<u>NEWS ITEMS ON CAG/ AUDIT REPORTS</u>

1. CAG: After Verbal Orders to ‘Stop all Field Work’, Officers Ask for Written Orders *(thewire.in)* Oct 13, 2023

In the first week of October, there were “verbal orders” passed in the Comptroller and Auditor General (CAG)’s office in New Delhi to “stop all field work”. This field work is vital for the auditing of ministries and departments – that eventually results in reports put out by the country’s official audit body and helps in establishing accountability and checks on government spending and finances.

It is also learnt that officers in the office have said they will pass down these instructions – to “stop all field work” – to those in the field (comprising between 30%-40% of the staff) only once they get written orders. Following purely verbal orders will leave them vulnerable to any inquiry or legal action, should this matter be opened by any future government or even the present one at a later date.

In addition, CAG Girish Chandra Murmu is said to be “not signing any report” that necessarily needs to bear his signature, along with that of the officer-in-charge, invariably an officer of the Indian Audit and Accounts Service (IA&AS).

Without the signatures of the CAG, the reports cannot be placed in parliament.

Murmu was appointed in 2020 as the Comptroller and Auditor General of India. He is a 1985-batch Gujarat cadre Indian Administrative Service (IAS) officer, believed to be a trusted aide of both Prime Minister Narendra Modi and Union home minister Amit Shah. Prior to his appointment as the CAG, Murmu was the first Lieutenant Governor of Jammu and Kashmir after the reading down of Article 370 and the downgrading of its status to a Union Territory.

The CAG is the country’s topmost financial watchdog, constitutionally mandated to audit the finances of the Union and state governments

The verbal orders which have created considerable turmoil in the CAG’s office come close on the heels of the transfers of three officers The Wire reported on. These officers were in charge of audit reports that exposed corruption in the Dwarka Expressway project and Ayushman Bharat – both launched by Modi with great fanfare. A third officer who had initiated the audit of the Ayushman Bharat report was also transferred.

Following The Wire‘s report, opposition parties including the Congress, Aam Aadmi Party (AAP) and Trinamool Congress (TMC) have accused the BJP government of “corruption” and intimidation.

The Wire has reached out to the CAG’s office for a comment. This report will be updated when a response is received.

The CAG’s office during the first tenure of the Modi government raised eyebrows for what appeared to be a markedly low level of activity. An RTI application filed by The

New Indian Express showed in 2021, that CAG reports relating to Union ministries and departments came down from 55 in 2015 to merely 14 in 2020 – a fall of nearly 75%.

CAG reports, once treated as a matter of governance-related tedium, gained political currency first in NDA-1 when Atal Bihari Vajpayee was the prime minister. The then defence minister, George Fernandes, had to resign after ‘Coffin-gate’, which involved a CAG report on high expenses incurred in the purchase of caskets for Indian soldiers killed in action. Later, as Vinod Rai released audit reports on the Commonwealth Games 2010, 2G spectrum and coal policies, it led to a severe erosion of public faith in the UPA.

The last monsoon session of Parliament saw 12 CAG reports being placed on the floor of the house, severely castigating some Union government ministries and departments, and pointing to irregularities in Modi’s flagship schemes, especially those in health and building roads.

The CAG report on highway projects under the Implementation of the Bharatmala Pariyojana Phase-I (BPP-1) found massive overrun costs in the Dwarka Expressway project and said that the National Highway Authority of India (NHAI)’s decision to opt for an elevated carriageway in the Haryana portion pushed up costs to Rs 250.77 crore per kilometre as against the cost of Rs 18.20 crore per kilometre approved by the Cabinet Committee on Economic Affairs.

The Performance Audit of Ayushman Bharat-Pradhan Mantri Jan Arogya Yojana revealed corruption in insurance settlement claims. The report, among other findings, said that lakhs of claims continued to be made against some who had been shown as ‘deceased’ in the database. https://thewire.in/government/cag-after-verbal-orders-to-stop-all-field-work-officers-ask-for-written-orders

2. 309 Dead in 3 Major Train Mishaps in 2023: How Lapses in Rail Safety in India is Costing Lives *(indiatimes.com)* Oct 12, 2023

A North East Express train, heading from Delhi to Assam, derailed on Wednesday in Bihar.

In 2021, more than 16,000 people were killed in nearly 18,000 railway accidents, according to the National Crime Records Bureau.

