NEWS ITEMS ON CAG/ AUDIT REPORTS

1. Why spectrum allocation, tech policy must not be a matter of courts *(indianexpress.com)* Updated: May 7, 2024

Policy for the telecom sector is best left to TRAI and DoT; to auction or not to auction is a task given to them and they should be responsible for it and be made accountable.

The 3G spectrum auction of 2010, held in the wake of the 2G scandal of 2008, was a blessing at the time, for it achieved two objectives for the beleaguered process of air wave assignment to telecom operators. One, it ensured transparency in the process of allocation of scarce spectrum and two, it resulted in a revenue windfall for the government. The auction Rs 67,718.95 crore as per the government. This was a massive amount, even if significantly less than the notional — and, if I might add, illusory — Rs 1,76,000 crore that was estimated as loss to the government by the then CAG, when spectrum was given away on a "first-come-first-served basis" (FCFS). Reams have been written about this. What was a blessing then, has turned into a curse now, but it is not my intention to delve into the past. Rather, the purpose is to argue that auctions, in the current format, are inimical to the sector's growth and downstream competitiveness and that the historical lack of institutional integrity is adding to the challenge.

The year 2010 was a defining moment for Indian telecoms. Until then, spectrum was administratively assigned, and thereafter by auctions. The pre-2010 administrative assignment of spectrum suffered from a lack of transparency, favouritism and avoidable scandals. The Supreme Court thus ordered the government to auction spectrum for "all time to come".

The phrase "all time to come" was not pronounced in a vacuum: It was in retaliation to the bitter political economy associated with administrative spectrum assignment, including the half-baked and bungled FCFS method. It was also a telling comment on the government's incapability to assign spectrum transparently by any other method. Transparency is desirable for its own sake, and in a democracy like ours, its value multiplies manifold. Besides, if resources are to be generated in the process, these should go to government coffers, rather than unscrupulous individuals and private corporations, so that the money can be used for financing public goods.

No one could possibly quarrel with these arguments. Except that resources can be generated by means other than auctions. Think of toll roads that are coming up all over the country. Their existence has spawned businesses, generated tourism, and led to efficient transportation of goods to railways and ports. The income tax and GST revenue thus generated is also money for the government to spend on much-needed public goods. For telecoms, the backbone of Digital India, downstream competitiveness of user industries relies heavily on robust connectivity. Providing spectrum at a reasonable upfront fee to operators, thus helping firm-level efficiency and promoting competitiveness, would do what toll roads have done for the government. As the maxim goes, American roads are not good because America is rich, America is rich because American roads are good. That was the 1960s. Today's carrier is digital infrastructure, of which spectrum is a vital input.

There are many dots (including DoT or the Department of Telecommunications) to be connected to even put this on the agenda for discussion. At the outset, the government will have to be amenable to giving up a bird in hand for many more later — just as investors do for long-term gains. Another consideration against auctions is that the revenue outcomes have been mixed. The direct and indirect opportunity costs of unsold spectrum due to high reserve prices have been steep. The auction regime worked well when demand exceeded supply, either genuinely or artificially engendered. It is quite revealing that 100 per cent of the spectrum was sold in only one of the seven auctions that have been held. That was in 2010, close on the heels of the 2G scam. Are auctions the only route to transparency?

On April 22, the DoT moved the Supreme Court to modify its 2012 order to allow administrative allocation of spectrum in select cases, where using the auction route is either not technically feasible or not desirable, such as for space and satellite applications. The recently-passed Telecom Act, 2023, specifies that only limited and narrowly-defined cases, including spectrum for BSNL, will be given on administrative basis. There are reportedly 19 such cases.

It is the government's prerogative whether it uses auctions for these or other types of assignment. It could have easily arrogated to itself the power to assign spectrum in the best interest of the country in the Telecom Act, 2023. This is a policy decision and ought not to be subject to a Supreme Court decision from over a decade ago, which directed that all spectrum will be assigned by auction for all time to come.

Situations and market dynamics change and, hopefully, so do institutions. The DoT is giving itself the benefit of doubt that it can, under changed circumstances, assign spectrum through administrative procedures that will stand the test of transparency and legitimacy. Or it doesn't wish to, and is taking aim from the Supreme Court's burdened shoulders. Whatever route the assignment of spectrum takes, it is a policy decision and under normal circumstances ought to be decided by the policy maker — which is the DoT.

I recall a time when the newly-established Telecom Regulatory Authority of India (TRAI) was engaged in telecom tariff fixing, a power that it has to this day. It was 1998 and the regulator was involved with what was known as "tariff-rebalancing", thereby reducing the cross subsidy from long distance to monthly rentals. This was necessary to attract competition and to keep the incumbent public sector undertaking, BSNL, afloat. Naturally, when competition arrives, the incumbent would lose market share and subscribers. That is inevitable. The CAG told TRAI that its actions were prejudicial to the revenue interest of the public sector and, as a consequence, overstepped into policy, beyond its audit function. This example is just for the purpose of illustrating the importance of specialists and expert bodies executing functions entrusted to them because these can have far-reaching implications. Thus, policy for the telecom sector is best left to TRAI and DoT; to auction or not to auction is a task given to them and they should be responsible for it and be made accountable. https://indianexpress.com/article/opinion/columns/why-spectrum-allocation-tech-policy-must-not-be-a-matter-of-courts-9312249/

STATES NEWS ITEMS

2. Manipur High Court rules against recovery from retiral benefits in landmark judgment *(indiatodayne.in)* May 06, 2024

The case revolved around W. Manileima Devi, a former Substitute Assistant Graduate Teacher whose services were extended over the years until her superannuation on October 31, 2019.

The Manipur High Court, led by Justice Ahanthem Bimol Singh, delivered a groundbreaking verdict in the case of Smt. W. Manileima Devi vs State of Manipur & Ors., WP(C) No. 532 of 2020. The single-judge bench pronounced that recovery cannot be made from the retiral benefits of an employee occupying a Class-III post on grounds of excess payment, marking a crucial precedent in employment jurisprudence.

The case revolved around W. Manileima Devi, a former Substitute Assistant Graduate Teacher whose services were extended over the years until her superannuation on October 31, 2019. Post-retirement, complications arose in the release of her pension and other retiral benefits due to alleged irregularities in the fixation of her pay scale.

Despite the Office of the Accountant General's letter highlighting irregularities in the pay scale fixation, no rectifications were initiated, leading to a prolonged delay in disbursing the petitioner's entitled benefits. Consequently, Manileima Devi filed a writ petition seeking resolution.

During the legal proceedings, the petitioner argued that any alleged excess payments occurred over 19 years ago and, thus, could not be recovered from her retiral benefits. Conversely, the respondents contended that pending rectifications in the pay scale warranted withholding the petitioner's benefits until resolved.

