, the country's secondary care institutions in the public sector have an acute shortage of specialists, data show. Experts call for more investment on medical education, ensuring availability of infrastructure and faculty, and increased participation from the private sector to improve postgraduate medical education in the country, thereby increasing the number of specialists.

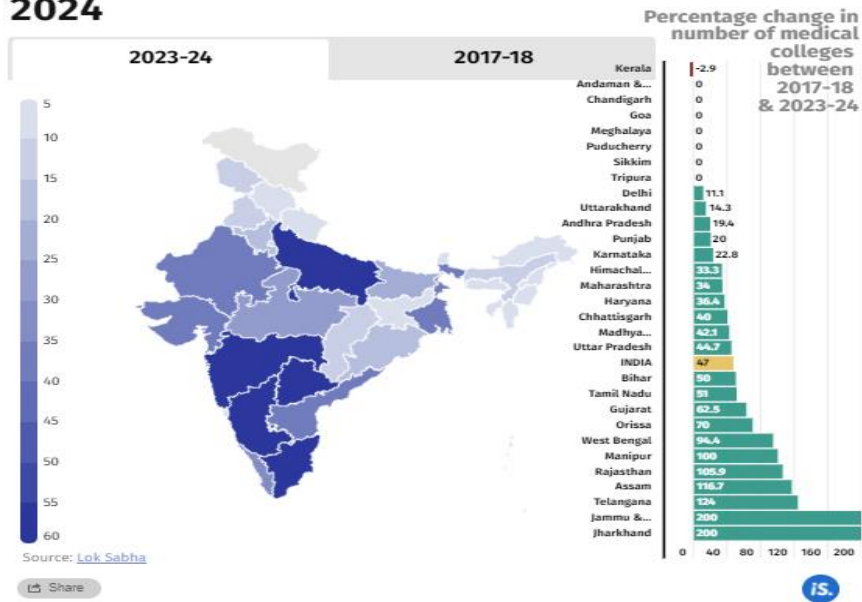
Telangana added 31 colleges, Kerala shut one college

During this period, Telangana added 31 medical colleges--highest among all states--followed by Tamil Nadu, with 25 colleges, and Uttar Pradesh, which added 21 colleges. Jammu and Kashmir and Jharkhand tripled the number of colleges, while Assam, Manipur, Rajasthan and Telangana doubled the number of medical institutions, data show.

Kerala, which has among the best primary healthcare systems in India, had 33 colleges as of 2023-24, down from 34 in 2017-18.

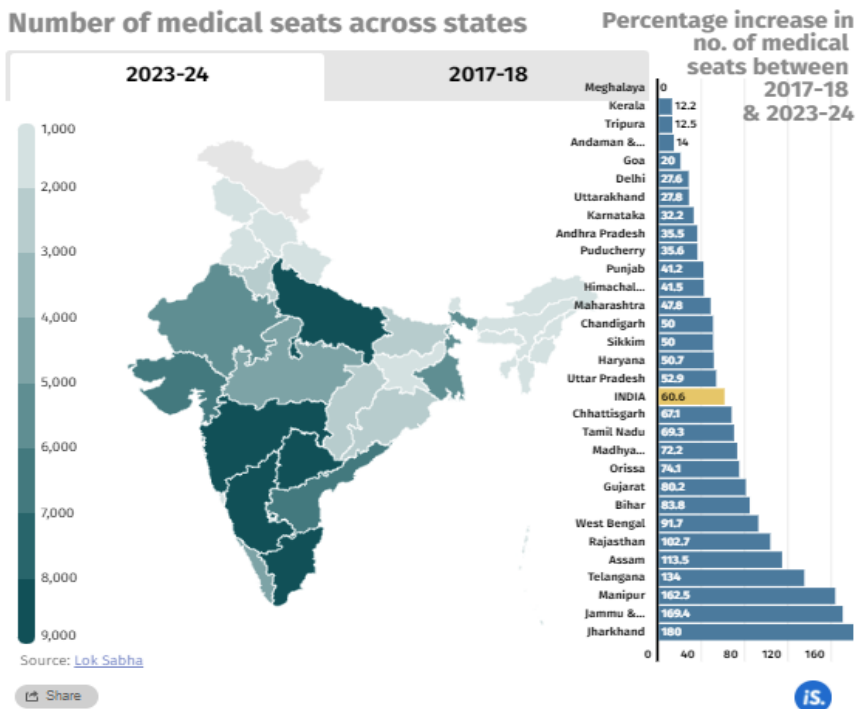
The top five states--Tamil Nadu, Karnataka, Uttar Pradesh, Maharashtra and Telangana--have 47% of all medical colleges, data show. The distribution of medical colleges across states can impact the availability of healthcare services and the quality of medical education in different regions, said the CSEP study.

## Number Of Medical Colleges By State, 2017-2024



The number of seats rose 60.6%, with 4,890 seats added in Telangana--the highest of any Indian state. This was followed by 4,750 more seats in Tamil Nadu and 3,475 in Maharashtra. Six states--Assam, Jammu & Kashmir, Jharkhand, Manipur, Rajasthan and Telangana--have more than double the number of seats as they did five years ago, data show.

## 61% More Medical Seats In 5 Years



Over the last decade, the number of medical colleges and seats has increased primarily due to the growth of government medical colleges and the relaxation of norms for setting up new medical colleges, according to the CSEP study.

Further, the increase in seats in both public and private colleges at the undergraduate level was higher than the rate of expansion of medical colleges, the study noted, indicating “that at least part of this expansion was on account of the relaxation of existing norms, thus enabling higher student intake, without any real augmenting of accompanying physical and human infrastructure”.

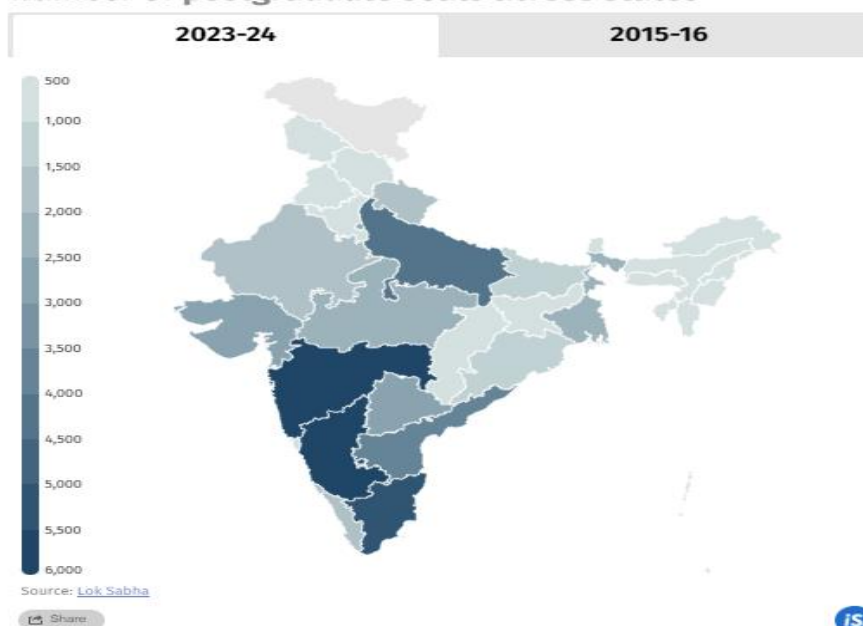
Despite the increase in medical seats, availability of medical seats remains a key concern in India, as per the CSEP study. In 2022, 1.76 million aspirants appeared for the National Eligibility cum Entrance Test exam, a national pre-medical entrance examination. While 56.3% candidates qualified, according to data from the National Testing Agency responsible for conducting NEET, only 12% secured a seat in a medical college, the study noted.

Further, availability of specialists remains a key concern. Non-communicable diseases (NCDs), which often require specialist care, account for two-thirds of India's deaths. The estimated deaths due to NCDs increased from 37.9% in 1990 to 61.8% in 2016, as per data from the health ministry, emphasising the need for specialists.

From 2005 to 2021, specialist shortfalls at community health centres--the secondary level of healthcare which tend to patients referred from primary health centres--increased from 46% to 80%, the study noted. Specialist production depends on factors like medical colleges, teaching faculty, and available seats, but detailed data are lacking, it said. Government data show that the number of postgraduate seats in the country doubled--from 25,850 in 2015-16 to 52,935 in 2023-24.