Since then, India had recorded zero passenger deaths till 2023. But so far in 2023, 309 people have died in 3 train accidents or mishaps in India.

Why is India lagging behind on rail safety?

Which are the major train accidents in India in 2023?

Derailment of the North East Express train in Bihar on October 11, 2023

The derailment of the North East Express around 9:30 pm in Bihar's Buxar, near Raghunathpur station, left at least four dead and several others injured.

Jagdishpur SDPO Rajiv Chandra Singh said that some coaches lost balance and fell but none of them overturned due to which there are less casualties. But he added that that electric wires, poles and rail tracks have been damaged due to the accident.

Madurai train mishap on August 26, 2023

A fire broke out in a private IRCTC coach stationed at the Madurai railway junction, killing nine passengers and injuring atleast 20.

Preliminary investigation revealed that the passengers had smuggled a gas cylinder aboard the train and were cooking in the coach when the fire broke out at 5.15am.

Passengers are not allowed to carry any inflammable material like a gas cylinder in coaches, which are to be used for transportation purposes only.

This incident brought up questions regarding the lack of vigilance on part of the railway authorities.

Odisha train crash on June 2, 2023

296 people lost their lives and more than 1,200 were left injured in the three-way crash involving two passenger trains and a freight train in eastern Odisha state on June 2.

This became one of India's deadliest train crashes and was also the deadliest rail disaster worldwide since the 2004 Sri Lanka tsunami train wreck.

K. S. Anand, chief public relations officer of the South Eastern Railway had said, "The Coromandel Express was supposed to travel on the main line, but a signal was given for the loop line instead, and the train rammed into a goods train already parked over there. Its coaches then fell onto the tracks on either side, also derailing the Howrah Superfast Express."

Accidents averted: Two train derailments averted in October, 2023

A potentially deadly tragedy involving a Vande Bharat Express train was averted by alert loco pilots who spotted ballast and vertical rods on the railway track and applied emergency brakes. on October 6.

After that incident occurred on October 6, in the next week, railway officials found stones kept at several places on the Pune-Mumbai railway track as a deliberate attempt to derail the train.

Such train accidents and attempted derailments renewed questions over the safety of India's ageing rail network and the lack of vigilance.

How much does India spend on Railways?

The Indian Railways saw an average of 1,390 accidents per year in the 1960s. In the past decade, that number had dropped to 80 per year.

This fall in number comes along with an increased spending on railways by the government.

In 2023, the Union Budget proposed a record budgetary allocation of ₹2.40 lakh crore for the Indian Railways. This outlay for the railways is nine times the amount provided in 2013-2014.

Thus, India has definitely been spending more on railways. However, as a TIME report points out, most of that spending has been geared toward speed and comfort in the trains and not specifically for enhanced safety.

Why are train accidents and mishaps occurring in India?

In India, both passenger and goods trains of the Indian Railways run on the same tracks.

This means that the railway lines are overutilised with not much time left to carry out routine maintenance activity.

A 2021 report of the CAG had stated that more than 21648 number of trains ply on Indian Railways, carrying about 22.15 million passengers and hauling nearly 3.32 million tonnes of freight every day.

The CAG report found that spending on basic railways maintenance had fallen since 2017, leading to serious lapses in safety.

The report pointed out that most of the derailments occurred due to simultaneous failures of each of the five barriers namely:

(i) Rules and Joint Procedure Orders (JPOs),
(ii) Training/Counselling of staff,
(iii) Supervision of operations,
(iv) Coordination and communication between staff of different departments
(v) Scheduled Inspections

Thus, the need of the hour in India, to prevent further train accidents and mishaps, is a wider focus on safety. https://www.indiatimes.com/news/india/309-dead-in-3-major-train-mishaps-in-2023-how-lapses-in-rail-safety-in-india-is-costing-lives-617479.html

STATES NEWS ITEMS

3. Integrated financial and HR management system in TN did not have robust security measures: CAG *(thehindubusinessline.com)* October 12, 2023

Delay in achieving project Go Live resulted in cost overrun of ₹79.91 crore in IFHRMS, the audit observed

A mission critical system such as the Integrated Financial and Human Resource Management System (IFHRMS) in Tamil Nadu did not have robust security measures like biometric access, machine-based access rights and protection of user credentials.