In its findings, the court emphasized that even if irregularities existed in the petitioner's pay scale, they occurred nearly two decades ago, and she had already superannuated. Citing the precedent set by the Supreme Court in the case of State of Punjab & Ors. Vs. Rafique Masih & Ors., the court reiterated that recoveries from Class III employees or retirees, especially after a significant period, are impermissible in law.

Relying on this precedent, the court concluded that as Manileima Devi held a Class-III post before retirement, recovery from her retiral benefits due to alleged excess payments was untenable. Consequently, the writ petition was disposed of, setting a significant legal precedent for similar cases in the future.

The legal proceedings were represented by Mr. I. Denning for the petitioner and Mr. Th. Vashum & Mr. S. Jasobanta for the respondents. https://www.indiatodayne.in/manipur/story/manipur-high-court-rules-against-recovery-from-retiral-benefits-in-landmark-judgment-1000054-2024-05-06

3. BJP steadily reduced Odisha’s central funding, claims Cong *(millenniumpost.in)* 06 May 2024

The Congress on Monday said the BJP has steadily reduced Odisha’s central funding in recent years and accused Prime Minister Narendra Modi of “neglecting” the people of the state.

Congress general secretary Jairam Ramesh posed questions to the prime minister ahead of his rallies in Odisha.

“Why has Odisha’s central funding steadily decreased? Will the PM commit to legal status for the SC-ST sub-plan? Will the Sitalapalli wagon factory ever be completed?” Ramesh said in a post on X.

Elaborating on what he said were “jumla details”, Ramesh alleged that Odisha has suffered “gross neglect” at the hands of the Modi government.

“In their usual style, the BJP has steadily reduced Odisha’s Central funding in recent years. According to CAG reports, Central transfers as percentage of Revenue Receipts have been consistently decreasing from 57 per cent in 2017-18 to 38 per cent in 2021-22,” he said. Similarly, the CAG noted that the state’s share of Union taxes, as a percentage of revenue receipts of the state, has been continuously decreasing from 2018-19 to 2021-22, Ramesh said. https://www.millenniumpost.in/nation/bjp-steadily-reduced-odishas-central-funding-claims-cong-562743?infinitescroll=1

4. भाजपा ने ओडिशा के केंद्रीय वित्तपोषण में कटौती की है: कांग्रेस *(hindi.latestly.com)* May 06, 2024

कांग्रेस ने प्रधानमंत्री नरेन्द्र मोदी पर ओडिशा की जनता की अनदेखी करने का आरोप लगाते हुए सोमवार को कहा कि भारतीय जनता पार्टी (भाजपा) ने राज्य को केंद्र से प्राप्त होने वाले धन में क टौती की है।

कांग्रेस महासचिव जयराम रमेश ने ओडिशा में प्रधानमंत्री मोदी की रैलियों से पहले उनसे कुछ प्रश्न किए।

उन्होंने ‘एक्स’ पर लिखा,
‘‘ओडिशा को केंद्र से मिलने वाली ‘फंडिंग’ लगातार कम क्यों हो गई? क्या प्रधानमंत्री एससी-एसटी उप-
योजना को कानूनी दर्ज़ा देने की प्रतिबद्धता जताएंगे? क्या सीतलापल्ली वैगन फैक्ट्री कभी पूरी होगी?’’

कांग्रेस नेता ने आरोप लगाया कि मोदी सरकार ने ओडिशा की घोर उपेक्षा की है। उन्होंने कहा, ‘‘भाजपा ने हाल के वर्षों में ओडिशा की केंद्र से होने वाली ‘फंडिंग’ में लगातार कमी की है। कैग रिपोर्ट के अनुसार, राजस्व प्राप्ति के प्रतिशत के रूप में केंद्रीय हस्तांतरण लगातार घटकर 2017-18 में 57 प्रतिशत से 2021-22 में 38 प्रतिशत रह गया है।”

उन्होंने कैग का हवाला देते हुए कहा कि इसी तरह राज्य की राजस्व प्राप्तियों के प्रतिशत के रूप में केंद्रीय करों में राज्य की हिस्सेदारी 2018-19 से 2021-22 तक लगातार घटती रही है।

रमेश ने कहा,
''पंद्रहवें वित्त आयोग की अनुशंसा के तहत अनुदान में भी हाल में कमी आई है। प्रधानमंत्री के प संदीदा नारे 'सबका साथ-
सबका विकास' का क्या हुआ? प्रधानमंत्री ओडिशा के लोगों की उपेक्षा क्यों कर रहे हैं?''

उन्होंने आरोप लगाया कि आदिवासी कल्याण के मामले में भाजपा का रिकॉर्ड अविश्वसनीय रूप से खराब रहा है। उन्होंने कहा,
''राष्ट्रीय अपराध रिकॉर्ड ब्यूरो (एनसीआरबी) के नवीनतम आंकड़ों के अनुसार, अनुसूचित जनजाति के लोगों के खिलाफ अपराधों में लगातार वृद्धि हुई है। अपराध दर 2018 में 21.6 प्रतिशत से बढ़ कर 2022 में 28.6 प्रतिशत हो गई है।''

कांग्रेस महासचिव ने कहा कि केंद्रीय बजट में आदिवासियों के लिए आवंटन भी 2017 में नीति आ योग द्वारा निर्धारित 8.2 प्रतिशत के लक्ष्य से लगातार कम हुआ है।

रमेश ने कहा, ''प्रधानमंत्री और भाजपा ने ऐसा क्यों किया?''

उन्होंने कहा कि भारत के आदिवासी समुदायों की दुर्दशा को क्यों नजरअंदाज किया जा रहा है? उ न्होंने कहा कि कांग्रेस पार्टी ने एससी-एसटी उप-
योजना को कानूनी दर्जा देने की गारंटी दी है, जिससे केंद्र सरकार को इस लक्ष्य को पूरा करना हो गा। उन्होंने कहा, ''क्या प्रधानमंत्री इसके लिए प्रतिबद्धता जताएंगे?''

रमेश ने दावा किया कि सीतलापल्ली रेल वैगन फैक्ट्री 2013 में संप्रग सरकार द्वारा मंजूरी दिए जा ने के बाद से ठंडे बस्ते में है।

उन्होंने आरोप लगाया,
''राजग सरकार ने इस परियोजना पर कोई काम नहीं किया। आखिरकार 2018 में इसे पूरी तरह से छोड़ दिया गया। जब मौजूदा रेल मंत्री, जो कि ओडिशा से ही राज्यसभा सदस्य हैं, ने अपना का र्यभार संभाला था तब उन्होंने इस परियोजना को फिर से शुरू करने का वादा किया था।''

कांग्रेस नेता ने कहा,
''सितंबर 2021 में ईस्ट कोस्ट रेलवे के एक अधिकारी ने कहा था कि इस परियोजना को पीपीपी मॉडल पर लागू किया जाएगा। लेकिन, आज तक इस बहुप्रतीक्षित परियोजना में कोई प्रगति नहीं हु ई है। दो अन्य परियोजनाओं - गोपालपुर-रायगड़ा रेलवे लाइन और रायराखोल-
गोपालपुर रेलवे लाइन - का भी यही हश्र हुआ है।''

उन्होंने पूछा,
''भाजपा ने ओडिशा में लोगों को धोखा क्यों दिया? सीतलापल्ली वैगन फैक्ट्री के लिए उन्हें और कि तना इंतज़ार करना होगा?'' https://hindi.latestly.com/agency-news/bjp-has-cut-central-funding-to-odisha-congressr-2154996.html

SELECTED NEWS ITEMS/ARTICLES FOR READING

5. Understanding GST figures *(fortuneindia.com)* 07 May 2024

GST collection crossed ₹2 lakh crore mark for the first time and reached ₹2.10 lakh crore in April.