## Postgraduate Seats Doubled In 8 Years

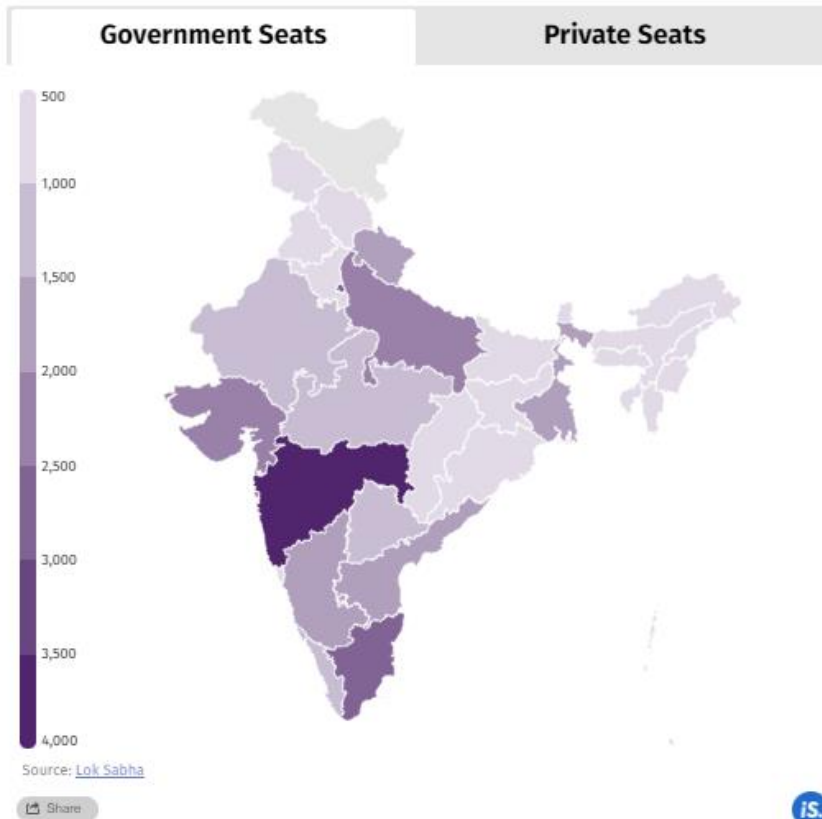
Number of postgraduate seats across states



Most of this increase has been in the government medical colleges. Public colleges contribute more to PG seat expansion, with private colleges favouring Diplomate of National Board (DNB) seats. The government introduced the DNB course in 1975 to address the shortage of doctors and teaching faculty. DNB focuses on practical training, and currently contributes 19.7% of the all PG seat pool, with 67% of the DNB seats in the private sector.

## Postgrad Medical Seat Increase Led Largely By Govt Colleges

Number of postgraduate seats in private & govt colleges



The PG-to-UG seat ratio in India is 0.67:1, which is low in comparison with other countries such as China (1.01), the United States (1.85) and the United Kingdom (5.98), the study noted. This is coupled with a rise in vacant seats at the postgraduate level.

These vacant seats are often in fields with historically low demand and limited student interest, and typically include non-clinical and pre-clinical fields such as pharmacology, anatomy, physiology, biochemistry and microbiology, the study noted. “While most MBBS seats are occupied, a sizable number of seats remain vacant at the PG level,” said Khushboo Balani, a research associate with CSEP and one of the authors of the study. “Demand plays a crucial role, and low-demand PG seats may remain unfilled or even be given away at a reduced cost, while high-demand seats remain inadequate.”

IndiaSpend has reached out to the offices of Mansukh Mandaviya, India’s health minister, Amit Biswas, undersecretary for medical education, and Chandan Kumar, under secretary for medical education for comment on the faculty shortages in Indian

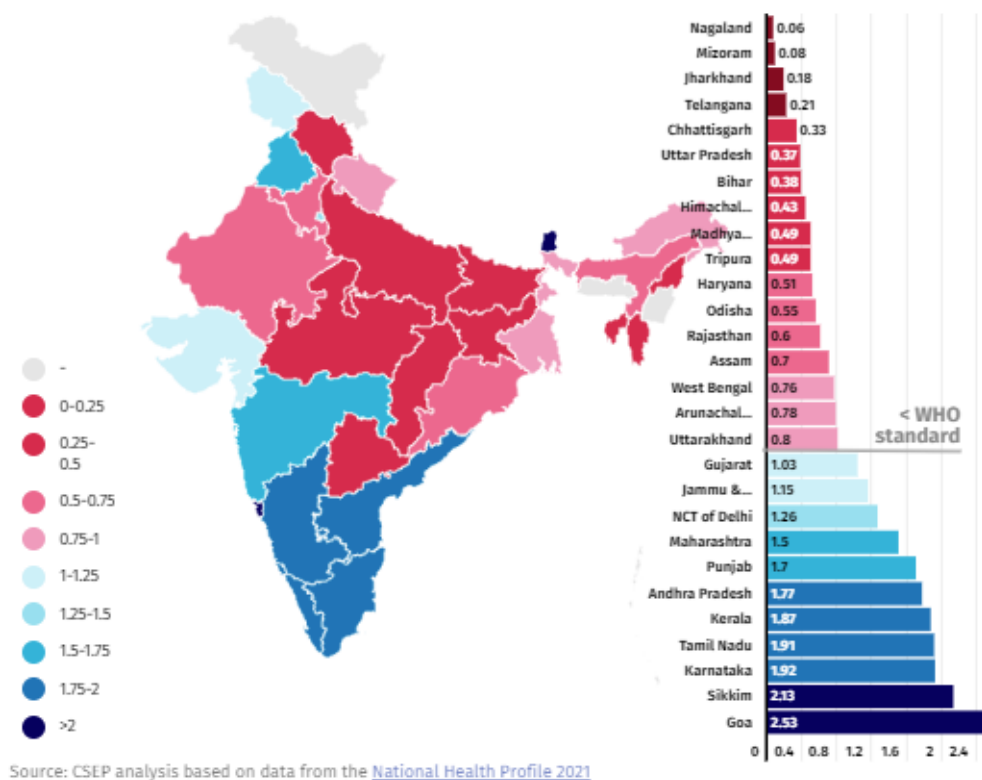
medical colleges and how the government plans to address specialist shortage in the public health system in India. We will update the story when we receive a response.

### Doctor population ratio remains an issue

At 0.92 doctors per 1,000 population, the number of MBBS doctor supply is close to the World Health Organization guideline of 1 doctor per 1,000 people, as per the National Health Profile 2021. This ratio varies significantly across states. Goa has the highest doctor-population ratio at 2.53 doctors per 1,000 people, followed by Sikkim at 2.13. Karnataka and Tamil Nadu had ratios of 1.92 and 1.91, respectively. In contrast, states such as Bihar and Uttar Pradesh had lower ratios of 0.38 and 0.37, respectively.

“While government colleges do improve local availability, due to their bond requirements, the larger problem of overall doctor availability remains unaddressed. In essence, establishing a medical college in an under-resourced area doesn't assure enhanced local availability,” said Balani.

## Doctor-Population Ratio Per 1,000



The doctor-population ratio in India improved from 0.66 in 2010 to 0.9 in 2019, but much of this increase is driven by select states, the study noted. Factors like per capita income, state-specific policies, and retention incentives for doctors play substantial roles and state-specific incentives and disincentives further influence doctor availability, the study noted.

Experts also point to the fact that doctors refuse to move to rural areas due to bad living conditions and expensive education. The rural doctor shortage is not primarily about supply; we are producing enough doctors, said Rakhal Gaitonde, professor of public health at the Sree Chitra Tirunal Institute for Medical Sciences and Technology. “The core problem is that many doctors opt against practising in rural areas for various reasons. These encompass concerns about the quality of education for their children (and the quality of education in general), limited professional networks, feelings of isolation, and inadequate preparation during their education,” said Gaitonde.

