

NEWS ITEMS ON CAG/ AUDIT REPORTS

1. Probe ordered into “irregularities” in sheep, fish distribution schemes of BRS govt. (*thehindu.com*) March 06, 2024

Probe should cover all aspects of the schemes, says Revanth Reddy

Chief Minister A. Revanth Reddy has directed the officials to conduct a comprehensive inquiry into the alleged irregularities in the distribution of goats, sheep and fish during the previous Bharat Rashtra Samiti government.

The Chief Minister wanted the probe to cover all aspects including the selection of beneficiaries, the purchase of goats/sheep and the modalities adopted for the distribution among the beneficiaries. Steps should be taken to hand over the inquiry to the Anti-Corruption Bureau if the vigilance reports point to lapses in the implementation of the schemes.

He gave the instructions during a review meeting with senior officials on the functioning of Animal Husbandry and Fisheries department on Tuesday.

The meeting assumes significance in light of the irregularities flagged by the Comptroller and Auditor General of India in its report tabled in the Assembly recently. Referring to the observations made in the CAG report, Mr. Revanth Reddy recalled that an inquiry by the ACB too revealed that some employees diverted the funds meant for the distribution of sheep to their accounts and asked why further information was not collected by the department.

He wondered why the National Cooperative Development Corporation which sanctioned ₹3,955 crore loan for the first phase of the scheme launched in 2017 stopped release of loans for the subsequent phases.

Officials explained to the Chief Minister that NCDC had stopped loans to the scheme following the objections raised by the CAG citing the irregularities in the scheme. Mr. Revanth Reddy enquired as to why the beneficiaries who paid 25% amount as their share were not given sheep. The officials informed that ₹430 crore paid by 85,488 beneficiaries was with the district Collectors while another 2.2 lakh beneficiaries did not pay their share of the money.

The Chief Minister said there were several doubts relating to the implementation of the fish cultivation scheme and directed the officials concerned to conduct a thorough probe into the issue. Officials brought to the notice of the Chief Minister that ₹4 per litre of milk incentive to dairy farmers was not paid for the last three years resulting in pending dues of ₹203 crore. The Chief Minister stressed the need to release the incentive to dairy farmers and directed the officials to make payments through green channel every month.

Emphasising the need for setting up a veterinary hospital in every mandal, he wanted the officials to take steps to ensure that veterinary hospitals were constructed in 91 newly formed mandals too. Mobile veterinary services should be continued and steps

should be taken to call for tenders in this regard.
<https://www.thehindu.com/news/national/tehangana/probe-ordered-into-irregularities-in-sheep-fish-distribution-schemes-of-brs-govt/article67917278.ece>

2. Telangana government orders vigilance probe into sheep, fish distribution schemes (*newindianexpress.com*) Updated on: 06 Mar 2024

The officials said that the NCDC had not disbursed the second tranche loans as the CAG had already raised various objections against the scheme and detected irregularities in its implementation.

HYDERABAD: Chief Minister A Revanth Reddy on Tuesday ordered the Vigilance and Enforcement department to conduct a comprehensive inquiry into the alleged irregularities in implementation of the sheep and fish distribution schemes during the BRS regime.

During a review meeting with the officials of Animal Husbandry and Fisheries departments held at the Secretariat, he said that the implementation of these schemes, right from launch, selection of the beneficiaries, purchase and distribution, should be investigated from all angles.

Adviser to Chief Minister Vem Narender Reddy, Principal Secretary to CM Seshadri, Special Chief Secretary of Animal Husbandry Department Adhar Sinha, Dairy Director Lakshmi and Fisheries Director Gopi attended the review meeting.

“If any corruption or irregularities are detected during the inquiry, the details should be immediately handed over to the ACB,” he said and added that the recent CAG report pointed out massive corruption in these schemes.

“Funds related to sheep distribution were diverted to their own bank accounts by some employees under benami names,” he added.

The CM also wanted to know from the officials as to why the National Cooperative Development Corporation (NCDC), which had given a loan of Rs 3,955 crore, had stopped giving the second tranche loans.

The officials said that the NCDC had not disbursed the second tranche loans as the CAG had already raised various objections against the scheme and detected irregularities in its implementation.

When he asked why sheep were not distributed to the beneficiaries who had already paid 25 per cent as their share, the officials explained that 85,488 beneficiaries paid 25 per cent share and that Rs 430 crore are in the bank accounts of district collectors. “Around 2,20,792 beneficiaries have not paid money,” they informed.

Officials have brought to the attention of the CM that the incentive of Rs 4 per liter to dairy farmers has not been given for three years. They said that the arrears of about Rs 203 crore have accumulated in this regard. In response, Revanth directed the officials to regularly release the incentives to the dairy farmers from April onwards and said that payments should be made through green channel every month.

The CM suggested that there should be a veterinary hospital in every mandal. He said that mobile veterinary clinic services should be continued and necessary tenders should be called immediately.

Revanth advised the officials to consider the proposal to give weightage to those who have been working in this department for years in the recruitment of veterinary assistant surgeon posts undertaken by TSPSC. The weightage system implemented in the Health department should be applied in this department as well, he said. <https://www.newindianexpress.com/states/tehrangana/2024/Mar/06/tehrangana-government-orders-vigilance-probe-into-sheep-fish-distribution-schemes>

3. Govt to probe graft in sheep, fishling distribution schemes (*thehansindia.com*) 6 Mar 2024

Hyderabad: In yet another major decision, the State government has ordered a probe into the alleged massive corruption in sheep and fishling distribution schemes in the BRS government. Former Animal Husbandry minister T Srinivas Yadav and his close aides in office are facing corruption charges after the ACB found some important files missing from the head office of the department recently.

The government is already probing corruption in the Kaleshwaram project, ORR toll gate scam and Formula E race. Based on the Vigilance preliminary report, the ACB will take over the investigation and probe further in selection of beneficiaries, purchase and distribution of sheep and all other aspects from the day the schemes were launched.

Chief minister A Revanth Reddy asked officials to carry out a comprehensive probe and bring out facts in scheme implementation. He raised issue of irregularities in sheep distribution scheme and the CAG report which pointed out massive corruption at a review meeting on Tuesday. The CM mentioned the ACB investigation in the recent case where funds related to sheep distribution were diverted to their own accounts by some employees under benami names.

Reddy also inquired whether the department had collected further details. The CM questioned officials why the National Cooperative Development Corporation stopped giving loans on the second installments. The corporation gave a loan of Rs 3,955 crore in the first installment under the sheep distribution scheme.

Officials informed the CM that CAG had already raised objections against the scheme, detected irregularities; NCDC had not given the loan due to various reasons.