The rising GST receipts have been a topic of discussion in the country for some time. According to data released on May 1, 2024, GST receipts in the country have crossed ₹2 lakh crore mark for the first time and reached ₹2.10 lakh crore. This is an increase of 12.4% compared to this month last year. GST collection after refunds are at ₹1.92 lakh crore in April 2024, which shows an increase of 15.5% compared to April 2023. Although since the inception of GST, its receipts have been increasing continuously, but in FY24, GST receipts are ₹20.18 lakh crore, which is 11.7% more than ₹18.1 lakh crore in FY23. It is worth noting that the receipts of FY23 were 22% more than FY22.

In July 2017, most indirect taxes (tax on goods and services) of the country were merged, and GST was imposed in its place. This GST is divided equally between the Center and the states. Apart from that, as per the recommendation of the Finance Commission, there is a provision to transfer a certain percentage of the taxes imposed by the Center (which is currently 42%) to the states. According to this also, the states get a large share of GST, compared to Union.

Components of GST

If we try to understand the various parts of GST, then in April 2024, out of the total GST receipts of ₹2.1 lakh crore, Central GST is ₹43,846 crore, State GST is ₹53,538 crore, Integrated GST is ₹99,623 crore, out of which ₹37,826 crore is being received from GST on imported goods. Apart from this, ₹13,260 crore was received in the form of cess, out of which ₹1,008 crore was received from cess on imported goods.

Why and how does GST increase?

GST is levied on goods and services. Its specialty is that it is levied on every value addition in the production process.

Increase in production

It is natural that as production or import of goods and services increases in the country, GST receipts increase even if the GST rate remains the same. In the last few years after Covid, GDP growth has not only improved, but India has consistently remained the fastest growing economy among the big economies. GDP growth was recorded at 9.1% in FY22, 7% in FY23. According to advance estimates, GDP growth has been estimated to be 7.6% for FY24. All sectors contributed to this growth. The rate of industrial growth has increased in the last few years. The Index of Industrial Production has reached 153.0 by January 24 as compared to 126.1 in April 2021. Significant growth is also being seen in the service sector. It is not unnatural for GST receipts to increase due to the growth in industrial and service sectors.

Increase in Prices

Since GST is levied on the price of goods, it increases not only due to increase in production of goods and services but also due to inflation i.e. increase in prices.

Inflation rate in the country has also been high in the last three years. This increase has been less due to domestic factors and more due to global trends. Most of the countries of the world including US, Europe are struggling with inflation. But whatever the reason, inflation is also causing some increase in GST.

Formalisation of the economy
A large part of India's economy has been informal, and to some extent it is so even today. But for some time now, due to some natural reasons and to some extent due to the implementation of GST, formalisation of the economy has increased. It has to be understood that the credit of GST levied on intermediates can be availed in the production, only when all the participants involved in the production process are registered for GST. Due to this reason also, formalisation of the economy has increased, resulting in GST receipts to increase.

Are imports in the country also the reason for the increase in GST?

It has been observed that GST receipts also include tariffs and cess imposed on imports. The total GST receipts from imports in April 2024, including cess, are ₹38,834 crore. If it is said that increasing imports are also one of the reasons for the increase in GST, then this is not ratified by the data. It is worth noting that while the GST receipts from taxes on imports in April 2024 were ₹38,834 crore, the average GST (including cess) from imports in the entire FY24 was ₹41,327 crore per month. Earlier in FY23, the average GST (including cess) from imports was ₹40,196 crore per month.

GST Both Buoyant and Elastic
However, since the adoption of GST system, there were a lot of upheavals in receipts of GST in the country. But GST receipts continued to increase and considerable growth is also being seen. While the growth in GST receipts in FY24 was 11.7%, it was 22% in FY23, and 30% in FY22 (though largely due to low base effect, post Covid). It can be assumed that generally the growth of GST receipts has been more than the GDP growth at current prices. With GST rates remaining the same, we can conclude that both buoyancy and elasticity of GST, with respect to GDP growth, is fairly high. As per the economic jargon, this is a welcome characteristic of a tax system, say GST. This indicates that now with increase in the scope of GST, receipts from GST are increasing automatically. https://www.fortuneindia.com/opinion/understanding-gst-figures/116721

6. GST enhances tax buoyancy to 1.22: Nirmala Sitharaman *(newindianexpress.com)* May 07, 2024

The minister highlighted that reflecting a pro-poor stance, the effective weighted average GST rate has steadily decreased since 2017.

The goods and services tax (GST) has enhanced tax buoyancy to 1.22 from 0.72 pre-GST, leading to increased revenue for states post the five-year compensation period, finance minister Nirmala Sitharaman tweeted on Monday.

"GST has improved tax buoyancy from 0.72 (pre-GST) to 1.22 (2018-23). Despite compensation ending, state revenues remain buoyant at 1.15. Without GST, states' revenue from subsumed taxes from FY19 to FY24 would have been Rs 37.5 lakh crore. With GST, states' actual revenue amounted to Rs 46.56 lakh crore," Sitharaman said.

Even with the GST rate below the revenue neutral rate and COVID-19 impacting revenues, GST collections as a percentage of GDP have returned to pre-GST levels, showcasing that the Centre and states, by improving tax administration, can generate similar revenue with reduced taxpayer burden, the Minister stated.

"It is a myth that all GST collections are pocketed by the Centre. GST contributes significantly to state revenues. States receive 100% of SGST collected in that state, nearly 50% of IGST (i.e. on inter-state trade). A significant portion of CGST, i.e. 42% is devolved to the states based on the Finance Commission's recommendations," Sitharaman added.

The minister highlighted that reflecting a pro-poor stance, the effective weighted average GST rate has steadily decreased since 2017. Despite a suggested Revenue Neutral Rate of 15.3%, the actual rate was 14.4% in 2017, dropping further to 11.6% in 2019.