### **Reasons for shortages**

#### **a. Funding for medical education**

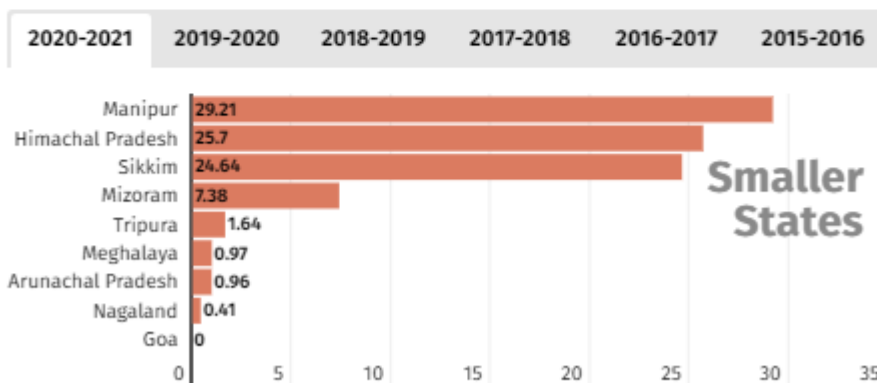
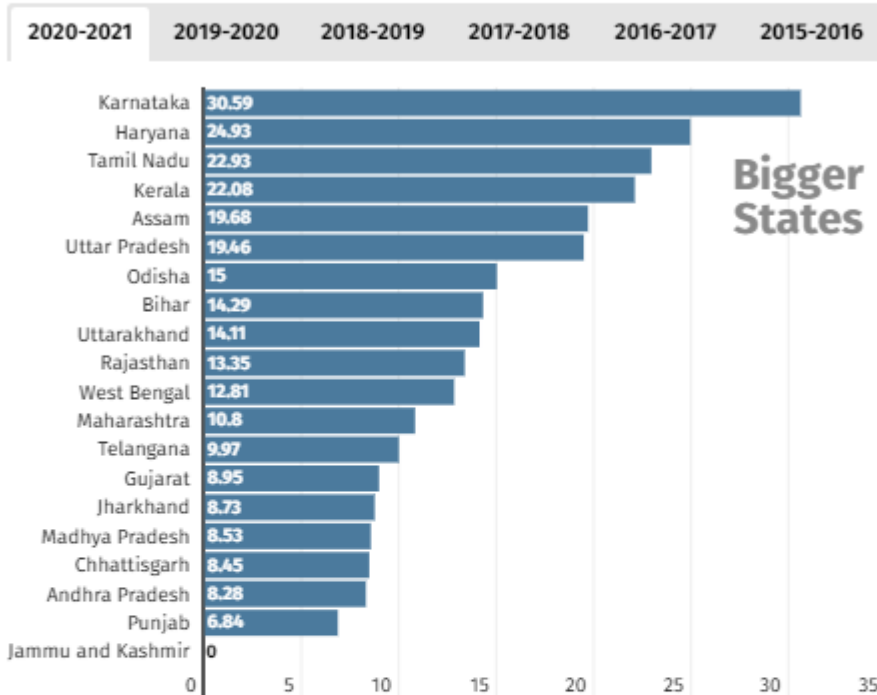
The expenditure on medical education, training, and research as a percentage of total health expenditure varied significantly across Indian states between 2015-16 and 2020-21, the study found, based on data from the Combined Finances reports of the Comptroller and Auditor General.

For instance, Andhra Pradesh saw fluctuations from 8.28% to 12.23%, while Arunachal Pradesh experienced a wide range from 0.96% to 16.76%. States like Karnataka consistently invested a significant proportion, increasing from 27.04% to 30.59%. These figures reflect the diverse priorities and resource allocations for medical education across the country, as IndiaSpend reported in May 2022.

The health sector budget has been growing slowly, said Sandhya Venkateswaran, senior fellow at CSEP. “It is important to consider not only the overall health budget but also how it is allocated, including the budget for medical education. The persistent gaps in the healthcare workforce have been a concern for years, yet the budget for medical education hasn't seen any substantial increase.”

# Expenditure On Medical Education, Training & Research

As percentage of Health Expenditure



Sources: [Centre For Economic and Social Progress](#)

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The study found a strong and linear correlation between state-level spending on medical education and seats at government medical colleges. Assuming that the impact of spending will be seen with a lag, the authors looked at spending in 2014-15 and available seats in 2018-19. States like Nagaland and Sikkim did not have government medical college seats despite spending on medical education, the study found. In contrast, Goa, spending Rs 606 per capita (4.6 times the national average), had one medical college with 0.1 seats per 1,000 population.

There is high investment, low returns and long gestation period because medical colleges are resource-intensive and require substantial infrastructure, said Gaitonde.



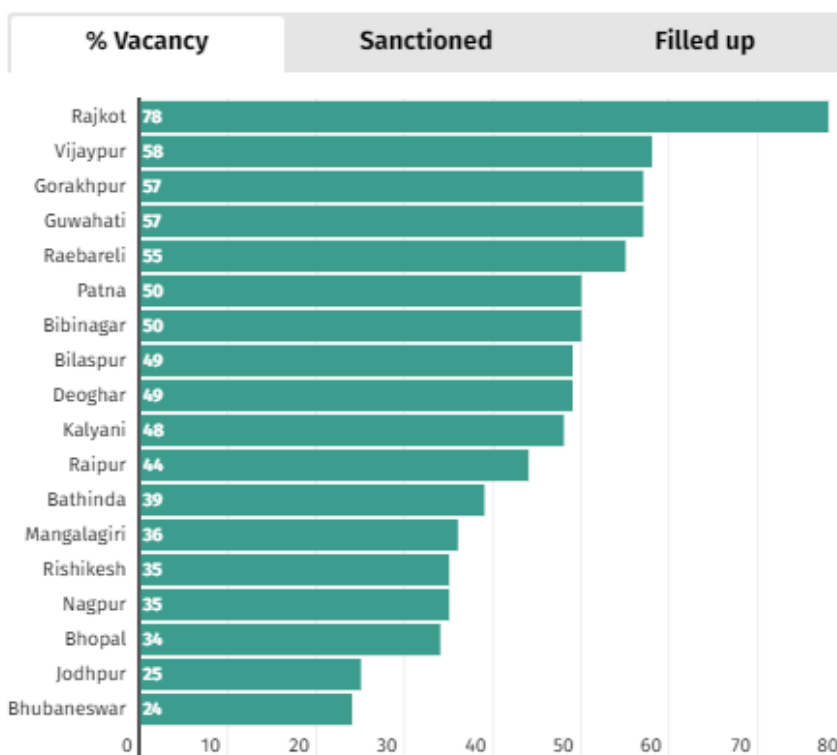
“Larger states with fiscal capacity are better equipped to make such investments since it takes several years to produce the first doctors and see returns on investment. The interplay of supply and demand, along with fiscal capacity, drives the growth of medical colleges.”

### Lack of teachers, faculty and patients

Despite expansion efforts, both old and new medical institutions, including 11 of 18 operational AIIMS, grapple with severe teaching faculty shortages, resulting in high teacher-student ratios exceeding the recommended 1:2 or 1:3, the study found.

Additionally, there has been a reduction in sanctioned teaching posts and increased vacancy rates. These faculty shortages are more pronounced in public institutions compared to private ones. Newly established AIIMS-like institutions also face resource overburdening due to high student-teacher ratios, the study found. Student-teacher ratios vary from 2:1 in Bilaspur to 5.4:1 in Gorakhpur, the government told Lok Sabha in December 2022.

## Faculty Shortages In New AIIMS As of December 2022



Sources: [Rajya Sabha](#)

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Gaitonde stressed the need for a more holistic approach instead of looking to build a medical college to solve the problems of medical education. He stressed on the need for well-qualified faculty, support staff, and comprehensive planning, and financial incentives in drawing doctors from the private sector, and suggested that to retain

quality medical professionals in public sector medical colleges, appropriate incentives should be provided.

The study identified complex hiring processes and administrative issues as the main reasons for these vacancies. In contrast, private colleges tend to have lower vacancy rates due to the risks associated with derecognition. "A fundamental structural problem is the opportunity cost of teaching compared to practising. This factor often discourages doctors from transitioning to teaching roles, demanding attention to find innovative solutions to incentives for teaching faculty," said Venkateswaran of CSEP.

### **Public vs private**

Private colleges have more undergraduate medical seats than government colleges, as we said above. However, experts believe that private colleges can also help bridge the demand-supply gaps when it comes to specialists, which requires high investments.

Amrita Agrawal, visiting fellow at CSEP, stressed that the challenge becomes more prominent when dealing with specialist training, which demands more elaborate infrastructure. She also pointed out that "localising production does not necessarily equate to an increase in the local availability of specialists due to inter-state migration".