The CM also decided to strengthen the Animal Husbandry wing and payment of incentives to dairy farmers. He directed officials to release incentive of Rs 4/liter milk regularly to dairy farmers from April; every month payments should be made through green channel. The CM advised officials to consider the proposal to give weightage to those who have been working in the department for years in the recruitment of veterinary assistant surgeon posts which are being filled by the TSPSC. <https://www.thehansindia.com/tehrangana/govt-to-probe-graft-in-sheep-fishling-distribution-schemes-862899?infinitemscroll=1>

4. CM directs probe into sheep and fishling distribution (*telanganatoday.com*) 5 March 2024

The investigating agency would probe the selection of beneficiaries, purchase and distribution of sheep and other all aspects from the day the schemes were launched.

Hyderabad: Chief Minister A Revanth Reddy instructed officials to conduct a comprehensive probe into transactions that took place in the sheep and fishling distribution schemes of the previous government. The investigating agency would probe the selection of beneficiaries, purchase and distribution of sheep and other all aspects from the day the schemes were launched, he said.

“The Vigilance and Enforcement wing’s probe details should be handed over to the ACB immediately, if any corruption or irregularities are noticed in the preliminary report,” Revanth Reddy directed the officials here on Tuesday. The Chief Minister held a review meeting with the Animal Husbandry Department, Dairy Development and Fisheries department officials at Secretariat.

Raising the irregularities in the sheep distribution scheme and the CAG report which pointed out massive corruption in the implementation of the scheme, the CM mentioned the ACB’s investigation in the recent case where funds related to sheep distribution were diverted to their own accounts by some employees under benami names. The Chief Minister questioned the officials as to why the National Cooperative Development Corporation had stopped extending loans in the second installments. The Corporation gave a loan of Rs 3,955 crores in the first installment under Sheep distribution scheme.

Officials informed the Chief Minister that the CAG had already raised various objections against the scheme, detected irregularities and NCDC had not given the loan due to various reasons. <https://telanganatoday.com/cm-directs-probe-into-sheep-and-fishling-distribution>

5. Telangana CM orders probe into ‘irregularities’ in sheep distribution scheme during BRS regime (*thesouthfirst.com*) 06 March 2024

He stated that a CAG report had pointed out the alleged irregularities and corruption in the scheme, an official release said.

Telangana Chief Minister A Revanth Reddy on Tuesday ordered an inquiry by vigilance and enforcement officials on the alleged irregularities in the sheep distribution scheme during the previous BRS regime.

Reddy, who held a meeting with the officials of animal husbandry, fisheries and others, stated that a CAG report had pointed out the alleged irregularities and corruption in the scheme, an official release said.

During the meeting, he directed that the incentive amount of ₹ four per litre given to dairy farmers be released at regular intervals beginning in April.

He also instructed that a veterinary hospital be built in every mandal and to continue the services of mobile veterinary clinics in the state. <https://thesouthfirst.com/tehangana/tehangana-cm-orders-probe-into-irregularities-in-sheep-distribution-scheme-during-brs-regime/>

6. 162 करोड़ का पेंशन घोटाला: हरियाणा में भूतों को बांट दी पेंशन, सीबीआई ने की अफसरों पर कार्रवाई की सिफारिश (amarujala.com) 06 March 2024

162 करोड़ रुपये के पेंशन घोटाले में सीबीआई ने पंजाब और हरियाणा हाईकोर्ट में अपनी जांच रिपोर्ट दाखिल कर दी है। सीबीआई ने अपनी जांच में अधिकारियों को दोषी पाया। उनके खिलाफ कार्रवाई की सिफारिश भी की है। अब अदालत ने हरियाणा सरकार से कार्रवाई का ब्योरा मांग लिया है।

हाईकोर्ट के न्यायाधीश विनोद भारद्वाज ने इस पर कड़ा रुख अपनाते हुए हरियाणा सरकार से कार्रवाई की रिपोर्ट तलब कर ली है। साथ ही सामाजिक न्याय एवं अधिकारिता विभाग के प्रधान सचिव व महानिदेशक को अवमानना नोटिस जारी करते हुए जवाब मांगा है।

आरटीआई कार्यकर्ता राकेश बैस ने 2017 में अधिवक्ता प्रदीप रापड़िया के माध्यम से याचिका दाखिल करते हुए हाईकोर्ट को हरियाणा में हुए पेंशन वितरण घोटाले की जानकारी दी थी। याची ने बताया कि कैग की रिपोर्ट के अनुसार पेंशन वितरण में बड़ा घोटाला हुआ है। समाज कल्याण विभाग के अधिकारियों ने ऐसे व्यक्तियों को भी पेंशन बांट दी जिनकी या तो मृत्यु हो चुकी या वे पेंशन लेने की योग्यता ही पूरी नहीं करते। इसमें कई पंच, सरपंच भी शामिल रहे हैं। एक के साथ दो पेंशन का लाभ लेने वाले भी इनमें शामिल हैं। इस प्रकार सरकार को करोड़ों रुपये का चूना लगाया गया। याची ने कहा कि उन्हें हरियाणा विजिलेंस से कोई उम्मीद नहीं है और इस पूरे प्रकरण की जांच सीबीआई से करवाई जाए।

हाईकोर्ट ने इस मामले में सीबीआई को प्राथमिक जांच करने का आदेश दिया था और इसी के अनुरूप सीबीआई ने हाईकोर्ट को रिपोर्ट सौंप दी है। सीबीआई ने हाईकोर्ट में दाखिल अपनी स्टेट्स रिपोर्ट में कहा है कि प्रदेश के सभी दोषी जिला समाज कल्याण अधिकारियों के खिलाफ कार्रवाई होनी चाहिए।

अधिकारी बताएं क्यों न हो अवमानना की कार्रवाई

इस मामले में राज्य सरकार ने 2012 में दोषियों पर कार्रवाई की अंडरटेकिंग दी थी। इस अंडरटेकिंग के बावजूद आज भी मामला हमारे पास विचारधीन है, जो यह दर्शाता है कि अधिकारियों में सरकार की दी गई अंडरटेकिंग को लेकर प्रतिबद्धता की कमी है।

हाईकोर्ट ने कहा कि 2012 से लेकर अब तक जितने भी समाज कल्याण विभाग के प्रधान सचिव और महानिदेशक रहे वो प्रथम दृष्टया कोर्ट की अवमानना के दोषी हैं लेकिन अभी अदालत सिर्फ मौजूदा प्रधान सचिव और महानिदेशक को अवमानना का नोटिस जारी कर रही है। 15 मार्च तक दोनों को बताना होगा कि क्यों ना उनके खिलाफ अवमानना के लिए कार्रवाई की जाए।