"GST lowered taxes on many essential items compared to pre-GST rates. Common items like hair oil and soaps saw tax cut from 28% to 18%. Electrical appliances taxed at 12% v/s 31.5% before. Movie tickets were taxed lower, too. Further tax rate rationalization has been done since 2017. National Anti-profiteering Authority ensured that companies passed the benefits to the consumers," she wrote. GST consolidated 17 taxes and 13 cesses into a simplified 5-tier structure, streamlining the tax system. https://www.newindianexpress.com/business/2024/May/07/gst-enhances-tax-buoyancy-to-122-nirmala-sitharaman

7. Infrastructure Project Overruns *(dailyexcelsior.com)* May 7, 2024

The infrastructure development in India stands grappling with a persistent challenge: cost overruns and delays in project completion. The recent revelation of 448 infrastructure projects suffering from a staggering cost overrun of Rs 5.55 lakh crore in the third quarter of the fiscal year 2023-24 is not just alarming but also indicative of systemic inefficiencies and lapses. The main reason is a lack of efficient project management and oversight. Such overruns not only strain the Government's finances but also erode public trust.

A deeper analysis reveals multifaceted reasons contributing to these overruns. Delays in land acquisition, bureaucratic hurdles in obtaining clearances, and law and order issues are frequently cited as primary causes. The cascading effect of state-wise lockdowns due to the COVID-19 pandemic has further exacerbated the situation, underscoring the need for robust contingency planning and risk mitigation strategies. The culture of impunity, where delays are accepted as the norm rather than the exception, must be challenged. Project-implementing agencies must be held accountable for their lapses, with stringent measures in place to deter negligence and malpractice. Delays stemming from clearance processes or land acquisitions are indeed often deemed unavoidable. Existing laws empower the Government to swiftly acquire land for infrastructure projects, and even the courts typically refrain from intervening in such matters. Yet, delays in obtaining clearances and acquiring land not only lead to cost overruns but also disrupt the continuity of projects. Many of these projects hold paramount importance, directly impacting the sustainability of affected regions and, in certain cases, bearing strategic significance for the armed forces. The staggering cost overrun of over Rs 5.5 lakh crore is unequivocally unacceptable. With a substantial number of projects experiencing cost escalation, it underscores a grave systemic failure. The Government must adopt a stringent stance and seek viable solutions to address this alarming trend.

Of utmost concern is the ripple effect these exorbitant project overruns exert on future endeavours. Resources intended for new projects often get diverted to address the ballooning costs of ongoing ventures. Tragically, in some instances, the prolonged delays and escalating expenses render the original objectives of these projects obsolete. Further, integrating such substantial amounts into annual budgets poses a formidable challenge, disrupting long-term planning and prospective initiatives. It is imperative to swiftly identify and rectify these deficiencies in order to streamline the entire process. The Government must undertake a comprehensive examination of the root causes and devise a robust strategy to confront these pressing issues head-on.

Moreover, there is an urgent need for a paradigm shift in project planning and execution. Embracing modern technologies such as artificial intelligence, data analytics, and predictive modelling can enhance decision-making and optimise resource allocation. Leveraging advanced project management tools and methodologies can streamline processes, minimise bottlenecks, and improve project efficiency. Furthermore, fostering collaboration between the public and private sectors can catalyse innovation and unlock new avenues for financing and project delivery. Public-private partnerships (PPPs) offer a compelling framework for sharing risks and leveraging private sector expertise in infrastructure development. Simplifying clearance procedures, expediting approvals, and introducing robust monitoring mechanisms can enhance project accountability and foster a conducive environment for investment and growth. Equally crucial is the need for proactive stakeholder engagement and community consultation. Meaningful dialogue with local communities can mitigate opposition and resistance, fostering a sense of ownership and inclusivity in the development process.

For a more resilient and sustainable future, the reforms in infrastructure governance cannot be overstated. The Government must lead by example, demonstrating unwavering commitment to efficiency, transparency, and accountability in project delivery. The administration has a pivotal role to play, demanding greater accountability from the officials involved in the whole process. The road ahead may be fraught with challenges, but with determination and resolve, infrastructure projects can be completed on time and within budget for the progress and prosperity of the entire nation. https://www.dailyexcelsior.com/infrastructure-project-overruns/

8. How India’s central bank plans to force governments to meet infra project deadlines *(cnbctv18.com)* May 6, 2024

The Reserve Bank of India may be trying to fix a perennial problem in India: the delay in delivering essential infrastructure projects.

The RBI aims to achieve this by forcing banks to set aside extra money for projects whose deadlines are being deferred. The change in rule will apply to all lenders, including financing companies that aren't banks.

"Now that will actually force the government to make sure that before a financial closure is achieved, the respective extraneous approvals that are required, are actually gone," said Abizer Diwanji, Partner & National Leader Financial Services at EY-India.

So, before the loan is approved, the borrower must have approvals for the land, environmental, and other necessary regulatory clearances.

In private-public partnership projects, if half the land needed for the project is available, the loan can be approved.

Not only that, but the loan document for every project must clearly specify the desired date for the beginning of commercial operation before the money is disbursed.

So, if a project gets deferred, the lender has to set aside 5% of the project cost and pass on the added cost of money to the borrower as higher interest rates.

If costs overrun, banks are allowed to give extra loans up to 10% of the original estimate.

"I think it makes sense to have a higher standard provision for deferrals because India is notorious in terms of delaying construction projects. And if you look at the comprehensive guidelines and not just focus on these initiatives, it gives a lot of leeway," Diwanji said.

The money set aside as additional provision can be halved once the project is operational, and it can be further reduced to 1% once the project starts generating enough cash to meet its dues and the long-term debt is down by at least 20%.

The RBI has made it clear that there will be no moratoriums on payments once the project is delayed. In the rare event of a delay, any moratorium can't be extended beyond six months after the first deadline. This regulation underscores the importance of timely project completion and its financial implications.

Banks will also have to assess the value of the project every year, even during the construction phase. If it so happens that there's a change to the projected cash flows, the estimated life of the project (say, a flyover, for instance) or any other such factor, the lender has to make necessary provisions. https://www.cnbctv18.com/economy/explained-how-indias-central-bank-plans-to-force-governments-to-meet-infra-project-deadlines-19407159.htm

9. Ensuring successful transition to renewable power *(thehindubusinessline.com)* Updated: May 06, 2024

Focus on grid balancing, optimal storage capacity and spatial distribution of power demand is needed

The success of India's net zero pledge by 2070 rests heavily on India's successful energy transition in the power sector, as it is responsible for more than 50 per cent of emission.

So, India has gone all out to expand installed capacity of renewable electricity, with a bias towards solar. The report card indicates that there has been a sharp rise in the installed capacity of renewable electricity even though the energy mix of generated renewable electricity does not indicate any sharp spike. In fact, the divergence between generation and installed capacity of renewable electricity is becoming wider.

This trend needs to be reversed. A primary reason for this trend is the way our distribution companies enter into purchasing agreements with the producer of renewable electricity.

A distribution company usually does not insist on supply of power for 24 hours from the producer of renewable electricity but on purchasing their entire production even if it is limited to eight hours in a day — the general production hour of a typical solar-based power plant.