"Most private sector seat capacity is concentrated in developed Southern states, highlighting the supply and demand dynamics that drive private sector expansion. However, we have seen doctors graduating from some southern states with large private medical seats migrating to other parts of India," said Agrawal. <https://www.indiaspend.com/health/why-adding-medical-colleges-isnt-enough-to-improve-indias-healthcare-883571>

## **STATES NEWS ITEMS**

### **3. Bengal Guv advises govt to provide right information to CAG** (*daijiworld.com*) Nov 30 2023

West Bengal Governor C.V. Ananda Bose on Thursday advised the state government to always provide the accurate and detailed information about the latter's finance and accounts to the Comptroller and Auditor General (CAG) of India.

"The assignment of CAG should always be welcomed. CAG always reveals the truth. The CAG reports always identify who is guilty and who is not. The CAG should have been given accurate and detailed information to monitor the areas of expenditure. Only the auditors can identify the areas of unaccounted expenses and also reveal who is actually guilty for that," the Governor said while addressing a programme at CAG office in Kolkata.

He also said that the role of the auditors is also extremely important to ensure and maintain records on whether there is proper utilization of public money.

Political observers feel that the Governor's observation was extremely important since it comes at a time when there had been allegations against the West Bengal government

of not providing CAG with detailed and accurate information about expenditure from the state exchequer.

There had also been allegations against the state food & supplies department of suppressing facts to the CAG, which ultimately resulted in a major scam in ration distribution in West Bengal in which state Minister Jyotpriya Mallick was arrested by the Enforcement Directorate (ED).

However, till the time the report was filed there was no confirmation from the ruling Trinamool Congress in the matter.  
<https://www.daijiworld.com/news/newsDisplay?newsID=1144837>

#### **4. DJB scam bigger than Delhi liquor scam: BJP** (*dailypioneer.com*) 01 December 2023

After exposing a scam of Rs 500 crore in the sewage treatment plants, BJP BJP leaders and workers on Thursday staged a protest outside the Delhi Jal Board office accusing the AAP government-run agency of corruption and demanded a CBI probe in the matter. The party members accused the DJB of running a "scam" awarding bogus tenders for the upgradation of its sewerage treatment plants. Delhi BJP president Virendra Sachdeva alleged that the DJB "scam" was bigger than the "liquor scam" – an alleged scam which has seen the jailing of several AAP leaders, including deputy chief minister Manish Sisodia.

Sachdeva said that the tender of Rs 1200 crore was floated for Rs 1546 crore and then it was raised to Rs 1938 crore. "In this way the Kejriwal government did the work of looting the Jal Board. The sewer lines are being laid for 9 years and payment has been made thrice but still nothing has been done in the name of work. All these things show that Kejriwal's politics is a politics of lies, deception, fraud and loot which the people of Delhi will one day uproot," he said.

He alleged that at DJB there were many instances where tenders were issued, and payments were made, but no work was done. Sachdeva said BJP workers will reach every home in Delhi to expose DJB's corruption.

Leader of Opposition Ramvir Singh Bidhuri demanded a CBI probe into the alleged corruption. He charged that a meeting of the DJB that approved the tenders was participated in by Manish Sisodia and Minister Saurabh Bhardwaj with several AAP MLAs as members of the panel. Bidhuri said that there was a time when DJB was in profit of Rs 700 crore but today it is in loss of Rs 70,000 crore.

Despite CAG repeatedly writing letters to Chief Minister Kejriwal for the last eight years, the Kejriwal government did not even get the accounts of the Jal Board audited.

Former Delhi BJP president Adesh Gupta said Kejriwal, who started the Corruption Free India movement in Delhi, has today become the biggest king of the same corruption. <https://www.dailypioneer.com/2023/state-editions/djb-scam-bigger-than-delhi-liquor-scam--bjp.html>

## 5. हरमू नदी की दुर्दशा: IIT मुंबई की सलाह नहीं माना, केंद्र के 55 करोड़ से भी हुआ था वंचित राज्य (*newswing.com*) 01 Dec 2023

Ranchi: हरमू नदी की दुर्दशा पर कैंग ने सीधे-सीधे अधिकारियों पर दोष मढ़ा है. कहा है कि इसका डीपीआर बनाते वक़्त उच्च तकनीकी संस्थानों की सलाह नहीं मानी गयी, जिस वजह से झारखंड को नुकसान उठाना पड़ा साथ ही हरमू नदी का जीर्णोद्धार कार्य सही तरीके से नहीं हो पाया. नगर विकास ने डीपीआर पर आईआईटी मुंबई सहित अन्य तकनीकी संस्थानों की सलाह भी ली लेकिन यह बात सामने आयी कि इस संबंध में आईआईटी मुंबई की सलाह के बावजूद राज्य सरकार ने राष्ट्रीय नदी संरक्षण योजना के दिशा-निर्देश तथा शहरी स्वच्छता योजना तैयार करने के लिए निर्धारित प्रक्रियाओं के अनुरूप परियोजना नहीं बनायी. परिणामस्वरूप भारत सरकार के एनआरसीपी के तहत 55.30 करोड़ रुपये मिलने से झारखंड वंचित रह गया.

बता दें कि, जुडको ने हरमू नदी का डीपीआर तैयार करवाया ,जिस पर 2014-15 में काम प्रारंभ हुआ था. इस योजना पर कई सवाल खड़े हो रहे हैं. इस योजना में 101 करोड़ की लागत आयी है,जिससे सिर्फ शहरी क्षेत्र में ही काम हुआ है, लेकिन अब नदी पूरा गंदा है. नाली का बहाव जारी है. ग्रामीण क्षेत्र छूटा रह गया.

विभाग के मुख्य अभियंता तकनीकी प्रकोष्ठ द्वारा दोनों चरणों के लिए डीपीआर 87.44 करोड़ की तकनीकी स्वीकृति अगस्त 2014 में ही प्रदान की गयी हालांकि, तकनीकी स्वीकृति देने के पहले आईआईटी मुंबई द्वारा उठाये गये मुद्दों का समाधान नहीं किया गया.परियोजना को जुडको द्वारा क्रियान्वित किया गया. बता दें कि झारखंड विधानसभा के उप समिति ने हरमू नदी के जीर्णोद्धार व संरक्षण कार्य में हुए नुकसान पर सरकार से रिपोर्ट मांगी है

### IIT मुंबई ने टिप्पणियों के साथ दी थी अगस्त 2014 में रिपोर्ट

राष्ट्रीय नदी संरक्षण निदेशालय के दिशा-निर्देश को ध्यान में रखकर डीपीआर को संशोधित करने की आवश्यकता पर जोर दिया. मल-जल संग्रह प्रणाली के लिए वास्तविक जलसंग्रहण क्षेत्र 22.59 वर्ग किमी पर विचार किया जाना चाहिए जो गंदे जल का उत्पादन एवं हरमू नदी में उत्सर्जन करेगा. शहरी फुटपार्थों के लिए भारित औसत में वास्तविक अप्रवाह को लागू करने पर जोर दिया.

<https://newswing.com/harmmu-river-plaint-iit-mumbais-advice-was-not-followed-the-state-was-deprived-of-even-rs-55-crore-from-the-centre/669073/>

## **SELECTED NEWS ITEMS/ARTICLES FOR READING**

### 6. India's major subsidies bill balloons. And, it was set to happen (*moneycontrol.com*) Dec 01, 2023

The Union government may end up spending Rs 50,000 crore more than the budget estimate (BE) on the three major subsidies — fertiliser, food and cooking gas — during the current financial year. The maximum slippage of Rs 25,000 crore would be in fertiliser subsidy where the revised estimate (RE) is likely to be Rs 2 lakh crore against a BE of Rs 1.75 lakh crore. Food subsidy will increase by Rs 15,000 crore with the RE rising to Rs 2.12 lakh crore against the BE of Rs 1.97 lakh crore. Cooking gas subsidy will overshoot the BE of Rs 2,250 crore by Rs 10,000 crore.

The underachievement of targets is a manifestation of an attempt by the ruling dispensation to artificially suppress the BE in order to show a better picture of the fiscal deficit in line with the pattern seen in the past. The jump in fertiliser subsidies shows the government's inability to correctly assess likely movement in the global prices of fertilisers and fertiliser raw materials (FRMs) during the course of the year. Besides, the unwillingness of the political brass to increase the maximum retail price (MRP) of fertilisers, even by a small amount, makes sure that the actual subsidy payout always remains higher.

In the case of food, the extension of the Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY) free ration scheme for another five years has come as a surprise and has increased the food subsidy bill. As for cooking gas, the increase in subsidy to beneficiaries under the Pradhan Mantri Ujjwala Yojna (PMUY) by Rs 100 per cylinder, also driven mainly by political considerations in the current election season, has led to excess payments.