सीबीआई के अनुसार, बड़ी राशि की वसूली बाकी

सीबीआई ने कहा कि अभी अपात्रों को पेंशन के तौर पर वितरित की गई बड़ी राशि की वसूली बाकी है। 2012 में हरियाणा सरकार ने विश्वास दिलाया था कि इस मामले में कार्रवाई होगी और ऐसा न होने के लिए जिम्मेदार सभी जिला समाज कल्याण अधिकारियों के खिलाफ विभागीय कार्रवाई होनी चाहिए।

2015 में की थी शिकायत, सात जिलों के अधिकारी चार्जशीट

आरटीआई कार्यकर्ता राकेश बैस ने छह अप्रैल 2015 को राज्य सरकार को पेंशन घोटाले की शिकायत दी थी। इसके बाद सरकार ने कार्रवाई नहीं की तो 2017 में हाईकोर्ट में याचिका दायर कर सीबीआई से जांच कराने की मांग की। मई 2023 में सरकार ने सीबीआई को जांच सौंप दी। इस मामले में समाज कल्याण विभाग संदिग्ध भूमिका वाले सात जिला समाज कल्याण अधिकारियों को चार्जशीट कर चुका है।

7.5 करोड़ से अधिक की रिकवरी बाकी

प्रारंभिक जांच में सामने आया है कि करीब 162 करोड़ रुपये का पेंशन घोटाला है। हालांकि, कैग की रिपोर्ट में इसे कई सौ करोड़ रुपये का घोटाला बताया गया है। समाज कल्याण विभाग की रिपोर्ट के अनुसार वर्ष 2012 की जांच में 18 हजार 420 अयोग्य लोग पाए गए थे। इसके अलावा 41 हजार 198 गैरहाजिर मिले और 29 हजार 381 की मृत्यु हो चुकी थी।

इसके बाद 22 अगस्त 2021 को अदालत में दाखिल स्टेटस रिपोर्ट के अनुसार 13 हजार 477 लोग पेंशन के अयोग्य थे, जबकि 17 हजार 94 गैरहाजिर रहे। 50 हजार 312 मृत मिले। इस मामले में कुल 6722 लोगों से 7 करोड़ 57 लाख 57 हजार 85 रुपये की रिकवरी बाकी है। इसमें 996 मृतकों से 1 करोड़ 39 लाख एक हजार 773 रुपये की रिकवरी और 657 लापता लोगों से 95 लाख सात हजार 902 रुपये की रिकवरी शामिल नहीं है।

सिर्फ एक सरपंच को तीन साल की सजा

-कुरुक्षेत्र थाने में 22 जनवरी 2013 को दर्ज मामले में आरोपी के खिलाफ आरोप पत्र दायर किया गया, मगर आरोपी की मौत हो गई।

-पुलिस ने 23 फरवरी 2015 को करनाल, कैथल और कुरुक्षेत्र में तीन अलग-अलग केस दर्ज किए। एक केस की जांच ठीक नहीं की गई और दो केस के आरोपी बरी हो गए।

-कैथल के सीवन थाने में 25 अक्टूबर 2015 को दर्ज एफआइआर में आरोपी सरपंच को तीन साल की सजा हुई।

-कुरुक्षेत्र के शाहबाद थाने में 28 जनवरी 2017 को दर्ज केस को पुलिस ने अनट्रेस बताकर बंद कर दिया।

-जींद के पिल्लूखेड़ा थाने में 27 मई 2021 को दर्ज मामले को पुलिस ने अनट्रेस बता दिया।

-नरवाना थाने में 13 जनवरी 2022 को दर्ज मामले में पुलिस ने केस को अनट्रेस बताया है।
<https://www.amarujala.com/chandigarh/cbi-files-investigation-report-in-haryana-pension-scam-in-high-court-2024-03-05?pageId=2>

7. पेंशन घोटाला: 2012 से अब तक के सभी अफसर दोषी, सीबीआई ने सौंपी स्टेट्स रिपोर्ट, एचसी का सीएस को अवमानना नोटिस, ब्योरा तलब (haribhoomi.com) 05 March 2024

हरियाणा में भूतों की पेंशन घोटाला में सीबीआई ने स्टेट्स रिपोर्ट हाईकोर्ट को सौंप दी। जिसमें 2012 से 2024 तक के सभी अफसरों को दोषी माना है। रिपोर्ट मिलने के बाद हाईकोर्ट ने प्रदेश के मुख्य सचिव को अवमानना का नोटिस जारी करने के साथ सरकार से ब्योरा तलब किया है।

चंडीगढ़। प्रदेश में भूतों (अपात्र, मृतकों व अस्तित्व विहीन लोगों) को पेंशन बांटने के मामले में सीबीआई ने हाईकोर्ट में अपनी स्टेट्स रिपोर्ट सौंपी। जिसमें 2012 से 2024 तक के सभी अधिकारियों को दोषी मानते हुए पेंशन के लिए वेरिफिकेशन करने वालों और मंजूरी देने वालों पर एफआईआर की सिफारिश की है। जिस पर हाईकोर्ट ने कड़ा रुख अपनाते हुए हरियाणा सरकार से एक्शन टेकर रिपोर्ट तलब करने के साथ समाजिक न्याय एवं अधिकारिता विभाग के प्रधान सचिव व महानिदेशक को अवमानना नोटिस जारी कर जवाब मांगा है। आरटीआई एक्टिविस्ट राकेश बैस ने एडवोकेट प्रदीप रापडिया के माध्यम से 2017 में हाईकोर्ट को हरियाणा में हुए पेंशन वितरण घोटाले की जानकारी दी थी। जिसमें कैंग रिपोर्ट का हवाला देकर पेंशन घोटाले की बात कही थी। याचिका में समाज कल्याण विभाग के अधिकारियों पर मर चुके या अपात्र लोगों को करोड़ों की पेंशन बांटने के आरोप लगाए थे।

विजिलेंस पर जताया था अविश्वास

याची ने कहा कि उन्हें हरियाणा विजिलेंस से कोई उम्मीद नहीं है और इस पूरे प्रकरण की जांच सीबीआई से करवाई जाए। हाईकोर्ट ने इस मामले में सीबीआई को प्राथमिक जांच का आदेश दिया था और इसी के अनुरूप सीबीआई ने हाईकोर्ट में रिपोर्ट सौंप दी है। सीबीआई ने हाई कोर्ट के सामने स्टेट्स रिपोर्ट दायर करते हुए बताया कि हरियाणा भर के दोषी जिला समाज कल्याण अधिकारियों के खिलाफ कार्यवाही होनी चाहिए।