As a result, the risk of purchasing power for the rest of the time of the day lies with the distribution company, which is dependent mostly on fossil power for same. Barring the new Adani mega renewable power project, almost none of the renewable power companies has attempted to build in solar/wind hybrid/battery storage model for providing uninterrupted power for 24 hours.

If the purchasing agreement insist on buying power for 24 hours from a supplier, we would have seen more such hybrid power projects.

Grid balancing, transmission

Currently our fossil-based power projects are more or less evenly spread across India as coal/piped gas are by and large available all over India. Consequently, the transmission line of India along with substation has been developed accordingly.

On the contrary, the renewable power like solar is by and large being produced in a few States due to land constraint. The potential for wind energy is also observed to be concentrated in a few States. Thus, the existing transmission line and substations may not be able to transmit power over much longer distances.

Furthermore, unlike power from conventional sources, power from renewable sources always exhibits large variation in a day due to vagaries of nature (wind speed, sunlight, etc).

Thus, in other countries where the emphasis is on producing higher electricity from renewable sources, solar/wind capacity augmentation goes hand in hand with other sources like hydro power or particularly pumped hydroelectric energy storage (PHES) for load balancing.

PHES has emerged as one of the most important sources of hydroelectric energy storage used by electric power systems for load balancing. However, this does not seem to be in much favour in India. Only recently has India woken up to the grid balancing aspect and tenders are being floated for storage of electricity in batteries along with construction of renewable solar plant.

Integrated assessment model linked to power system model is a potential solution to further enhance energy accessibility and optimise the power generation cost by minimising the curtailment of renewable power through optimal introduction of storage capacity and location specific planning.

Mapping plan
Spatial mapping of available RE resources along with transmission and distribution network and mapping of demand can further help policymakers prepare an implementation plan for low carbon transition.

It plays a crucial role by ensuring energy through resource planning, optimising energy mix, infrastructure planning, policy formulation and economic analysis. In many EU countries, energy planning considers power infrastructure, network topology, and spatial distribution of power demand while planning for electricity transition.

Till now, probably all the bottom up energy models developed in the context of India do not take these into account. As a result, investment numbers generated out of these modelling exercises for energy transition may be off-target or infeasible. It is time a power system model for renewable electricity integration and energy transition analysis is developed in India. https://www.thehindubusinessline.com/opinion/ensuring-successful-transition-to-renewable-power/article68146608.ece

10. Inclusivity in transition *(millenniumpost.in)* 6 May 2024

As the world transitions to a green economy, the inherent shortcomings in resource utilisation and its socio-environmental fallouts need to be tackled through an innovative business model

The world is fast-tracking the transition to a green economy. It is moving towards renewables, like solar and wind, to replace coal and gas in energy systems; towards electric vehicles to replace oil for transportation; and towards hydrogen to replace fossil fuels in industry and energy. These are the three big changes expected to drive reduction in emissions in a world that is fast heating up, and with hugely consequential weather disasters.

There is no doubt that the world needs to move with speed and at scale. But what will be the business model that we take to the new green world? I ask this as there are inherent problems with the old model of resource utilisation and its social and environmental fallouts.

Take the issue of mineral extraction—be it coal, iron ore or aluminium. The mining of these raw materials, needed for energy and industry, have led to massive environmental fallouts. In India, as we have painfully found out, this mineral wealth is often under forests, wildlife habitats and, of course, tribal homes. This is why we say this resource curse is about rich lands and poor people. The fact also is that to get to the minerals we need for our economy, we have had to cut forests and displace local communities that had lived in this habitat. The tragedy of this extractive and revenue-generating economic model has been that the people who live on these lands have hardly benefited from the resources. This is the core of what is wrong in our world, not just emissions from these industries that then led us to catastrophic climate change.

I ask this because in the new green economy, the world will still need minerals; though, different ones—lithium, nickel, copper, cobalt, graphite—but still those that are found under forests and, invariably, on the lands of the most marginalised. This is true of not just India but the world. New York-based market consultancy MSCI reports that 97 per cent of nickel, 89 per cent of copper, 79 per cent of lithium and 68 per cent of cobalt reserves in the US are within 55 km of Native American reservations. It is the same in other regions—from Central America to Africa to Asia.

The green transition will mean an exponential growth in the need for these minerals. Will there be a difference in the way we conduct business with the Earth and its people? Battles are already being waged. In the US, for instance, mining majors Rio Tinto and BHP Billiton's Resolution Copper mine in Arizona has come under fire from indigenous communities because the digging will have to happen on lands held sacred. The story is the same wherever the new gold rush is, across the world, with no new rules of engagement.

In India, we have had a long tryst with making mineral extraction environmentally and socially just—sadly without solutions that work. Years ago, the Supreme Court had ruled in the Samata judgement that no mining can happen on tribal lands without the participation of the tribal people. It meant that, at the least, the tribal people would need to be equal shareholders in the business. But this was negated. Then came the effort to share the revenue from mining with these communities. In fact, the first draft of what then became the District Mineral Foundation (DMF) was to make the communities partners in the business. But this, too, got diluted. The grand idea of sharing benefits or making people partners in mineral development got reduced to an additional cess on minerals. This tax is deposited into DMF and gratuitously used by the government to fund what it would like to see as development, without much participation of the people who live on the land where the minerals are found.

The situation is the same with environment and forest clearances. The objective at one time was to ensure that communities have rights to consent to these projects; that clearance would give weight to their objections to projects in greenfield forestlands. But this protection is being whittled away in the name of growth. It could have helped build a socially inclusive and just green future. The other issue that always led to contests in the old economy was the location of the project—from thermal power to iron smelters—because communities feared that pollution would jeopardise their life and livelihood. The same question is now being raised about the location of windmills and solar projects—that they are in areas inhabited by people or wildlife. The question, again, is this: in our promised green economy, will governments make rules that resolve the conflict in ways that improve local communities and their environment, or will the rush for transition mean more of the same old ways, or even worse? The fact is that the poor never really benefitted from the wealth generated in the old economy. The lands where coal was mined and energy produced still remain without electricity. Will the new economy make sure it is inclusive? Only then can it be sustainable. And if not, then the new economy is not new, or green. https://www.millenniumpost.in/opinion/inclusivity-in-transition-562700

11. A half-hearted climate change verdict *(thehindu.com)* May 07, 2024

In M.K. Ranjitsinh and Ors. vs Union of India and Ors., the top court has not looked into several problematic aspects of India's proposed energy transition

The Supreme Court of India's extension of the constitutional rights to life and equality, to the right to be free of ill-effects of climate change, is a potential ray of hope in the midst of a gloomy ecological scenario. The world is staring at multiple collapses with historically unprecedented impacts on humans and the rest of life, as we race towards a 1.5° (and who knows how much more) Celsius rise in average temperatures. Governments across the planet have failed to act on the overwhelming scientific evidence of this scenario.

The judgment has significant potential to be converted into actions that can undo, mitigate, or help adaptation to the ill-impacts of the climate crisis. The Court's observations regarding the disproportionate share of impacts felt by already marginalised sections of society, can be the basis for much-needed corrective action.