### **Volatile Prices**

The subsidy on each tonne of fertiliser produced (or imported) and sold is the difference between the cost of supply and MRP. The subsidy is paid to manufacturers or importers to cover the excess of the cost of production/import and distribution (or cost of supply) over a low MRP that they are directed by the Union government to charge from the farmers. For FY 2023-24, finance minister Nirmala Sitharaman set the BE at Rs 1.75 lakh crore, Rs 79,000 crore lower than the RE of Rs 2.54 lakh crore for 2022-23. This was on the assumption that international prices of fertilisers and FRMs would decline drastically from the previous year's high. The prices did decrease during the first quarter of the current FY but have since risen. The price of urea declined from \$636 per tonne in October 2022 to \$333 in July 2023. Thereafter, it moved north and is currently at \$411 per tonne.

Normally, any effort at prudent fiscal management involves countervailing measures to offset the cost-push effect of an increase in international prices. One such measure could be an increase in the MRP of urea that hasn't been touched for over two decades. Yet, in June 2023, the Modi government decided to continue its availability to farmers at the prevailing MRP of Rs 242 per 45 kg bag for another three years. The government's efforts to plug leakage of subsidised urea (estimated at about 30 percent) by adopting various measures, including neem coating, haven't delivered the desired results.

### **Extension of Free Food Grain Scheme**

Food subsidy is the excess of minimum support price (MSP) paid to farmers and handling and distribution costs over the heavily subsidised price of Rs 2/3/1 per kg for wheat, rice and coarse cereals, respectively paid by 820 million beneficiaries under the National Food Security Act (NFSA). In the budget for 2023-24, the finance minister had set the BE at Rs 1.97 lakh crore, down Rs 90,000 crore from the RE for 2022-23 of Rs 2.87 lakh crore.

Apart from the regular NFSA allocation, the RE for 2022-23 included subsidy payments for distributing 5 kg of cereals per month for free to all 820 million people under the PMGKAY, a programme launched in April 2020 to deal with the situation triggered by

the Covid-19 pandemic. The PMGKAY was withdrawn from January 1, 2023, and supplies under regular NFSA were made free. This arrangement runs till December 31, 2023.

By ending free supplies (albeit under PMGKAY) during April-December 2023, the government saved a lot of money. But this was partially offset by making supplies under the regular NFSA free. The extension of free supplies, which will continue during January-March 2024, will result in excess payment over the BE. The hike in the MSP for all 14 kharif crops by 5-10 percent, announced in June 2023, has also added to the subsidy payout.

The subsidy on cooking gas was pegged at Rs 2,250 crore in the BE, and was meant to give a subsidy of Rs 200 per cylinder to 96 million households under the Ujjwala Yojna. The subsidy was increased to Rs 300 per cylinder from October 5, 2023. Besides, the government plans to provide an additional 7.5 million connections under the scheme. Both these post-budget decisions have led to excess payments. <https://www.moneycontrol.com/news/opinion/indias-major-subsidies-bill-balloons-and-it-was-set-to-happen-11836021.html>

## **7. State indebtedness to stay high at 31-32% in FY24: Crisil** (*economictimes.indiatimes.com*) 01 Dec 2023

The rating agency noted that overall borrowings of 18 states, which constitute 90% of the country's gross state domestic product, is likely to increase by 9% to over Rs 87 lakh crore in FY24 compared with Rs 79.5 lakh crore in FY23.

The debt target for states and Centre under the FRBM is 20% and 40%, respectively.

A rise in balance sheet borrowings and guarantees to power and irrigation sector entities is likely to keep state indebtedness high at 31-32%, said Crisil in its latest report Friday.

The rating agency noted that overall borrowings of 18 states, which constitute 90% of the country's gross state domestic product, is likely to increase by 9% to over Rs 87 lakh crore in FY24 compared with Rs 79.5 lakh crore in FY23.

“The revenue deficit will inch up to 0.5% of GSDP this fiscal from 0.3% last fiscal. This, coupled with the 18-20% on-year increase in capital outlays of states (~2.3% of GSDP) on key infrastructure segments such as water supply & sanitation, urban development, roads, and irrigation, will necessitate higher borrowings this fiscal, too,” said Anuj Sethi, senior director, Crisil Ratings.

States, however, will be able to meet their fiscal deficit target, with Crisil projecting that at 2.5% of GSDP, the gross fiscal deficit will remain below the 3% Fiscal Responsibility and Budget Management Act mark.

State development loan borrowing, which accounts for 65% of the overall state borrowing, was 28% higher between April and November 2023.

“The 50-year interest-free loans for Rs 1.3 lakh crore from the Centre to states will help meet part of the capital outlay and catalyse investments. Moreover, this loan is not included in the borrowing limit of ~3% of GSDP for states this fiscal,” said Crisil.

The debt to GSDP ratio hit a high of 34% in FY21 after remaining around 28-29% in the pre-pandemic period.

The debt target for states and Centre under the FRBM is 20% and 40%, respectively.

Crisil noted that the revenue expenditure growth at 8-10%, “driven by higher committed expenditure, and increasing social welfare and public health-related expenses,” was likely to be higher than revenue growth of 6-8%.

Organisation for Economic Co-operation and Development, in its latest economic outlook, had suggested a greater need for states to control their spending and narrow the tax gap. <https://economictimes.indiatimes.com/news/economy/finance/state-indebtedness-to-stay-high-at-31-32-in-fy24-crisil/articleshow/105650386.cms>

## **8. Defence sector gets ₹2.23 lakh crore push; upgraded jets for IAF, new guns in army and more (*hindustantimes.com*) Nov 30, 2023**

Defence Acquisition Council, under the chairmanship of Defence Minister Rajnath Singh on Thursday, accorded approval for Acceptance of Necessity (AoNs) for various capital acquisition proposals amounting to ₹2.23 lakh crore.

Of the total, acquisition worth ₹2.20 lakh crore (98 per cent) will be sourced from domestic industries.

"This will give a substantial boost to the Indian Defence Industry towards the aim of achieving the goal of 'Aatmanirbharta'," a defence ministry statement said.

The council has accorded the AoN for procurement of two types of Anti-tank Munitions namely, Area Denial Munition (ADM) Type - 2 and Type-3, which are capable of neutralising Tanks and Armoured personnel carriers and enemy personnel.

To replace the Indian Field Gun (IFG), which has completed its service life, AoN for procurement of state-of-the-art Towed Gun System (TGS) has been granted which will become a mainstay of Artillery forces of Indian Army.

The AoN was also accorded for 155 mm Nubless projectile for use in 155 mm Artillery guns which will enhance lethality and safety of the projectiles. All these equipment of the Indian Army will be procured under Buy (Indian-IDDM) category.

The AoN for procurement and integration of Automatic Target Tracker (ATT) and Digital Basaltic Computer (DBC) for T-90 Tanks under Buy (India) category have also been accorded which will help in maintaining combative edge of T-90 tanks over adversary platforms.

The AoN for procurement of Medium Range Anti-Ship Missiles (MRAShM) for surface platform of Indian Navy under Buy (Indian-IDDM) category has also been

accorded. The MRAShM is envisaged as a lightweight Surface-to-Surface Missile which will be a primary offensive weapon onboard Indian Naval Ships.

In addition, the DAC accorded AoNs for procurement of Light Combat Helicopter (LCH) for Indian Air Force (IAF) and Indian Army and Light Combat Aircraft (LCA) Mk 1A for IAF from Hindustan Aeronautics Limited (HAL) under Buy (Indian-IDDMM) category. The AoNs have also been accorded by the DAC for upgradation of Su-30 MKI Aircraft indigenously from HAL.

While procurement of these equipment will provide enormous strength to the IAF, acquisition from domestic defence industries will take the indigenous capability to a new height. It will also reduce dependability on foreign Original Equipment Manufacturers (OEMs) substantially.

Further, the DAC has accorded approval for a major amendment in the Defence Acquisition Procedure (DAP) 2020. It has been decided that henceforth, in all categories of procurement cases, minimum 50 per cent of indigenous content shall be in the form of material, components and software that are manufactured in India.

For the purpose of calculation of Indigenous content, cost of Annual Maintenance Contract (AMC)/Comprehensive Maintenance Contract (CMC)/After Sale Service shall be excluded.