Transactions by anonymous usershave indicated vulnerabilities in the system and inadequate security management. Non-conducting of periodic disaster recovery trials exposes the entire system to likely higher downtime and loss of confidential data, the Comptroller and Auditor General of India (CAG) has said in a report.

The State government in January said that due complexity such as capturing, storing and authenticating of thumb impression and the huge task process of purchasing biometric devices to all; higher secured digital signature certificate has been implemented at the approver level. It was further stated that the government was in the process of adopting Aadhar-based e-Sign for further higher secured environment. The Audit noted that this reply is not acceptable as failure to procure biometric devices till now had resulted in security gap in envisaged authorisation procedures.

Data analysis revealed that out of the 2.66 lakh tickets raised by the IFHRMS departmental users during 2021-22, password change/reset request was made in 6,514 cases by logging in to the system with another user's login. The help desk while resetting the password shared the new password with other users despite the availability of 'forgot password' mechanism for resetting a user's password. This shows lack of awareness among the users of IFHRMS and the help desk personnel about the risks of sharing login passwords, the Audit noted.

The audit recommended that the government strengthen user access controls and create awareness about the risks of sharing of user credentials. Government should also conduct periodic disaster recovery drill in a real time environment.

The audit also observed that delay in achieving project Go Live has resulted in cost overrun of ₹79.91 crore in IFHRMS through the Finance Department. This was due to hardware maintenance, application resources, field level technical support and bandwidth charges during the period of delay, the report tabled in the Tamil Nadu Assembly on Wednesday said.

The IFHRMS went live from January 2021. Of the envisaged 14 modules, six were fully functional and eight were yet to become operational. The Audit found that the Monitoring Committee which had to ensure that the project met its goals, milestones and suggested necessary modifications and course corrections, did not manage the project as envisaged. This led to continued dependence on System Integrator (Wipro Ltd).

Budget operations module allowed transfer of funds between Grants, incurring of expenditure without budget provision and withdrawal of entire budget allocation after expenditure had been incurred in violation of the budget manual provisions. Further, provision/withdrawal of funds during last week of the financial year to arrive at final modified appropriation shows that re-appropriation is a mere year-end adjustment exercise, the audit observed.

Bill processing module is a critical module of IFHRMS as it handles the entire government disbursement. However, even after two years of IFHRMS rollout, it allowed double payment for same claims, and could not process bills within the stipulated timeline. The Pay and Accounts Office/Treasury had to rely on physical copies of sanction orders for the vouchers.

The Audit has recommended that the State government should redraw the project timelines and ensure that IFHRMS is completed in all aspects without further delays. While responding to the Audit observations raised the government assured that necessary corrective action will be taken. https://www.thehindubusinessline.com/news/integrated-financial-and-hr-management-system-in-tn-did-not-have-robust-security-measures-cag/article67411283.ece

4. CAG report finds wasteful expenditure of Rs 2.22 crore in Thalikku Thangam Scheme *(dtnext.in)* 12 Oct 2023

The Thalikku Thangam scheme implemented by the commissioner of social welfare (CSW) has been providing assistance for marriage/remarriage of women by providing them with eight-gram gold coins per beneficiary

CHENNAI: Tamil Nadu government incured an avoidable additional expenditure of Rs 2.22 crore in Thalikku Thangam (marriage assistance) scheme due to faults in adopting the correct gold and foreign exchange rates for the procurement of gold coins.

The Thalikku Thangam scheme implemented by the commissioner of social welfare (CSW) has been providing assistance for marriage/remarriage of women by providing them with eight-gram gold coins per beneficiary.

As per the CAG report, CSW procured these gold coins by an open tender process. In the year 2018-22, the department has purchased 4.29 lakh gold coins for the cost of Rs 1,353 crore through six open tenders.

The report further stated that three out of six tender 2018-19, 2019-20 and 2020-21, the base rate of the gold was higher than the London Bullion Market Association (LBMA). And, in two out of six tenders (from 2019-21), the foreign exchange rate adopted was higher.

"Meanwhile, in 2021-22, the exchange rate quoted was found erroneous, "the report stated.

Subsequently, the report stated that the TN government responded to the gold coin procurements during 2018 to 2021, that the higher rates were adopted for the LBMA and exchange rates as the rates on the day of opening of tender were not reflected in the websites.