Right against climate change a distinct fundamental and human right, SC judgment

The flaws in the judgment

But the judgment also contains deep flaws that could undermine such potential. We will not go into its orders regarding the conservation of the Great Indian Bustard, the threat to whose habitat by mega-energy in western India was the core matter of the petition. Here, we deal with the power and climate aspects. The Court states that harnessing solar and wind power is crucial to meet India's climate commitments, made by the Prime Minister, Narendra Modi, at the 26th session of the Conference of the Parties in 2021. These include net zero carbon emissions by 2070, generation of 500 GW by non-fossil fuel sources and a 50% share of total power generation to renewable energy by 2030. Any obstructions to these, the judgment says, will lead to greater coal-based production, with dire consequences for the climate.

The Court has tried to balance the need for land (and airspace) for solar and wind energy production in Rajasthan and Gujarat, with the imperative of protecting the bustard. In doing so, however, it has not interrogated several problematic aspects of India's proposed energy transition.

For one, the government includes, in 'non-fossil-fuel' and 'renewable' energy, large hydropower and nuclear plants. There is nothing benign about these. Construction of mega-dams in the Himalaya has caused destabilisation, biodiversity loss, and displacement of communities. Nuclear power has led to forced displacement, curtailment of democratic rights as it is shrouded in secrecy, and the fear of centuries of contamination by untreatable nuclear wastes.

Second, mega-solar and wind projects too have huge adverse impacts. For instance, the huge Pavagada Solar Park in Karnataka, has taken away grazing and agricultural land,

and destroyed wildlife. In Changthang, Ladakh, a proposed 13 GW solar project will take up over 20,000 acres of fragile ecosystem, crucial for unique wildlife and nomadic pastoralism that produces the famous Pashmina wool.

Another one, proposed over 1,400 acres next to the Chhari Dhand Conservation Reserve in Kachchh, Gujarat, could destroy an important bird area as also the livelihoods of Maldhari pastoralists. Unfortunately, such renewable energy projects are excluded from environmental impact assessment (EIA) and clearance procedures, so their impacts are not even assessed.

Third, despite significant investment in renewable energy, the government is not reducing investments in coal. New coal mining blocks continue to be given a green signal, including in some of the country's most biologically diverse and socially sensitive (indigenous/ Adivasi) areas. In many of these, government agencies have enabled corporate entities, especially those closest to New Delhi's power corridors, to sidestep environmental laws.

Alternatives should have been considered

The Court's blanket acceptance of such an energy transition undermines its own assertion regarding a clean and healthy environment being a fundamental human right. To ensure such a right, it ought to consider the potential of alternatives to these mega-projects. For instance, rooftop and other decentralised renewable energy sources alone could yield over 600 GW. The Court itself observed: "Decentralized and distributed solar applications have brought substantial benefits to millions of people in Indian villages, addressing their cooking, lighting, and other energy needs in an environmentally friendly manner." If the Constitution's provisions for equality are to be met, these may fit the bill much more than mega-projects.

The Court could also have asked questions about how much of produced energy is wasted in inefficient transmission and use (for example, kitchen and other appliances), and luxury consumption. The absence of demand management in India's energy plans is shocking; its like any and all demand is justified. We need also to ask: what is the potential of power redistribution, from luxury consumption by the rich to poorer sections who do not get enough, thereby avoiding the need to produce that much new power?

While quoting climate-related judgments from other countries and some international agreements that India is party to, the Court has ignored others such as the increasing jurisprudence and the United Nations' declarations on rights of nature. One of the fastest-growing earth jurisprudence movements globally, it now has legal recognition in over 30 countries. It is a crucial part of just climate action, especially where led by indigenous peoples and other local communities to safeguard nature, and their habitats for present and future generations. In India, recognition of the rights of the Ganga and Yamuna by the Uttarakhand High Court in 2017 (stayed by the Supreme Court on a plea by Uttarakhand government that the order was not implementable), is also a potential bulwark against climate-damaging actions such as big dams and other mega-projects. Compliance with global treaties on human rights (some of which the Court quotes) and on indigenous people's rights, would require critical appraisal of mega-renewable energy projects as much as of fossil-fuel sources.

The Court could still expand the positive potential of the judgment, by adding these aspects to the mandate of the expert committee it has set up: whether there are alternative, less damaging ways (including decentralised renewable energy) of generating (or obtaining, through reduction of waste and luxury consumption of already available capacity) the power to be produced by mega-projects in Rajasthan and Gujarat, or non-electricity means of meeting the same energy demand.

The problem with the Indian model

There are also broader issues of what climate rights should actually mean. India's model of development, heavily focused on mega-industrial, infrastructural and extractive projects that cause deforestation and displacement of communities, is fundamentally violative of constitutional rights. When the government proposes an infrastructure project that will deforest 130 square kilometres of pristine rainforest and take up lands reserved for Scheduled Tribes in Great Nicobar, it clearly violates this line of the Court's judgment: "the tribal population in the Nicobar islands continues to lead a traditional life which is unconnected to and separate from any other part of the country or world. Indigenous communities often lead traditional lives .... The destruction of their lands and forests or their displacement from their homes may result in a permanent loss of their unique culture."

If the Court were to take such observations to their logical conclusion, and achieve the positive potential of declaring climate as a fundamental right, it should be directing the government to re-examine such projects. If it does, the judgment would have provided grounds for some fundamental shifts towards real sustainability and justice. If not, it has only reinforced the ecologically flawed, undemocratic and socially disruptive path to tackle climate change that the Government of India has been promoting. https://www.thehindu.com/opinion/lead/a-half-hearted-climate-change-verdict/article68146535.ece

12. Growth & redistribution: They're not mutually exclusive for developed nations like India *(financialexpress.com)* May 7, 2024

Growth must ensure improved income for majority.

It's a debate that has been going on for ages. What does India need more: Growth or redistribution of wealth? That's the reason why every upbeat story about India's growing economic clout seems to be inevitably accompanied by sad string chords bemoaning the abysmal state of India's social indicators. The overall consensus among economists seems to be that while growth is necessary for poverty alleviation or improvements in social indicators, the poor need access to human capital, the key inputs to which are education and health, in order to take advantage of growth opportunities. There are also those who say that some inequality is needed to propel growth. Without the carrot of large financial rewards, risky entrepreneurship and innovation would grind to a halt. In 1975, Arthur Okun, an American economist, argued that societies cannot have both perfect equality and perfect efficiency and must choose how much of one to sacrifice for the other.

The debate, however, has been taken to an absurd level in this election season by the Congress and the Bharatiya Janata Party. The Congress manifesto says nothing about redistribution and talks only about a nationwide caste census that will reveal an accurate picture of the socioeconomic position of communities across the country. But Rahul Gandhi has steadily ratcheted up the rhetoric, framing the caste census not just as a means but as an end. Prime Minister Narendra Modi has seized the opportunity to make allegations that the Congress wants to grab the wealth of the growing middle class and give it away to those with "a lot of children". India certainly deserves a better-quality debate on such a sensitive issue.