Also, the DAC has taken decision to further encourage start-ups/MSMEs participation in the defence ecosystem. For all procurement cases with AoN cost upto ₹300 crore, registered MSMEs and recognised start-ups will be considered for issue of Request for Proposal (RFP) without any stipulation of financial parameters, which can further be relaxed with approval of Defence Procurement Board (DPB) for AoN cost upto ₹500 crore on case-to-case basis. [https://www.hindustantimes.com/india-news/defence-sector-gets-rs-2-23-lakh-crore-push-upgraded-jets-for-iaf-new-guns-in-army-and-more-101701344251842.html#google\\_vignette](https://www.hindustantimes.com/india-news/defence-sector-gets-rs-2-23-lakh-crore-push-upgraded-jets-for-iaf-new-guns-in-army-and-more-101701344251842.html#google_vignette)

## **9. Indian Railways switching tracks to AC 3-tier seats, grew capacity by 163% in decade since 2012 (*theprint.in*) 01 December, 2023**

Ever wondered why train tickets for sleeper class — the most common choice of travel for the masses — are tough to get? Turns out that the Indian Railways has added capacity in AC seating at a faster rate over the last decade, than in the non-AC category.

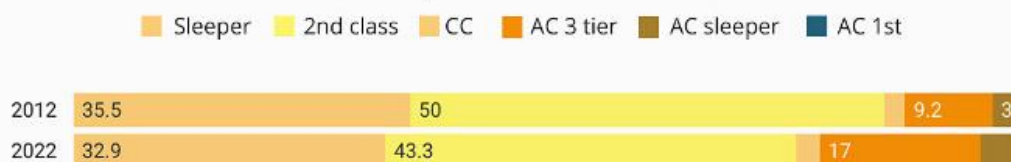
An analysis by ThePrint has found that seats available in the air conditioned compartments of non-suburban trains have jumped by a whopping 133 percent over the 10 years from 2012 to 2022, while the overall number of seats have increased by just 42.6 percent. This shift, in turn, is gradually changing the profile of the people travelling by trains.

Train journey by air-conditioned coaches can be done in AC first class, AC 2-tier, AC 3-tier, AC 3-tier economy, AC chair car (CC) among others.



## AC 3RD CLASS EXPANDS, NON AC CLASS SHRINKS IN INDIAN RAILWAYS

% distribution of total seats in Indian Railways' rolling stock  
for the year ended on March 31



**Note:** CC refers to Air Conditioned Chair Car. Figures are share of each class to total number of seats in non-suburban passenger trains

**Source:** Indian Railways Annual Report and Accounts (2011-12 and 2021-22)



Graphic by Ramandeep Kaur | ThePrint

According to the Ministry of Railways' Annual Statistical Statements, the rolling stock — all the engines and carriages that are used on a railway — of seats in the AC 3-tier has jumped from 2.7 lakh by the year ended March 2012 to about 7.2 lakh by March 2022, or about 163 percent jump.

Similarly, the number of seats in the air conditioned sleeper (AC 2-tier) is also up from 0.89 lakh in 2012 to 1.6 lakh (a growth of 89 percent) in 2022. The number of seats available in the First AC coaches was up from 6,070 to about 14,700 — a 143 percent increase — in the same period.

Seats in AC chair car coaches, which feature in trains like Shatabdi Express, Vande Bharat Express, have gone up by 66 percent from 65,000 to 1.08 lakh.

In contrast, such rate of increase in seating was not noticed in the data on the non-AC compartments, which usually carry the bulk of railway passengers — either those who cannot afford AC travel, or those who cannot get a confirmed ticket of non-suburban trains.

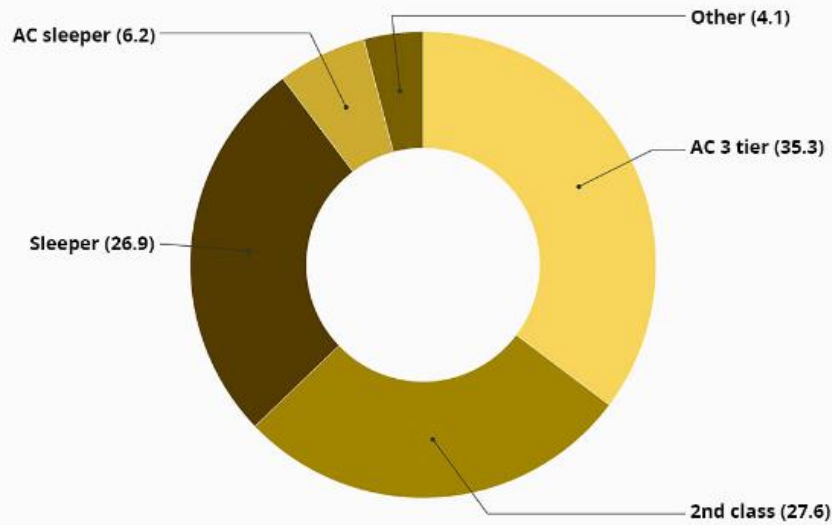
The sleeper class had 10.59 lakh berths in 2012, which increased by about 32 percent to 14 lakh by 2022. Similarly, the number of seats in the second class has increased by about 23 percent, from about 15 lakh in 2012 to 18.4 lakh by 2022.

To put it in other words, the data shows the largest share of additional seats that the Indian Railways has added from 2012 to 2022 is the air conditioned 3-tier class.

Consider these numbers: Of the 12.7 lakh seats added over these 10 years (in non-suburban trains), more than one-third (4.48 lakh) went to AC 3-tier coaches. Similarly, the second and sleeper classes saw addition of 3.5 lakh seats and about 3.4 lakh seats, respectively.

## AC 3RD CLASS TOOK A LION'S SHARE OF THE NEW SEATS ADDED BY THE INDIAN RAILWAYS

Class-wise % distribution of the new seats added between 2012 and 2022



**Note:** For non-suburban trains. Between 2012 and 2022 - a total of 12.7 lakh seats were added by the Indian Railways in its rolling stock



Graphic by Ramandeep Kaur | ThePrint

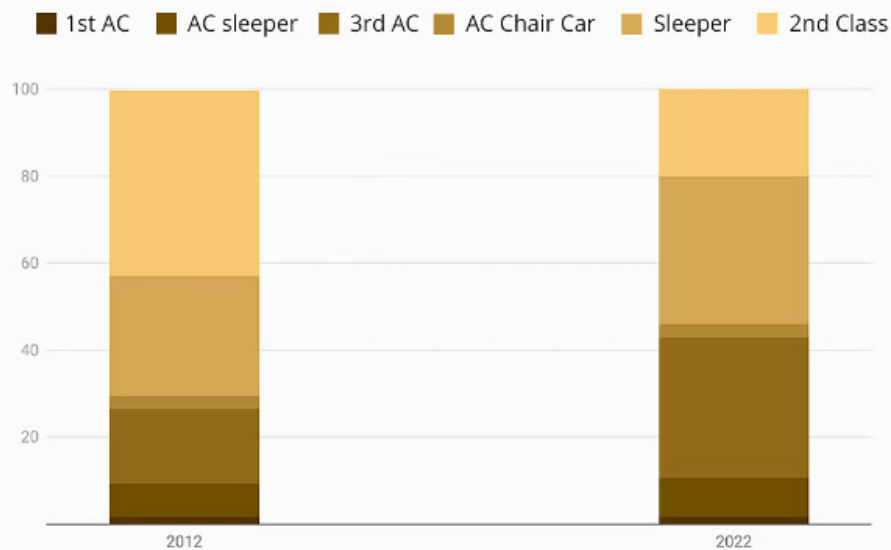
According to the annual reports and accounts of the Indian Railways, the national transporter ferried 1.35 billion passengers on non-suburban trains in the financial 2021-2022.

In 2012, second class passengers formed about 88 percent of the total passengers in non-suburban trains, which fell to 66 percent by 2022.

The sleeper class accounted for 8.6 percent of the total passengers in 2012, which jumped to 21.76 percent by 2022. The passenger traffic in AC 3-tier rose from 1.5 percent to 7.6 percent in those 10 years.

## EVEN WITH FEWER PASSENGERS, 3 AC COACHES GENERATE A THIRD OF RAILWAY PASSENGER BUSINESS

% of revenue by each class to the total revenue generated by non-suburban trains



Source: Indian Railways Annual Report and Accounts (2011-12 and 2021-22)



Graphic by Ramandeep Kaur | ThePrint

### Money matters

So, why is the AC 3-tier recording such a steep rise in both seat availability and passenger share? The answer lies in the finances.