However, no reasons were provided for adopting incorrect exchange rates in the purchase during 2021-22 and the reply thus provided by the government was also not accepted by CAG.
"Hence, by observing the violation of tender conditions, adopting incorrect gold and exchange rates resulted in avoidable additional expenditure of Rs 2.22 crore to the government, " the report clarified. https://www.dtnext.in/news/city/cag-report-finds-wasteful-expenditure-of-rs-222-crore-in-thalikku-thangam-scheme-741558

5. CAG की रिपोर्ट में थालिक्कू थंगम योजना में 2.22 करोड़ रुपये का फिजूलखर्च होना पाया गया *(jantaserishta.com)* Oct 12, 2023

चेन्नई: तमिलनाडु सरकार को सोने के सिक्कों की खरीद के लिए सही सोने और विदेशी मुद्रा दरों को अपनाने में त्रुटियों के कारण थालिक्कु थंगम (विवाह सहायता) योजना में 2.22 करोड़ रुपये का अतिरिक्त व्यय करना पड़ा।

सामाजिक कल्याण आयुक्त (सीएसडब्ल्यू) द्वारा कार्यान्वित थालिक्कू थंगम योजना महिलाओं के विवाह/पुनर्विवाह के लिए प्रति लाभार्थी आठ ग्राम सोने के सिक्के प्रदान करके सहायता प्रदान कर रही है।

सीएजी की रिपोर्ट के मुताबिक, सीएसडब्ल्यू ने इन सोने के सिक्कों को खुली निविदा प्रक्रिया के जरिए खरीदा था। वर्ष 2018-22 में विभाग ने छह खुली निविदाओं के माध्यम से 1,353 करोड़ रुपये की लागत से 4.29 लाख सोने के सिक्के खरीदे हैं।

रिपोर्ट में आगे कहा गया है कि छह में से तीन टेंडर 2018-19, 2019-20 और 2020-21 में सोने का बेस रेट लंदन बुलियन मार्केट एसोसिएशन (एलबीएमए) से अधिक था। और, छह में से दो निविदाओं (2019-21 से) में, अपनाई गई विदेशी विनिमय दर अधिक थी। रिपोर्ट में कहा गया है, "इस बीच, 2021-22 में उद्धृत विनिमय दर गलत पाई गई।"

इसके बाद, रिपोर्ट में कहा गया कि टीएन सरकार ने 2018 से 2021 के दौरान सोने के सिक्कों की खरीद पर प्रतिक्रिया व्यक्त करते हुए कहा कि एलबीएमए और विनिमय दरों के लिए उच्च दरों को अपनाया गया था क्योंकि निविदा खोलने के दिन की दरें वेबसाइटों पर दिखाई नहीं देती थीं।

हालाँकि, 2021-22 के दौरान खरीद में गलत विनिमय दरों को अपनाने का कोई कारण नहीं बताया गया और सरकार द्वारा प्रदान किए गए उत्तर को भी CAG द्वारा स्वीकार नहीं किया गया।

रिपोर्ट में स्पष्ट किया गया, "इसलिए, निविदा शर्तों के उल्लंघन को देखते हुए, गलत सोने और विनिमय दरों को अपनाने से सरकार को 2.22 करोड़ रुपये का अतिरिक्त व्यय करना पड़ा, जिसे टाला जा सकता था।" https://jantaserishta.com/tamil-nadu/cag-report-found-wasteful-expenditure-of-rs-2-22-crore-in-thalikku-thangam-scheme-353740

6. शहरीकरण के नाम पर चेन्नई में बढ़ गईं मलिन बस्तियां और अवैध बसावट *(patrika.com)* Oct 12, 2023

मलिन बस्तियों का एक स्याह पक्ष यह भी उभर कर आया है कि इनसे दलदली क्षेत्रों और जलस्रोतों पर अवैध बसावट बढ़ गई है तथा यहां संक्रामक रोग तेजी से फैलते हैं।