It's a fact that governments all over the world face the difficult task of balancing fiscal prudence, welfare spending, and economic growth. The Modi government, despite its heavy spending on welfare, thinks India should pay more attention to economic growth as a primary means of decreasing poverty rather than expending more resources on curtailing inequality as redistribution will be better achieved if the size of the pie increases. In an essay titled "Perspectives on the Inequality Debate in India", Chief Economic Advisor V Anantha Nageswaran says that for a developing country like India, where the growth potential is high and the scope for poverty reduction is significant, the focus needs to remain on rapidly growing the size of the economic pie. But detractors argue that the process of growth — whether it enriches crony capitalists more or the masses — is as important as the growth number itself.

It's obvious that shorn of politicking, both sides have valid arguments. The fact is even those who seek greater social sector expenditure do not argue against growth, nor are those who argue for growth against redistributive transfer. But the problem with those who argue for growth is that they see this as the end in itself, while, for those who argue for greater redistributive transfer, growth is only a means of achieving a larger objective. Growth in itself is a meaningless objective if it is not accompanied by improvements in incomes for the majority. Nobody in his/her right mind would object to growth if the process of growth is also accompanied by redistribution of resources among classes of households. The short point is growth and redistribution are not mutually exclusive to each other. That's not only good economics, but also good politics. https://www.financialexpress.com/opinion/growth-amp-redistribution-theyre-not-mutually-exclusive-for-developed-nations-like-india/3479077/

13. India's economy: Off to a flying start *(livemint.com)* 07 May 2024

The services sector PMI was reported at 60.8 in April, the manufacturing PMI was bright too and GST collections have started this fiscal year with a new record high. Reason enough for optimism?

Going by high frequency indicators, India's economy seems to have got off to an impressive start in 2024-25. On Monday, the services sector purchasing managers' index (PMI) was reported at 60.8 in April. Though this is a slip from 61.2 in March, total sales and output are among the strongest in 14 years. Earlier, the PMI for manufacturing also showed similar strength at 58.8, the second highest since the beginning of 2021.

Booms on this index can be gauged from the margin by which the reading exceeds the 50 mark that separates expansion from contraction. Further, India's goods and services tax revenue hit a record ₹2.1 trillion in April. All this spells optimism over this year's economic prospects. That this is happening despite the economy not firing on all cylinders, with private investment and consumption still not doing as well as they should, is quite remarkable. https://www.livemint.com/opinion/quick-edit/indias-economy-off-to-a-flying-start-11715019334360.html

14. Draft project finance norms: Banks may need 0.5%-3% additional provisioning *(indianexpress.com)* Updated: May 7, 2024

Project finance refers to the method of funding in which the lender looks primarily to the revenues generated by a single project, both as the source of repayment and as a security for the loan.

The Reserve Bank of India's (RBI) proposed norms to tighten project financing, which has recommended an increased standard asset provisioning of up to 5 per cent on loans, is likely to result in an additional provisioning of 0.5-3 per cent of banks net worth.

Last week, the RBI released a draft framework for lenders who undertake project finance. The framework proposed to tighten monitoring and guidelines for restructuring and to maintain a general provision of 5 per cent of the funded outstanding on all existing as well as fresh exposures on a portfolio basis. At present, the standard asset provisioning is 0.4 per cent for project finance.

"We estimate additional provisioning requirements to be 0.5-3 per cent of banks' net worth and hurt CET1 (Common Equity Tier 1) ratio by 7-30 basis points (bps),'' IIFL Securities said in a report.

CET 1 ratio is a measurement of a bank's core equity capital, compared with its risk-weighted assets. It shows a bank's ability to withstand any financial stress. One basis point is one-hundredth of a percentage point.

Project finance refers to the method of funding in which the lender looks primarily to the revenues generated by a single project, both as the source of repayment and as a security for the loan. This type of financing is usually for large, complex and expensive installations such as power plants, chemical processing plants, mines, transportation infrastructure, environment, telecoms etc.

A significant increase in provisioning requirement will result in lower returns for lenders in project finance and reduce incremental appetite for such exposures, if implemented in current form, a report by JM Financial said in a report. The draft guidelines have suggested that once the project reaches the operational phase, the 5 per cent provisions can be reduced to 2.5 per cent of the funded outstanding. It can be further reduced to 1 per cent of the funded outstanding provided that the project has a positive net operating cash flow that is sufficient to cover current repayment obligation to all lenders, and total long-term debt of the project with the lenders has declined by at least 20 per cent from the outstanding at the time of achieving DCCO.

DCCO (Date of Commencement of Commercial Operations) is the date by which the project is expected to be put to commercial use and completion certificate/provisional completion certificate is issued to the concessionaire.

For non-banking finance companies (NBFCs), additional provisions will not be routed through P&L (profit & loss), but instead will be apportioned to the impairment reserve.

Therefore, NBFCs will not have an impact on RoE (return on equity), IIFL Securities said.

It said infrastructure-focused NBFCs such as REC Ltd, Power Finance Corporation (PFC) and IREDA (Indian Renewable Energy Development Agency Limited) can see a potential hit of 200-300bps to their capital ratio. Valuation of these NBFCs can also be potentially impacted as the adjusted net worth will be 8-13 per cent lower.

On Monday, the share prices of REC Ltd, PFC and IREDA dropped by 7.35 per cent, 8.93 per cent and 4.06 per cent, respectively. Even shares of Punjab National Bank (PNB) tumbled 6.41 per cent, Canara Bank plunged 5.42 per cent, Bank of Baroda tanked 3.71 per cent and Union Bank of India declined 3.12 per cent on the BSE. The stock of State Bank of India dropped 2.86 per cent and Bank of India dipped 2.57 per cent.

"Profit After Tax (PAT) is expected to be largely unaffected, while there may be marginal impacts on Net Worth and Capital Adequacy Ratio (CRAR). However, with our currently healthy CRAR (capital to risk (weighted) assets ratio) levels, any marginal impact can be accommodated accordingly," said Pradip Kumar Das, Chairman & Managing Director, IREDA.

The draft norms said in projects financed under consortium arrangements, where the aggregate exposure of the participant lenders to the project is up to Rs 1,500 crore, no individual lender shall have an exposure which is less than 10 per cent of the aggregate exposure. For projects where aggregate exposure of lenders is more than Rs 1,500 crore, this individual exposure floor shall be 5 per cent or Rs 150 crore, whichever is higher. https://indianexpress.com/article/business/banking-and-finance/draft-project-finance-norms-banks-may-need-0-5-3-additional-provisioning-9312328/

15. Sure, insure people, but public healthcare for all is a must for Viksit Bharat *(livemint.com)* 7 May 2024

Wider health insurance coverage, as with India's accident care plan, is welcome. But it's a stopgap at best. We should aim for an efficient state-run healthcare system that covers all.