Despite being low in terms of share of seats and even lower in the share of passenger traffic, the 3rd AC is a lucrative option for the Indian Railways as it earns a disproportionate amount of revenues compared to the non-AC classes.

Even by catering to just 7.6 percent of the passengers and constituting 19 percent of the train seats, the 3rd AC is responsible for almost one-third of the railways' passenger revenue (in non-suburban business).

In 2022, the Indian Railways earned Rs 37,855.42 crore from passenger business in non-suburban journeys, of which Rs 12,225 crore (32.3 percent) came from the 3rd AC class — a significantly higher share than Rs 4,523.94 crore (17 percent) in 2012.

Correspondingly, the share of revenue from sleeper (Rs 7,261.53 crore) and second class (Rs 11,207.55 crore) has fallen from 70.2 percent in 2012 to just 54 percent by 2022.

On Wednesday, Railway Minister Ashwini Vaishnaw dismissed reports that the number of non-AC coaches has been reduced. "We have around 60,000 train coaches, out of which 40,000 are non-AC, which is a significant number," Vaishnaw was quoted as

saying by PTI. <https://theprint.in/india/indian-railways-switching-tracks-to-ac-3-tier-seats-grow-capacity-by-163-in-decade-since-2012/1865499/>

## 10. **Economy's three cheers** (*timesofindia.indiatimes.com*) Dec 01, 2023

India's GDP growth rate of 7.6% for the July-September quarter surprised majorly on the upside, significantly overshooting RBI's estimate of 6.5%. The highlights of the data are a growth of 13.9% in manufacturing to Rs 7.15 lakh crore, construction increasing by 13% to Rs 3.04 lakh crore and investment rising 11% to Rs 14.71 lakh crore. However, there's a trouble spot in the distribution of income as private consumption grew just 3.1% to Rs 23.7 lakh crore.

Separately, the value of shares listed on the stock market touched \$4 trillion on Wednesday, making India only the fourth country to record this level of valuation. As a percentage of GDP, it exceeded 100%. Market capitalisation to GDP ratio is a widely tracked measure of valuation. Of greater relevance here is recent research that identifies the primary reason for the increase in market capitalisation after 1980s. The structural shift in the ratio was influenced mainly by a shift in profit in major economies to companies listed on stock exchanges. Market capitalisation GDP ratio, therefore, reflects deep economic transformation.

The US, which has the most dynamic technology sector in the world, has since 1996 generally recorded a market capitalisation GDP ratio exceeding 100. That India's current market capitalisation-GDP ratio is above 100 is partly a reflection of macroeconomic indicators favourably aligned to support profit growth of listed firms. For example, corporate tax growth between April and September 2023 was 20%, significantly higher than the 8.6% nominal GDP growth for the same period.

Robust tax collections are complemented by two other factors. First, the composition of India's fiscal allocations is supportive of economic growth at all levels of government. GOI for the last three years has reduced the share of revenue deficit in fiscal deficit. It means a greater share of borrowing is going towards investment. Separately, capital expenditure of major states has grown 47% in the first half of 2023-24. Second, favourable macroeconomic factors are being complemented by a change in the composition of household saving. Over the last three years, there's been a surge in investment in mutual funds, with 2021-22 marking a structural break. Flows into MFs that year increased 2.5 times to Rs 1.6 lakh crore and grew 12% the subsequent year. The \$4 trillion market capitalisation and 7.6% growth rate, therefore, have a solid basis.

High Q2 GDP growth, \$4 trillion m-cap & shift in household saving to MFs point to far-reaching changes. <https://timesofindia.indiatimes.com/blogs/toi-editorials/economys-three-cheers/>

## 11. **The transformative power of Ayushman Bharat** (*thehindubusinessline.com*) Updated - November 30, 2023

A substantial number of Indians are outside social safety nets, and lack healthcare access. The public healthcare system, crucial for ensuring access, is further fortified by the Ayushman Bharat Health and Wellness Centers (AB-HWC) scheme. Launched in

2018, this initiative is the Centre's flagship programme aimed at achieving universal healthcare access.

The AB-HWC aims to provide equitable access to comprehensive healthcare services for all. A market-based provision can limit access to users according to their ability to pay. The AB-HWC, aligning with universal healthcare tenets, rectifies market failures and affirms healthcare as a fundamental human right.

The AB-HWC initiatives aim at ensuring comprehensive primary care through a network of health and wellness centres. Currently, over 1.61 lakh AB-HWCs are operational. With approximately 213 crore footfalls, it demonstrates enhanced access to comprehensive healthcare. Several States have surpassed 100 per cent of their targets in terms of functional AB-HWCs.

The AB-HWC helps in eliminating unqualified practitioners as accessibility to trained medical professionals improves. The number of doctors at rural Primary Health Centres (PHCs) and Community Health Centres (CHCs) increased between 2018 and 2022 whereas doctors in service at rural PHCs rose to 30,640.

Training of medical staff (85 per cent) under the scheme resulted in a substantial increase in screening for non-communicable diseases (NCDs). Besides, teleconsultations initiated under the scheme reached 17 crore.

#### **Out-of-pocket expenditure**

The economically vulnerable face substantial barriers in accessing healthcare due to high out-of-pocket expenditures. As per the NSSO survey, non-hospitalized treatment at rural public health facilities costs ₹325. The AB-HWC scheme addresses this challenge by providing free drugs, diagnostics, and immunization services.

As per National Health Account Estimates, government health expenditure (GHE) rose from 28.6 per cent in 2013-14 to 41.4 per cent, while out-of-pocket expenditure declined from 64.2 per cent to 47.1 per cent. The continued awareness programmes with over 80 lakh wellness sessions conducted at AB-HWC accompanied by screening go a long way in aiding preventive care, including tuberculosis and diet and nutrition, indirectly reducing out-of-pocket expenditure. The efforts of (sub-health centres) SHC-HWC in fostering mental health awareness are instrumental in empowering the population to de-stigmatise mental health.

The expanded AB-HWC ensures comprehensive care in pregnancy and childbirth, promoting and facilitating institutional delivery, identifying high-risk pregnancies, and providing follow-up. Women constitute 54 per cent of total footfalls, indicating enhanced care for women and children under the scheme. Moreover, about 93 per cent of immunisation services are offered through public provision. The lack of reliable information and complete awareness from private healthcare providers robs women of their agency in childbirth decisions. The AB-HWC facilities and awareness, including complete information on deliveries as a public provision, ensure agency of women over their bodies and delivery decisions.

Ayushman Bharat is part of a broader vision for achieving universal health coverage. Since health outcomes are influenced by various factors, it is essential that public

provision, such as AB-HWC is assessed from the provisions ensured in the scheme and not from health outcomes.

As the AB-HWC achieves its target, upgrading existing SHC-HWCs and expanding additional SHC-HWCs to meet IPHS standards becomes imperative. A comprehensive national health expenditure policy under cooperative federalism is indispensable to achieve the universal healthcare envisaged under the Ayushman Bharat scheme. States achieving targets under the AB-HWC scheme should be incentivised with additional grants from the Centre. <https://www.thehindubusinessline.com/opinion/the-transformative-power-of-ayushman-bharat/article67591603.ece#:~:text=The%20AB%2DHWC%20aims%20to,as%20a%20fundamental%20human%20right.>

## **12. India saw extreme weather events almost every day from Jan to Sep 2023: report (*frontline.thehindu.com*) Dec 01, 2023**

**The Centre for Science and Environment said that 2,923 people died, 80,000 homes were destroyed, and more than 92,000 animals were killed.**

India experienced extreme weather events almost every day in the first nine months of this year which led to nearly 3,000 deaths, according to a report released on November 29. Published by the independent think tank Centre for Science and Environment (CSE), the report said the climate-vulnerable country had extreme weather on 86 per cent of days from January to September.

The CSE said 2,923 people died, almost two million hectares of crops were ruined, 80,000 homes were destroyed, and more than 92,000 animals were killed. But these numbers might be even higher because not all the data is collected, it said.

“India 2023: An assessment of extreme weather events’ attempts to build an evidence base on the frequency and expanding geography of extreme weather events in the country. As this assessment clearly shows, what the country has witnessed so far in 2023 is the new ‘abnormal’ in a warming world,” said the CSE director general Sunita Narain.

### **The new ‘abnormal’**

Research indicates that extreme weather events are becoming more frequent and intense worldwide due to climate change, primarily caused by the burning of fossil fuels such as coal, oil, and gas.