2012 में दी थी दोषियों पर कार्रवाई की अंडरटेकिंग

हाईकोर्ट ने कहा कि इस मामले में सरकार ने 2012 में दोषियों पर कार्रवाई की अंडरटेकिंग दी थी। इस अंडरटेकिंग के बावजूद आज भी मामला हमारे पास विचारधीन है जो यह दर्शाता है कि अधिकारियों सरकार की दी गई अंडरटेकिंग को लेकर प्रतिबद्धता की कमी है। हाईकोर्ट ने कहा कि 2012 से लेकर अब तक जितने भी समाज कल्याण विभाग के प्रधान सचिव और महानिदेशक रहे वो प्रथम दृष्टया कोर्ट की अवमानना के दोषी हैं, लेकिन अभी अदालत सिर्फ मौजूदा प्रधान सचिव और महानिदेशक को अवमानना का नोटिस जारी कर रही है। 15 मार्च 2024 तक दोनों को बताना होगा कि क्यों ना उनके खिलाफ अवमानना के लिए कार्यवाही की जाए।

सीबीआई की सिफारिश

सीबीआई ने कहा कि अभी भी अपात्रों को पेंशन के तौर पर वितरित की गई बड़ी राशि रिकवर होनी बाकी है। 2012 में हरियाणा सरकार ने विश्वास दिलाया था कि इस मामले में कार्रवाई होगी और ऐसा न होने के लिए जिम्मेदार सभी जिला समाज कल्याण अधिकारियों के खिलाफ विभागीय कार्रवाई होनी चाहिए। <https://www.haribhoomi.com/state-local/haryana/news/pension-scam-all-officers-guilty-from-2012-to-2024-cbi-submits-status-report-hc-issues-contempt-notice-to-cs-details-sought-13396>

8. At ₹3.74 lakh crore, Punjab's debt pile set to get bigger (*hindustantimes.com*) Mar 06, 2024

The state government is estimated to borrow ₹30,465 crore in the financial year 2024-25 and close the year with an outstanding debt of ₹3.74 lakh crore as per budgetary estimates (BE) and a debt to gross state domestic product (GSDP) ratio of 46:60

The Aam Aadmi Party (AAP) government has been blaming the legacy debt of previous governments for the fiscal woes of Punjab, accusing them of pushing the state into a debt trap.

The expectation, therefore, was that it would whittle down borrowings, but the budget numbers show that debt has been spiralling each year. The state government is estimated to borrow ₹30,465 crore in the financial year 2024-25 and close the year with an outstanding debt of ₹3.74 lakh crore as per budgetary estimates (BE) and a debt to gross state domestic product (GSDP) ratio of 46:60%. The GSDP is expected to be ₹8.02 lakh crore, according to the 'Budget at a Glance' document tabled by finance minister Harpal Singh Cheema in the state assembly.

In the current fiscal year, the outstanding debt was to climb to ₹3.47 lakh (BE), but it has been revised to ₹3.43 lakh crore in the revised estimate (RE). A closer look at the budget arithmetic reveals that the bulk of the borrowings is going into debt servicing – payment of principal and interest. In FY25, the total outgo on debt servicing has been pegged at ₹36,766 crore, including a whopping ₹23,900 crore on interest payments and ₹12,866 crore on repayment of principal. This is substantially more than the estimated net borrowing during the year. In the financial year 2023-24, the debt servicing BE was ₹38,626 crore, but has been increased to ₹39,126 crore in the revised estimates for the year.

Successive governments have, in their white papers, blamed unproductive borrowings for the state's lack of fiscal space.

Considering a longer period, the state's debt burden has more than trebled in the past ten years — from ₹1,12,366 crore in 2014-15 to ₹3.43 lakh crore in the current fiscal (RE). The funds were mostly used by the government for the redemption of past debts, interest payments and day-to-day needs of the state instead of the creation of capital assets.

The CAG, in its report on the finances of Punjab during the previous regime, had said that the government needs to use the borrowed funds as far as possible only to fund the capital expenditure and revenue expenditure should be met from revenue receipts. Last year, the debt issue was also raised by governor Banwarilal Purohit, who sought from

chief minister Bhagwant Mann details of the utilisation of the debt raised by the AAP government during its tenure. In his reply, Mann, while blaming his predecessors, wrote that lingering issues left behind by previous governments were dealt with on priority, and his government used both debt and its own revenue resources to fund organisations/schemes ignored by them, utilised the new debt to create capital assets and undertake development activities in the state.

Ballooning debt

₹1,12,366 crore 2014-15

₹1,28,835 crore 2015-16

₹1,82,526 crore 2016-17

₹1,95,978 crore 2017-18

₹2,11,917 crore 2018-19

₹2,28,906 crore 2019-20

₹2,58,032 crore 2020-21

₹2,81,772 crore 2021-22

₹3,14,220 crore 2022-23

₹3,43,626 crore 2023-24 (Revised estimates)

₹3,74,091 crore 2024-25 (budget estimates)

<https://www.hindustantimes.com/cities/chandigarh-news/at-3-74-lakh-crore-punjab-s-debt-pile-set-to-get-bigger-101709668960843.html>

9. फॉरेस्ट फंड का 'दुरुपयोग': मध्य प्रदेश ने कैपा फंड से 167 करोड़ रुपये डायवर्ट किए *(hindi.newslaundry.com)* 06 March 2024

कैग की एक रिपोर्ट के मुताबिक, जब शिवराज सिंह चौहान सीएम थे. तब राज्य ने 'गैर-जरूरी गतिविधियों' पर 50 करोड़ रुपये से ज्यादा खर्च किए थे.

फॉरेस्ट फंड के दुरुपयोग के एक मामले में मध्य प्रदेश सरकार ने पेड़-पौधे लगाने के लिए दी जाने फंड में से 167 करोड़ रुपये से ज्यादा के फंड 'गैर-जरूरी गतिविधियों' के लिए आवंटित कर दिए.

इस महीने की शुरुआत में भारत के नियंत्रक और महालेखा परीक्षक (कैग) की ओर से प्रकाशित एक रिपोर्ट के मुताबिक, किसानों और बुनियादी ढांचे के विकास की योजना जैसी गतिविधियों पर 50 करोड़ रुपये से अधिक खर्च किए जा चुके हैं. इस फंड को शिवराज सिंह चौहान के मुख्यमंत्री रहने के दौरान ही डायवर्ट किया गया था.