चेन्नई. टियर-2 और टियर-3 शहरों में आजीविका और औद्योगिकीकरण के कमतर होने का असर राजधानी में बढ़ती आबादी और कच्ची बस्तियों के रूप में दिखाई दे रहा है। नियंत्रक और महालेखा परीक्षक (कैग) की रिपोर्ट में सरकार को सुझाव दिया गया है कि बढ़ती आवश्यकताओं के अनुरूप उसे आवासीय योजनाओं की गति को बढ़ाना होगा। मलिन बस्तियों का एक स्याह पक्ष यह भी उभर कर आया है कि इनसे दलदली क्षेत्रों और जलस्रोतों पर अवैध बसावट बढ़ गई है तथा यहां संक्रामक रोग तेजी से फैलते हैं।

तमिलनाडु स्लम (सुधार और हटाओ) अधिनियम की धारा 3 के तहत कोई भी क्षेत्र जो जनता के स्वास्थ्य, सुरक्षा या सुविधा के लिए खतरे का स्रोत हो सकता है या किसी भी क्षेत्र में मानव निवास

के लिए उपयोग की जाने वाली इमारतें निवास के लिए उपयुक्त नहीं हैं, उन्हें स्लम क्षेत्र घोषित किया जा सकता है। इसी तरह मलिन बस्तियों को टिकाऊ और अस्थिर के रूप में वर्गीकृत किया गया है। 2011 की जनगणना के अनुसार, तमिलनाडु में झुग्गी बस्तियों की आबादी 0.58 करोड़ थी। अस्थिर मलिन बस्तियों को टिकाऊ आवास और बुनियादी सुविधाओं की आवश्यकता है।

चार सालों में 91 फीसदी अस्वास्थ्यप्रद बस्तियां बढ़ीं: महानगर की बात करें तो 2014 में मलिन बस्तियों की संख्या 265 और झुग्गियां 61830 थी। जो चार साल बाद 451 बस्तियों तक बढ़ गई। साथ ही कच्चे घरों की तादाद 1.07 लाख से अधिक हो गई। इस तरह मलिन बस्तियां इस अवधि में 91 फीसदी तक बढ़ गईं। वहीं कोयम्बत्तूर और मदुरै में इतना विस्तार नहीं था जहां बसावट 23.23 और 2.27 प्रतिशत तक ही बढ़ा। यह साफ संकेत है कि सरकार को चेन्नई के इतर प्रमुख शहरों और जिलों में औद्योगिकीकरण को बढ़ाना होगा।

कम आवास निर्माण भी कारण

2015-16 और 2020-21 के बीच केवल 3.44 लाख आवास सुपुर्दगी न केवल कच्ची बस्तियों के बने रहने बल्कि इनके पनपने का कारण भी है, जबकि इस अवधि में आवासों की मांग 13.92 लाख इकाई थी। कैग की रिपोर्ट में सरकार को सुझाव दिया गया है कि वह आवास संबंधी नीति और योजनाओं को युद्धस्तर पर लागू करे। जबकि सरकार ने कैग को पिछले साल भेजे जवाब में कहा कि 2016-22 के दौरान 44 स्लम हटाए गए हैं। फील्ड सर्वे जारी है। इसी तरह कैग ने वेलचेरी के मार्श लैंड और कोविलम्बाक्कम के जलस्रोत पर अवैध बसावट का भी उल्लेख किया। सरकार का जवाब था कि यहां से अतिक्रमण हटाया जा रहा है। https://www.patrika.com/chennai-news/slum-areas-increased-in-chennai-8532227/

SELECTED NEWS ITEMS/ARTICLES FOR READING

7. Unmeasured welfare: The flurry of freebies ahead of polls could seriously endanger the economy *(financialexpress.com)* OCTOBER 13, 2023

It's also pertinent to define what constitutes subsidy or freebie, as these terms are often being used in the context of explicit budgetary aid for the vulnerable.

With another long poll season around the corner and the political divide having turned sharper than usual, the calls for fiscal prudence seem to be falling on deaf ears. Political hand-outs are the flavour, and range from (enhanced) direct income transfers to the vulnerable sections like farmers and women to subsidised cooking fuel/electricity, and even free laptops/smart phones/bus travel. Moreover, the old pension scheme (OPS), which requires no contribution from the beneficiaries, but is funded out of the exchequer, is staging a comeback. There is no gainsaying that any relapse to the "freebie" culture will lead to gravely misdirected use of public monies. India can ill-afford to arrest, let alone reverse, the fiscal consolidation that has been underway immediately after the bloat caused by the pandemic. But for a low-middle-income country with high poverty incidence, a blanket negation of targetted welfare spending doesn't hold any economic promise either.