In 2015, countries agreed in Paris to limit the average temperature rise to well below 2°C, and preferably to 1.5°C, compared to pre-industrial levels (1850-1900). Multiple reports suggest that the world is significantly off track to limit global warming to 1.5°C. To achieve this goal, countries together need to halve the emissions of planet-warming greenhouse gases like carbon dioxide and methane by 2030.

According to the CSE report that came out ahead of the launch of the 28th round of the UN climate conference in Dubai, Madhya Pradesh reported the highest number of extreme weather events at 138. However, the largest number of deaths occurred in Bihar (642), followed by Himachal Pradesh (365) and Uttar Pradesh (341).

Punjab recorded the highest number of animal deaths while Himachal Pradesh reported the most damaged houses due to extreme weather events.

In the southern region, Kerala saw the highest count of extreme weather days (67) and deaths (60). Telangana suffered maximum effect on crop area (over 62,000 hectares). The State also witnessed high animal casualties (645). Karnataka faced severe destruction, with over 11,000 houses demolished.

### **Climate vulnerable**

In northwest India, Uttar Pradesh had the most extreme weather days at 113. Himachal Pradesh, Punjab, Haryana, Uttarakhand, and Rajasthan were also significantly affected. In the eastern and northeastern regions, Assam registered maximum extreme weather events (102), with the State losing 159 livestock and over 48,000 hectares of crops devastated. Nagaland saw over 1,900 houses destroyed.

The CSE said January was slightly warmer than average, while February broke records, becoming the warmest in 122 years. India had its sixth driest February and the driest August in 122 years. It said lightning and storms were the most common disasters, occurring on 176 out of 273 days and claiming 711 lives. Most of these deaths occurred in Bihar. However, the most significant devastation came from heavy rains, floods, and landslides, causing over 1,900 casualties.

According to research conducted by a different think tank, more than 80 per cent of Indians live in districts vulnerable to climate risks.

### **2023 set to be hottest year ever: UN**

2023 is set to be the hottest ever recorded, the UN said on November 30, demanding urgent action to rein in global warming and stem the havoc following in its wake. The UN's World Meteorological Organization warned that 2023 had shattered a whole host of climate records, with extreme weather leaving "a trail of devastation and despair".

"It's a deafening cacophony of broken records," said WMO chief Petteri Taalas. "Greenhouse gas levels are record high. Global temperatures are record high. Sea level rise is record high. Antarctic sea ice is record low."

The WMO published its provisional 2023 State of the Global Climate report as world leaders gathered in Dubai for the UN COP28 climate conference, amid mounting pressure to curb planet-heating greenhouse gas pollution. United Nations chief Antonio Guterres said the record heat findings "should send shivers down the spines of world leaders".

The stakes have never been higher, with scientists warning that the ability to limit warming to a manageable level is slipping through humanity's fingers.

As opposed to what was stated in the 2015 Paris Agreement, the WMO said 2023 data to the end of October showed that this year was already around 1.4°C above the pre-industrial baseline.

The agency is due to publish its final State of the Global Climate 2023 report in the first half of 2024. But it said the difference between the first 10 months of this year and 2016 and 2020—which previously topped the charts as the warmest years on record—“is such that the final two months are very unlikely to affect the ranking”.

The report also showed that the past nine years were the hottest years since modern records began. “These are more than just statistics,” Taalas said, warning that “we risk losing the race to save our glaciers and to rein in sea level rise”. <https://frontline.thehindu.com/news/climate-crisis-india-saw-extreme-weather-events-almost-every-day-from-jan-to-sep-2023-report/article67590713.ece>

### **13. In 2022, India lost 8 pc of GDP to climate change: Report** (*theweek.in*) November 30, 2023

A new report on climate change-induced economic loss has calculated that, in 2022, the total GDP loss in India was 8 per cent.

This is one per cent higher than the 7 per cent growth rate of India's GDP in 2022. The absolute figure stood at at \$3,385.09 billion—healthy by all measures, especially given the post-pandemic situation, but it could have been better if not for the negative impact of climate change.

Authored by economist James Rising, the report, titled ‘Loss and Damage Today: How climate change is impacting output and capital’ concludes that the world is poorer by \$1.5 trillion because of the negative impacts of climate change. In 2022, the population-weighted GDP loss of direct, international and capital losses was 6.3 per cent. A weighted number calculates the impact on the average person within the group, in contrast to say an output-based average which would be biased to the richest populations in the group.

Most of these losses are borne by the Global South. Least developed countries are exposed to an average population-weighted GDP loss of 8.3 per cent, and Southeast Asia and Southern Africa are particularly affected, with countries losing an average 14.1 per cent and 11.2 per cent of their GDP, respectively. India did only slightly better than the LDC average. These losses highlight the disproportionate burden imposed by climate change on developing nations.

Climate change is also exacerbating existing global inequalities, with many high-income countries currently experiencing net gains, including an average increase of 4.7 per cent to the GDP of European countries.

In 2022, India suffered a cumulative decrease of 7.9 per cent in capital wealth, mostly due to climate impacts to human-produced capital (eg. infrastructure). The effect on renewable capital is almost neutral, that is, the negative effect of warming (“direct” effect) is offset by the lesser GDP growth, which means less pressure on natural resources (“feedback” effect).

Since the Rio Convention, 30 years ago, India has lost a total of \$3,555 billion to climate change.



It should be noted that GDP is an incomplete measure of climate impacts. It, for instance, does not take into consideration non-market channels such as increased risks of premature mortality and loss of welfare to outdoor workers. Other factors such as biodiversity loss, climate tipping points, vector-borne disease, and human capital loss are also not considered.

Rising said, “The world is trillions of dollars poorer because of climate change, and most of that burden has fallen on poor countries. I hope that this kind of information can clarify the challenges that many countries already face today, and the support they urgently need to address them.” <https://www.theweek.in/news/biz-tech/2023/11/30/in-2022-india-lost-8-pc-of-gdp-to-climate-change.html>

#### **14. Illegal operations continue at Bisalpur Dam despite NGT ban** (*timesofindia.indiatimes.com*) Dec 01 2023

Jaipur: Despite a ban imposed by the National Green Tribunal (NGT) on desilting, dredging, mineral extraction, and disposal at the Bisalpur Dam in Tonk district without proper environmental clearance, the contractor remains undeterred. Heavy machinery deployed for the project continues its operations, and both the Eastern Rajasthan Canal Project Corporation Limited (ERCPCL) and the mining department show reluctance to take any corrective action.

To deepen the Bisalpur Dam, the ERCP department floated a tender for 20 years.

However, the NGT imposed a ban as the contractor started the work without obtaining environmental clearance.

An environmentalist, who lives in a nearby village but wished not to be quoted said, “Along with environmental clearance, it is mandatory to procure consent to operate from the Rajasthan State Pollution Control Board (RSPCB), but for the last five to six months, excavation has been ongoing continuously with heavy machinery without permission. Even after the ban, the machines are operational in the dark, disrupting the ecology.”

The chief engineer of ERCPCL, however, refuted the allegations and said, “After the ban, directions were given to stop the operations. At present, there is no ongoing work. Also, the department is seeking legal opinion on NGT’s order.”

The contractor is not only operating without obtaining necessary environmental permission but is also allegedly excavating sand from the Banas River, instead of the dam catchment area, which is not under its jurisdiction

“The company has installed a huge machine in the Banas River at Barh Ka Jhunpra in Kekri district, about 13 kilometre from Bisalpur Dam, through which it has stockpiled lakhs of tonnes of sand illegally. Moreover, the stock was done without permission from the Mineral Department; however, no action has been taken till date. This illegal stock worth lakhs of tonnes will be sold in the market, causing a loss to the state exchequer,” said a source.

Viral Patel, project head, N G Gadhiya firm, the contractor for the project, said, “The dredging and desilting of dams are exempted from environmental clearance as per notification dated 28.03.2020 issued by Government of India. The said notification was challenged but found valid by the principal bench of NGT, New Delhi and Supreme Court of India. The NGT, Bhopal in its interim order allowed carrying out dredging and de- silting operations at Bisalpur Dam as no stay was granted by the NGT. However, in the final order the NGT has required obtaining prior EC. Therefore, the dredging operations have been stopped and the final order is being challenged before the Supreme Court as it is not in accordance with the law laid down by the Government of India.” <https://timesofindia.indiatimes.com/city/jaipur/illegal-operations-continue-at-bisalpur-dam-despite-ngt-ban/articleshow/105641996.cms>