इन फंड का पैसा प्रतिपूरक वनीकरण निधि प्रबंधन और योजना प्राधिकरण (कैम्पा) ने जुटाई थी. इस फंड का इस्तेमाल "जंगल की जमीन को हुए नुकसान की क्षतिपूर्ति के लिए होता है. इसके अलावा फंड का इस्तेमाल क्षतिपूर्ति के तौर वनरोपण के लिए होता है और वन्यजीव आवास में सुधार, जंगल की आग पर नियंत्रण, वन संरक्षण और मिट्टी और जल संरक्षण उपायों के माध्यम से वनों की गुणवत्ता में सुधार करके वन भूमि और पारिस्थितिकी तंत्र सेवाओं के नुकसान की भरपाई के लिए किया जाता है."

यह फंड उन कंपनियों से इकट्ठा की जाती है जो गैर-वानिकी परियोजनाएं चलाती हैं यानी ये कंपनियां सिंचाई, खनन, सड़क निर्माण जैसे प्रोजेक्ट पर काम करती हैं. कंपनियों से जो फंड जुटाया जाता है वह केंद्र सरकार की राष्ट्रीय प्राधिकरण के पास जाती है. राष्ट्रीय प्राधिकरण से फंड को राज्यों को तब भेजा जाता है जब वे जंगलों को लेकर अपनी योजनाओं का सालाना प्लान भेजते हैं.

8 फरवरी की अपनी रिपोर्ट में कैंग ने कहा कि मध्य प्रदेश ने "गैर-जरूरी गतिविधियों" के लिए कैम्पा फंड के 167.83 करोड़ रुपये आवंटित किए थे.

रिपोर्ट के मुताबिक, 2017-18 और 2018-19 में मुख्यमंत्री कृषक समृद्धि योजना के तहत कृषि वानिकी के लिए 120.30 करोड़ रुपये आवंटित हुए. वहीं, 2018 में वन भवन के निर्माण के लिए 20.88 करोड़ रुपये, 2017-18 में नई वन भर्तियों के लिए 7.13 करोड़ रुपये, 2017-18 से 2019-20 तक राज्य वन अनुसंधान संस्थान जबलपुर के रिसर्च के लिए 6.47 करोड़ रुपये आवंटित हुए.

रिपोर्ट में कहा गया कि 2019 में वन कर्मचारियों के प्रशिक्षण के लिए 5 करोड़ रुपये और 2018-19 से 2019-20 तक बुनियादी ढांचे के विकास के लिए 1.97 करोड़ रुपये का आवंटन किया गया.

कैंग की रिपोर्ट में कहा गया, "विभाग ने गैर-जरूरी गतिविधियों पर अनियमित तरीके से 53.29 करोड़ रुपये का खर्च किया. इन खर्चों का जंगलों की क्षतिपूर्ति से कोई लेना-देना नहीं है इसलिए इन खर्चों का कैम्पा फंड से कोई जुड़ाव नहीं है. इसके परिणामस्वरूप 53.29 करोड़ रुपये की कैम्पा फंड का अनियमित खर्च और दुरुपयोग हुआ है."

कैंग के निष्कर्षों पर अपने जवाब में राज्य सरकार ने कहा कि फंड को दिशानिर्देशों और निर्देशों के अंतर्गत खर्च किया गया था.

लेकिन कैंग ने राज्य सरकार के जवाब पर असंतुष्टता जताते हुए कहा, "जवाब स्वीकार्य नहीं है क्योंकि उपरोक्त गतिविधियों पर किया गया खर्च दिशानिर्देशों के खिलाफ था."

वाणिज्यिक वृक्षारोपण के लिए इस्तेमाल किए जाने वाले फंड

कैंग ने राज्य में कैम्पा दिशानिर्देशों के कई और उल्लंघनों को उजागर किया है.

मध्य प्रदेश कैम्पा के सीईओ ने 2017-18 से 2019-20 तक सागौन वृक्षारोपण के लिए मध्य प्रदेश राज्य वन विकास निगम लिमिटेड को 29.58 करोड़ रुपये आवंटित किए. कैम्पा के सीईओ ही राज्य में फंड के प्रभारी भी हैं.

कैग ने कहा कि कैम्पा फंड से सागौन वृक्षारोपण पर खर्च अनियमित रूप से किया गया. जो कैम्पा के कई दिशानिर्देशों का उल्लंघन है.

रिपोर्ट के एक दूसरे हिस्से में दिसंबर 2019 से जुलाई 2020 तक सात महीनों में पांच बार एक ही जगह पर 'खरपतवारों के उन्मूलन के फिजूल खर्च' पर रोशनी डाली गई है. इनमें नौरादेही वन्यजीव डिविजन में खरपतवारों को हटाना भी शामिल था. नौरादेही वन्यजीव डिविजन चीतों के पुनः प्रजनन के लिए प्राथमिकता वाली जगहों में से एक है.

नौरादेही वन्यजीव डिविजन ने पहली बार दिसंबर 2019 में 9.43 लाख रुपये की लागत से "ज्यादा घनत्व वाले खरपतवार" को हटा दिया था. इसके बाद दिसंबर 2019 और जुलाई 2020 में लैंटाना और ब्रशवुड (एक तरह का खरपतवार) के लिए 17.20 लाख रुपये का अलग-अलग फंड दिया गया. ये पहले से ही सभी तरह के खरपतवारों के तहत आते थे. 5.72 लाख रुपये और 4.05 लाख रुपये की लागत से जनवरी और फरवरी 2020 में खरपतवार उन्मूलन के लिए दोबारा फंड दिया गया.

कैग ने कहा कि खरपतवार उन्मूलन कार्यक्रम केवल एक या दो साल में होता है, वो भी तब यदि खरपतवार वन्यजीवों के रहन-सहन पर कोई प्रतिकूल असर डालते हैं.
<https://hindi.newsland.com/2024/03/06/madhya-pradesh-uses-forest-fund-in-ineligible-activities-says-cag-report>

SELECTED NEWS ITEMS/ARTICLES FOR READING

10. Grey zone. Controversy over States' debt
(*thehindubusinessline.com*) Updated - March 05, 2024

On off-budget borrowings, both the Centre and States, such as Kerala, are guilty. Disputes on borrowing limit are best resolved through a GST-Council-like body

The ongoing Court battle between Kerala and the Union government on public debt raises fundamental questions in federal fiscal relations and also whether a State can take independent fiscal decisions regardless of their consequences on the national economy.

At the heart of the issue is Article 293 of the Constitution which empowers the Centre to fix a Net Borrowing Ceiling (NBC) for a State if the latter is indebted to the former, which is the case with all States.