It's also pertinent to define what constitutes subsidy or freebie, as these terms are often being used in the context of explicit budgetary aid for the vulnerable. States that have a creditable track record of managing their finances deserve freedom to decide on their expenditure priorities, so far as they rely primarily on their "Own Tax Revenue," and can maintain reasonable levels of capex to support growth. However, the hand-outs promised by the political parties in the heavily indebted states like Rajasthan and Punjab, with an eye only on electoral triumph, are clear examples of fiscal extravagance, and feckless politicking. For Rajasthan, which has debt of a worrisome 40% of the G-SDP, the largesse will create a situation where a third or more of the government resources will be used to pay interest to the bondholders.

The fact is, in the recent years, the government has nearly exhausted its fiscal firepower. This is because it inevitably chose to give welfare support to the people during the pandemic, and has stood guard to the economy for several years in a row, while private investors have taken a long hiatus. Nevertheless, the Centre is ostensibly augmenting budgetary capital expenditure, and has almost abolished off-budget liabilities. Its tax efforts are paying some dividends too. But the rise in the Centre's capex is being offset by the stagnant investments by the companies owned by it and the states. Capital spending by states grew nearly a third on year in FY22, thanks mainly to the low base of the pandemic year (FY21). But that has since faltered.

India's debt-GDP ratio approached a worrisome 90% in FY21 (against a recommended threshold of 60%) owing partly to the pandemic, but has since come down to 81% in FY23. Another rise in the debt levels could spell pain for all. While direct income support such as PM Kisan not only has welfare objectives but wider economic spin-offs, market-distorting subventions (like subsidised power tariff and the OPS) are clearly avoidable. The Centre set an example of fiscal responsibility by stopping off-budget financing of schemes and regulating borrowings by undertakings such as NHAI and the Railways. It much desist from the plan to introduce a hybrid pension scheme for its staff, which, according to reports, will be jointly funded by it and the employees. Since states account for over 60% of the national (government) expenditure, any impairment of their ability to spend on more productive ventures could jeopardise the economy, which is already growing below trend. https://www.financialexpress.com/opinion/unmeasured-welfare-the-flurry-of-freebies-ahead-of-polls-could-seriously-endanger-the-economy/3271184/

8. The vexing coal question: Mere age can't be the criterion for retiring coal/lignite plants *(financialexpress.com)* OCTOBER 13, 2023

The government never really had any defined policy for retirement of coal/lignite plants.

When it comes to retirement of coal/lignite-based generation plants, the government has done a volte- face in the national electricity policy (NEP) 2023. While in the previous NEP 2018, the capacity to be retired during the period 2017-27 was mentioned as 48,500 MW, in NEP 2023, it was reduced to a meagre 2,100 MW during the period 2022-32. The actual retirement which has taken place during 2017-2022 was about 10,000 MW only.

The government never really had any defined policy for retirement of coal/lignite plants. Plants were retired as and when they became old and inefficient. In some cases, they were replaced with larger and more efficient units, but in many cases, the retired plants were left to lie in an idle state. For the first time, the government announced a policy for plant retirement in NEP 2018, where it was mentioned that plants which are 25 years old and where there is no space for installing flue-gas desulphurisation (FGD) units would be retired.

A quick word on FGDs is required at this stage. In 2015, the ministry of environment and forests & Climate Change (MoEF&CC) came out with revised environmental guidelines for coal/lignite plants and all generators were expected to install the FGDs by 2017. The pace of installation was painfully slow for a variety of reasons. First, there was hardly any domestic manufacturers for FGDs in 2015 and such large-scale imports were perhaps not practical. Second, the process of installation itself takes about 36 months, so this time limit of installing by 2017 was inexplicable. Third, there was the issue of how to recover the cost of FGDs (amounting to 70 paise/unit on an average) from older plants since their years of operation was limited. In the meantime, the MoEF&CC diluted the norms since they were published in 2015 and in the latest modification of 2021, they provided the generating plants in three categories with revised timelines for installation of FGDs. What was initially indicated as 2017 has now been extended to 2024-25 for certain plants. Moreover, the plants which have been identified for retirement by 2025 need not install FGDs at all. Installation has been dealt a severe blow by IIT-Delhi when in a study conducted by them in 2022, they assessed that though FGDs lower sulphur dioxide levels, they actually release more carbon in the atmosphere in the process! It is no surprise, therefore, that only about 13% of private capacity has installed FGDs till now, whereas for the central and state sectors, it is 4.4% and zero, respectively.