Considering India is among the countries with the highest number of road accidents in the world, it's welcome news that victims are on the Centre's policy agenda for help. Too many lives are lost in such accidents. Prompt medical attention might have saved many of these lives. Those in dire need sometimes get turned away or face the danger of delayed treatment while hospitals figure out who will pick up their bills. Delays can harm even patients whose health is insured, as prior approvals for cashless procedures can take hours in a loop of claim checks. Given this backdrop, the government's plan to facilitate cashless accident emergency care is thoughtful.

On Monday, Mint reported that the ministry of road transport and highways has a scheme in the works that would provide up to ₹1.5 lakh of cashless treatment for every victim of a traffic mishap. This facility will be available to all without exception, regardless of whether they are covered by a health insurance policy or not, and will cover hospitalization for up to a week from the incident's date at all facilities under the Ayushman Bharat plan. https://www.livemint.com/opinion/online-views/sure-insure-people-but-public-healthcare-for-all-is-a-must-for-viksit-bharat-11715019703870.html

16. Future ready *(telegraphindia.com)* 06 May 2024

Epidemic Plan, envisioned as a collaborative endeavour among the Central govt, state governments, and relevant stakeholders, aims to provide a comprehensive blueprint for coordinated action

In light of the Covid-19 pandemic's global impact, the Law Commission of India's endeavour to reassess the legal framework governing epidemic management holds profound relevance. The 286th Law Commission Report serves as a clarion call to address the inadequacies of the century-old Epidemic Diseases Act, 1897 and chart a course towards a more resilient public health governance.

The urgency of this initiative stems from the pandemic's stark revelation of systemic deficiencies within India's epidemic management infrastructure. The lack of precise definitions for key terms such as 'epidemic' and 'pandemic' resulted in ambiguity, hindering a unified response to the crisis. Moreover, the decentralised nature of authority under the Act led to disjointed efforts, exacerbating the spread of the virus and impeding effective containment measures.

Central to the Law Commission's findings is the recognition that the EDA is ill-equipped to address the complexities of contemporary health crises. The interconnectedness of today's world, characterised by globalisation and heightened mobility, necessitates a proactive and adaptable legal framework capable of confronting emerging infectious diseases with agility and precision. The cornerstone of the Law Commission's recommendations lies in the proposal for an Epidemic Plan and a Standard Operating Procedure to guide epidemic management efforts. The Epidemic Plan, envisioned as a collaborative endeavour among the Central government, state governments, and relevant stakeholders, aims to provide a comprehensive blueprint for coordinated action. By delineating responsibilities at each level of governance and establishing protocols for disease surveillance, containment measures, and resource allocation, the Epidemic Plan seeks to foster synergy and coherence in epidemic response strategies.

Similarly, the SOP is designed to streamline decision-making processes and ensure uniformity in action across different stages of disease spread. By outlining clear roles and responsibilities for central and state authorities as well as mechanisms for escalation in the event of heightened threats, the SOP aims to minimise confusion and enhance the effectiveness of epidemic control measures. Furthermore, by incorporating provisions for privacy-friendly disease surveillance and equitable distribution of medical resources, the SOP underscores the importance of upholding individual rights while safeguarding public health.

The implications of the Law Commission's recommendations extend beyond epidemic management. They not only lay the groundwork for a responsive healthcare system but also emphasise collaboration with diverse stakeholders, underscoring the recognition of health as a multi-sectoral issue requiring holistic solutions. The Law Commission's report also serves as a catalyst for discussions on the intersection among law, health, and governance in India. By fostering dialogue and debate on issues, such as the balance between public health imperatives and individual liberties, the report invites introspection on the fundamental principles that underpin our society, thereby paving the way for nuanced and inclusive policymaking.

As India navigates the complexities of a rapidly changing world, the imperative for robust legal frameworks for epidemic management has never been more pronounced. The Law Commission's recommendations can help India rise to the challenge. https://www.telegraphindia.com/opinion/future-ready-implications-of-the-law-commissions-recommendations-extend-beyond-epidemic-management/cid/2017908

17. Artificial intelligence holds the key to urban resilience *(livemint.com)* 06 May 2024

Cities will play a central role in how the world addresses climate change.

Deploying AI against climate change can make our cities safer, more adaptable and more sustainable. The unequal distribution of climate-driven threats warrants equal opportunities for all of us to upskill and adapt.

The cities that some 4.4 billion people call home are increasingly at risk of catastrophic climate-driven events. Rising sea levels and flooding threaten coastal megacities like New York City and Jakarta, and extreme heat waves, like those that afflict cities across South Asia and the Middle East each year, are projected to become more frequent and severe.

While our built environments and infrastructure are being tested by unpredictable weather and changing populations, many urban communities are facing heightened climate-related health and economic risks. Dangers such as air pollution and natural disasters can be especially acute in developing countries, where they threaten to drive more people into poverty. https://www.livemint.com/opinion/online-views/artificial-intelligence-holds-the-key-to-urban-resilience-11714930800164.html

18. Arunachal: HC issues notices to officials, firms over alleged irregularities in PMGSY road construction in Dibang valley *(arunachal24.in)* May 6, 2024

This move comes in response to a Public Interest Litigation (PIL) filed by Rakhini Mipi, a resident of Mipi village.

ITANAGAR:The Itanagar permanent bench of the Gauhati High Court recently issued notices to several officials and firms involved in the construction of roads under the Pradhan Mantri Gram Sadak Yojana (PMGSY) in Dibang Valley district.

This move comes in response to a Public Interest Litigation (PIL) filed by Rakhini Mipi, a resident of Mipi village. The PIL highlights several concerning aspects of the PMGSY road construction projects in Dibang Valley district.

In his PIL, Mipi highlighted several discrepancies in the execution of the PMGSY road projects. Mipi alleges that the road projects were initiated without adequate ground surveys, leading to inaccuracies in population data and the inclusion of villages without proper assessment. He also expressed concern regarding the quality of work, with reports of cracked culverts and substandard drainage systems.

Mipi asserts that despite multiple complaints addressed to various authorities, including the union rural development ministry and state-level officials, no satisfactory response has been received.

At last Mipi has decide to knock the door of the court through a PIL, seeking intervention to ensure adherence to project specifications and quality standards.

The court notice underscores the petitioner's frustration with the lack of accountability and transparency in the execution of these crucial infrastructure projects. The court has acknowledged the gravity of the situation and has ordered a thorough examination of the matter, scheduling a follow-up hearing after four weeks.

This legal intervention signifies a crucial step towards ensuring transparency, accountability, and adherence to quality standards in public projects. It serves as a reminder of the importance of safeguarding public interests and upholding the principles of fair governance. https://arunachal24.in/arunachal-hc-issues-notices-to-officials-firms-over-alleged-irregularities-in-pmgsy-road-construction-in-dibang-valley/