The NBC is fixed by the Centre according to a formula governed by FRBMA and Finance Commission (FC) Recommendations, allowing an extra 0.5 per cent over the 3 per cent FRBMA limit subject to a State implementing specified power sector reforms, plus its contribution to the New Pension Scheme and loan repayments made during the previous year.

The Centre contends that this ensures sustainable borrowing while ensuring improvement in power sector efficiency, while the State contends that it is an encroachment upon its constitutional jurisdictions.

The dispute arose with the Centre also including extra budgetary borrowings (EBB) of the State raised through its public undertakings and not reflected in the budget, which reduced its borrowing limit to only ₹20,690 crore, or by more than ₹17,000 crore, creating an acute financial crisis and jeopardising budget implementation.

It has upset the State's own FRBMA targets and taken away its exclusive constitutional rights to determine borrowing to balance the budget.

Centre's Argument

The Centre has argued before the Supreme Court that the State is under financial stress "purely due to its own financial mismanagement". To circumvent the borrowing limits, it has resorted to EBB of ₹42,285 crore from 2016-17 to 2021-22 through the Kerala Infrastructure Investment Fund Board (KIIFB) and Kerala Social Security Pension Limited (KSSPL) which have no revenue sources of their own; hence their debts have to be repaid only through the budget. KIIFB is a statutory body that raises loans for investment in large infrastructure projects.

Similarly, KSSPL is a government company that disburses social security pensions by raising loans from the market which are serviced by the government through the budget.

Such EBBs, undisclosed in the Budget, are non-transparent means of financing fiscal deficit (FD). If all the EBBs are considered, the debt ratio of Kerala increases to 40.88 per cent for 2021-22, as against 38.7 per cent computed otherwise, way beyond the 32.6 per cent limit prescribed by 15th FC for the year.

While underlining the need for fiscal discipline, the Centre pointed to the adverse consequences of unsustainable levels of government debt and borrowing, like lowering of the country's sovereign credit rating with its adverse macroeconomic consequences upon the national economy.

Kerala may well be one of the most profligate States, with its FD exceeding 5 per cent in FY 2022, of which the revenue deficit accounted for more than 3 per cent. But the Centre is guilty of the same infractions it is accusing Kerala of.

Shifting goal posts

The Centre's FRBMA (2003) itself has been amended four times through the Finance Acts — in 2004, 2012, 2015, and 2018, each time shifting the original target of achieving 3 per cent fiscal deficit and zero revenue deficit by March 2008 to farther and farther away. It has also introduced an escape clause that allows the Centre an easy route to deviate from its FRBMA targets.

As regards the EBBs, what the KIIFB does — borrowing from the market to execute infrastructure projects for government — is similar to what NHA and other central bodies do for the Central government — raising loans through "Fully Serviced Bonds" serviced by the Centre through its Budget allocations. Another mechanism is through the National Small Savings Fund (NSSF) which is a part of the Union Government's

Public Account, withdrawal from which does not require Parliamentary approval, which enables the Centre to use as routinely to finance its FD.

In FY 2020, the Centre, through a statement in the budget, disclosed a total EBB of ₹1.48-lakh crore, but CAG calculated that another ₹1.75-lakh crore remained undisclosed. Including both these figures, the actual FD would have been 1.6 percentage points higher than 4.6 per cent calculated for the year, way above the FRBMA limits. While the Centre includes EBBs for fixing the States' NBC, does not do so for computing its own FD, reflecting an asymmetry in approach.

The Centre and States need to agree on what constitutes EBBs and mechanism for funding these debts and criteria for their disclosure. These disputes should be resolved in a consultative body like a GST Council where the Centre and States can evolve a consensus on such issues rather than the Supreme Court, which may not be equipped to handle the economic fallout of its decisions, which will be for the governments at the Centre and in the States to handle.
<https://www.thehindubusinessline.com/opinion/controversy-over-states-debt/article67917986.ece>

11. GDP Statistics Don't Lie, but the Devil Lies in the Details (*thewire.in*) 06 March 2024

If we peel the growth numbers a bit, it's not all great news.

The GDP numbers for the October-December quarter of the fiscal year 2024 have been quickly touted by many as a sign of the current government's performance.

GDP during the three months ending in December grew at 8.4%. The FY24 growth forecast has been increased to 7.6% from 7.3%.

Many observers approach quarterly GDP reports like tiger parents look forward to their children's report cards. "Did my child come first? Did he get top marks?"

Looking gleefully at the quarterly GDP report, these "tiger parents" of our country were quick to proudly proclaim, "My country came first. And leave it at that."

Yet, if we peel the growth numbers a bit, it's not all great news.

Firstly, it was helped by a downward revision of last year's GDP. One adjustment of the past year base number, and that makes this year's level look better, automatically.

Second, agriculture sector growth was dismal at just 0.8%. Food grain production is likely to decline 6.1% over the full year. With over 50% of the population dependent on agriculture, farm sector growth is critical and cannot be left behind.

A third cause for concern is that private consumption grew at only 2.7%. Consumer product companies like Hindustan Unilever also reported muted growth in the December quarter, perhaps reflecting this trend. It also suggests that the bulk of the population either don't have the money to spend on consumption or are saving a much

larger part of their incomes. Considering the pressure on the poor and middle-class, the former is more likely than the latter.

Contrast this with another report that came out in the financial papers on the same day – premium beauty products are seeing an enormous growth. Retailers are reporting sales growth of 18% to 50%. The auto industry, too, reported that premium cars were selling faster than low-priced ones. These again point to the top of the pyramid being able to buy more luxury goods, while the common man still finds it very difficult to make ends meet.

Fourth, private consumption forms the bulk of the overall economic demand, and if that doesn't grow fast across the board, eventually high investment levels could end up in unproductive surplus capacity.

Overall gross capital formation in the quarter grew at 11%, led by government investment. However, private investment still continues to struggle. According to CMIE, new investment proposal levels from the private sector have remained lower in the last nine years compared to the preceding 10 years.

What does all this tell us about the better-than-expected GDP growth statistics and the real status of our economy?

Make no mistake, rapid growth is necessary in an emerging economy like ours for us to take the steps towards a developed country. It gives us the wherewithal to invest in health, education, infrastructure, research and development, quality-competitiveness, sustainability etc. However, our current growth numbers don't seem sufficient for us to achieve these goals.

History suggests that the region now primarily known as "India" was among the wealthiest in the world in ancient times, surpassing many contemporary developed regions. However, despite this wealth, much of the population lived in poverty, particularly the lower castes and tribal communities who were marginalised from prosperity. Education was accessible to only a privileged few. Moreover, the region lagged behind in adopting technological advancements that could have enhanced productivity and quality of life for its people.

Meanwhile, the rulers, such as the rajas and nizams, enjoyed lives of opulence that were unparalleled in comparison to much of the world.

Fast-forward to today. We need to ask whether economic growth is benefitting all sections of the population equally. Or are we again seeing a growing distance between the corporates (maharajas) and the common man?

In the 20th century, economics focused on the GDP growth statistics were a key indicator of economic health, alongside inflation. Hence, these statistics were given great importance.

In the 21st century, economic reporting requires a broader perspective. For instance, more focus needs to be put on equality and income distribution. What's the growth of prosperity amongst the bottom 5-10%?

Additionally, attention needs to be given to employment and the share of women in the workforce.

Sustainability has become a paramount concern, needing greater focus. Have AQI levels come down? Has afforestation gone up? Is water pollution being better controlled?

“What gets measured, gets managed” is a saying in business that is well-applicable in economy-management as well. How might we get quarterly measures and reports on these alongside GDP and inflation reports? <https://thewire.in/economy/gdp-statistics-dont-lie-but-the-devil-lies-in-the-details>

12. India’s GDP Growth Numbers: An Overdrive That Must Come With Trigger Warnings (*thequint.com*) Published: 05 Mar 2024

Are we not supposed to sober up when confronted with a full-year uptick in GDP of only 0.3 percentage points?

What is it about Economics that makes people hum and haw? Are we to believe that the last quarter was very good for India's GDP because the economy was doing rather well, beyond expectations? Or, does the truth lie in the fact that the past is looking worse than it was thought to be, and hence, the present is good enough to make the Sensex zoom?

If you are not an Economist, you should be confused now, and that is the perfect thing to be in the eyes of a cynic. Data analysis is a mean sport.

Though unsubstantiated, British columnist Bernard Levin is believed to have said, "The future is bleak. The past is not getting any better either."

GDP Figures: The Substance Behind the Show?

A smart data agency, which must include India's National Statistical Office (NSO), can put that saying to good use, as we shall see. The headlines are screaming that India's GDP grew wildly beyond expectations of 8.4% year-on-year in the October-December 2023 quarter.

Behind the handsome numbers in manufacturing and construction lies the Economist's rope trick: the Low Base Effect. Shall we call it LBE? That makes it look close to cricket's LBW, something in which the batsman is as good as bowled if he does not watch his step.

The NSO says GDP growth for the 2022-23 fiscal year was lower than previously estimated. So whoever said the past is not getting any better needs to be told, with the hindsight of data revision, that the past may not be getting better, but it can be made to look worse, and that strangely makes data look good in the present.

The NSO actually revised down the GDP growth for the October-December quarter of 2022-23 to 4.3% from 4.5% and for the number the entire year to 7.0 % from 7.2%.

Economists make a decent living by quibbling on the second decimal point but look at the full-year number: GDP growth for 2023-24 has been revised up to 7.6% from 7.3%. Discounting the LBE, the estimated uptick in overall GDP is 0.3 percentage points. That doesn't look beyond wild expectations. So what happened?

GVA-GDP Anomaly Overlooked

Things get clearer when you dig deeper. Gross Value Added (GVA) is the real stripped-down view of GDP growth, like weighing someone on an electronic machine after asking the person to take off her shoes.

When taxes are added to the GVA, you get the GDP. Net taxes are estimated to have surged by a whopping 32% year-on-year in the October-December quarter. Economists had estimated a GDP growth of 6.5% basically on GVA calculations.

Thanks to increased tax revenues, the GDP growth at 8.4% looks wildly beyond expectations. This reality check that got missed out in boastful tweets and casual headlines, quickly flashed on TV screens.

Look harder for deeper, funnier insights. The current year has seen a significant stock market boom.

It is logical, therefore, that those who booked capital gains made considerable advance tax payments during the October-December quarter (in addition to industries and individuals that pay tax on their incomes). Tax collections thus, must have bloated the Q3 GDP estimate out at the end of February.

Bizarrely, you could say the stock markets have gone up in March because they had gone up in the previous quarter to bloat the data that just arrived on the scene to stir a new round of optimism!

True, an 8.4% print in GDP is quite a headline-grabber. However, are we not supposed to sober up when confronted with a full-year uptick of only 0.3 percentage points?

How Perception Trumps Facts in Economics

Common sense should make us say that given all the brouhaha about the low base effect, the GDP is called gross domestic product for a reason. Net net, as the PowerPoint-loving presentation finishes will say, it is all quite gross.

Between the rational sobriety of longer-term calculations and the impulsive, irrational exuberance of the stock markets, falls the real economy.

We do need to call time on revision of data that disrupts the current estimates, and more important, lowers the credibility of future outlooks. The NSO probably needs to issue disclaimers resembling the Securities and Exchange Board of India: "Advance estimates are subject to revision risks. Read your data carefully before screaming out headlines."

There is something called 'Narrative Economics' that plays a role in the real economy because perceptions influence behaviour. Often, there is a big gap between hard data and the popular narrative.

It does make sense for a government body like the NSO to knock in some plain language notes that will not make the amateur economist or journalists with a deadline jump to conclusions carried forward by exuberant market speculators with unfailing optimism.

Yes, we know data-crunchers are like scorers in a cricket match, not umpires. But that still leaves room for some footnotes that can be turned into headlines or significant chunks of news reports. With great data comes great responsibility.

Data-Trackers Must Look Before They Leap

An old joke goes: An economist will give tomorrow the reason why what he predicted yesterday did not come true today. Data revisionists are unsuspecting accomplices in this game.

Like the Reserve Bank of India cautioning customers against phishing and SEBI asking investors not to fall for get-rich-quick schemes, we could do with an NSO that asks data-watchers to watch their step.

The gap between the GDP as printed and the GVA as a hardnosed concept sometimes resembles a yawning gap between the bat and the pad in cricket.

Reasonable people in the news business are supposed to make sense of data, but those with deadlines and those who would rather not spoil a headline by digging deeper are more the rule than the exception. We need a rear-view mirror warning : Data on the past may go lower than it appears now.

<https://www.thequint.com/opinion/indias-gdp-numbers-must-come-with-trigger-warning-indian-economy-perception-vs-facts>

13. Government Readies Over Rs 1 Lakh Crore Infrastructure Boost Ahead of Model Code Of Conduct: Report (swarajyamag.com) 06 March 2024

Ahead of the impending model code of conduct for the upcoming Lok Sabha elections, the Modi government is gearing up for a significant infrastructure boost, with proposals totalling over Rs 1 lakh crore being lined up for approval by the Union Cabinet, according to sources reported by Times Of India.

The next Cabinet meeting, scheduled for Thursday (7 March), is anticipated to review these proposals, with potentially another meeting next week before the announcement of poll dates.

As per reports, an inter-ministerial committee tasked with appraising projects involving private investment has been given the green light for the development of the country's thirteenth major port at Vadhavan in Maharashtra, entailing an investment of Rs 76,000 crore.

Additionally, seven major highway projects with a combined cost exceeding Rs 30,000 crore have also received approval.

Among the projects awaiting Cabinet approval are the Ayodhya Ring Road, Guwahati Ring Road, the six-lane Agra-Gwalior greenfield highway, and the Kharagpur-Siliguri highway stretch.

It's important to note that each project, involving an investment exceeding Rs 1,000 crore and slated for implementation through a public-private partnership, must receive clearance from the inter-ministerial panel before being presented to the Cabinet.

The railway ministry has likewise concluded inter-ministerial consultations for the Rs 4 lakh crore Amrit Chaturbhuj plan, aimed at easing congestion along major corridors. <https://swarajyamag.com/news-brief/government-readies-over-rs-1-lakh-crore-infrastructure-boost-ahead-of-model-code-of-conduct-report>

14. Tackling regulatory opacity (*financialexpress.com*) March 6, 2024

Financial regulators need transparency and grievance redressal for the \$5 trillion dream

In India, the financial regulatory landscape has burgeoned with the emergence of bodies like RBI, Sebi, IRDA, Pension Fund Regulatory and Development Authority (PFRDA), and Forward Markets Commission (FMC), with talks of more in the pipeline. These regulators wield significant powers, from shaping policy to enforcing regulations, punishing non-compliance, and developing the market of the allocated jurisdiction. Nevertheless, opacity in functioning, regulatory gaps, overlaps, inconsistencies, and instances of regulatory arbitrage persist, posing obstacles to India's journey towards a \$5 trillion economy.

In 2013, India's regulatory governance discourse escalated with the report of the Financial Sector Legislative Reforms Commission. It likened statutory regulators to mini-states, advocating for accountability mechanisms due to their substantial legislative, executive, and judicial powers.

Enhancing transparency and reducing opacity

The recent Regulations Review Authority 2.0 (RRA) report offers valuable recommendations for enhancing the regulation-making process. Formed in April 2021 to streamline RBI's regulations, the RRA recognised that preparing regulatory or supervisory instructions is akin to legislative drafting, which is both an art and a science. Weak regulations invite judicial scrutiny. In 2019, the Supreme Court amended RBI's master circular on wilful defaulters, adding procedural safeguards for borrowers. Then, in 2020, it overturned an RBI circular prohibiting regulated entities from dealing in virtual currencies.

Emphasising the need for clarity, the Financial Sector Legislative Reforms Commission in 2013 recommended that the regulator be required to articulate the objective of the regulation, a statement of the problem or market failure that the regulation seeks to address, and analyse the costs and benefits associated with the proposed regulation. They must be accompanied by a press release with the necessary background so that they are easily understood and unambiguously interpreted. Furthermore, it has been reiterated that regulatory instructions should be issued only after public consultation, except if they are urgent or time-sensitive. Regulations carry economic costs for stakeholders. Therefore, greater certainty and predictability in regulation enable them

to plan their business activities better. Conversely, regulations and diktats that come as a surprise send stakeholders into a tizzy and affect the ease of doing business.

Additionally, regulatory bodies must do away with the paternalistic urge to regulate every facet of the economy. As the Economic Survey 2020-21 pointed out, attempting to create regulations that cover all uncertainties proves impractical, leading to ineffective regulations despite good procedural compliance. It also shifts market activity toward unregulated entities where the potential for regulatory arbitrage is higher.

Periodic review

Regulators, though independent, are part of the executive and answerable to the legislature. Current parliamentary standing committees do not inherently scrutinise various sector regulators signaling a need for reform. A systematic mechanism is required for a periodic review of the regulations and working of the regulators. Furthermore, the RBI is not subjected to audit by the CAG, unlike other financial sector regulators such as Sebi, IRDA, and PFRDA. The CAG does not perform performance audits of these regulators either. In its absence, the Parliamentary Committees should be empowered to periodically review the rules and regulations notified by the regulator, including decision summaries, compliance status, and methods for soliciting public input. This process is similar to how the Bank of England submits reports to the Treasury Committee and provides evidence on those reports.

The legislation governing statutory regulators should be revised to incorporate transparency as a statutory requirement, modeled after Section 11(4) of the Telecom Regulatory Authority of India Act, 1997. Additionally, once in five years, a body of reputed experts should be constituted to propose guidelines for the evaluation of the regulator for the next five years.

Removing opacity by grievance redressal mechanisms While regulators demonstrate proactiveness in guidelines and policies, there are notable gaps in the licensing process. Ambiguities persist in processing timelines for license applications, the removal of imposed restrictions, and the interpretation of regulations. Regulatory bodies often lack a dedicated mechanism for addressing the grievances of entities. Currently, there are no response timelines for new licenses.

There are no avenues for updates either. Many license-seekers wait indefinitely for the issue of a license. They are unaware of the defects in their applications for a long time. Enforcement action is often one-sided without adequate notice and guidance, particularly to start-ups promoted by NRIs resulting in demoralising them and killing the innovative spirit driving India's current growth. This absence of grievance redressal mechanisms acts as a significant bottleneck that disproportionately impacts startups. While recognising this problem, the Union Budget for FY24 emphasised the necessity to simplify, streamline, and minimise compliance costs by financial sector regulators. To achieve this, a secure web-based centralised portal called PRAVAAH (Platform for Regulatory Application, Validation, and Authorization) has been mooted by the government, the effectiveness of which remains to be seen.

Additionally, there is a need to institutionalise grievance redressal protocols with publicly defined timelines and forums wherein entities can inquire about their next steps

and receive timely, informative responses. Entities should be empowered to onboard the regulatory sandbox so that they have exposure to the nitty gritty of the country's regulations in a test environment before entering the market in a full-fledged manner.

The way forward While the independence of these entities is vital for economic development, there is an equally essential need for transparency. To realise the vision of a \$5 trillion economy, it is imperative to cultivate a regulatory environment that not only supports entrepreneurship, innovation, and risk-taking, but also ensures financial stability and safeguards the interests of investors and consumers. This regulatory landscape should be particularly favorable to startups and businesses, fostering an atmosphere conducive to their growth and success and this can only be achieved if these bodies are transparent and accountable in their functioning.
<https://www.financialexpress.com/opinion/tackling-regulatory-opacity/3414895/>