Coming back to the issue of retirement, the moot point is what should be the parameter to be considered? Should it be age, or should it be a worsening of the station heat rate (SHR), which kind of measures efficiency of the plant? The SHR indicates how much coal (measured in energy and not weight) needs to be burned to generate one unit of electricity. The lower the SHR, higher is the efficiency. Before deciding on which plants to retire, we need to decide our objective function. What is that we want to minimise, the total cost of generation or carbon footprints? For the former, we will retire those plants whose per unit variable cost is relatively high and for the latter, we need to weed out those plants whose SHR is relatively high. Depending on the criteria adopted, we would arrive at a different set of plants which need to be retired. What needs to be recognised is that a plant having a high per unit variable cost may actually have a low SHR but may be situated far away from the mine, leading to a higher fuel cost. A plant situated more than 1,500 kilometres away from the mine may actually face a coal price double the pit-head price. The reason is that the railways cross subsidises its passenger fares with revenue earned from freight and coal is its most prominent and lucrative victim.

Can there be a compromise parameter for retirement, for example, the age of the plant? The NEP 2018 spoke of 25 years as the age for retirement, but do plants really become inefficient with age? The answer is no. With increasing age, the operation and maintenance cost may go up, but SHR remains what it was if the plant has been well maintained. Looking at some new generation plants, maybe post 2015, one finds that the per unit variable cost is actually higher than several older generation plants. There are other advantages of not retiring older plants. One would need them for grid balancing (due to increase in the share of renewables in total generation) and also for ancillary services. Since the fixed cost of older generation plants are lower than the recent ones, the system cost for utilising them for grid balancing is cheaper. Not retiring coal-based plants whatever be the criterion has its downside too. It will hamper our march towards renewable generation and will adversely affect our endeavour to become net-zero by 2070. For every 1000 MW of coal capacity not retired, we effectively block at least 3000 MW of solar power since the plant load factor of a coal-based plant is at least three times that of a solar plant.

Devising a strategy for retirement of coal/lignite-based plants is an extremely difficult task. The government's latest move not to retire any coal plants till 2030 should be seen in this light. Having said that, one can also say that by extending the life of coal plants till 2030 irrespective of age, the government has tacitly admitted that it will not be possible to add to solar and wind capacity as targeted and will need the services of coal plants for meeting the growing demand, at least in the medium term. https://www.financialexpress.com/opinion/the-vexing-coal-question-mere-age-cant-be-the-criterion-for-retiring-coallignite-plants/3270038/

9. Good GDP numbers hide many fault lines *(hindustantimes.com)*

OCTOBER 13, 2023

Structural reforms are necessary to sustain India's high growth trajectory and enable the nation to achieve developed country status by 2047

The Reserve Bank of India (RBI), in its monetary policy statement on October 6, 2023, has reiterated that the economy will register Gross Domestic Product (GDP) growth of 6.5% this year though it is expected to decelerate from 7.8% in the first quarter to 5.7% in the fourth. Other estimates by the rating agencies and multilateral banks are quite close to this estimate with the International Monetary Fund (IMF) and the World Bank projecting 6.3% and the Asian Development Bank keeping it at 6.4%. Although lower than last year's 7.2% growth, the numbers are impressive: India continues to be the fastest-growing large economy in the world.

However, it would be too early to be euphoric. The Prime Minister would like to see India as a developed economy by the centenary year of Independence (2047), which, according to the World Bank definition, requires the economy to achieve a per capita income level of $13,205. The task is challenging as the economy will have to register an average annual growth of 8-9% over the next 20 years to achieve this.

Significant structural reforms need to be undertaken to achieve this aspirational target. Although the risks to growth are evenly balanced in the Reserve Bank of India (RBI)'s assessment, a closer look at the economic outlook shows that the risks seem to weigh more on the negative side.

Equally important is the challenge of accelerating and sustaining growth in the medium- and long-term to address the structural problems, particularly reversing the decelerating trend in savings and investment. The poor monsoon this year is likely to adversely impact incomes from the agricultural sector and agro-processing industries and may dampen rural demand. In the medium-term, the decelerating supply of the household sector's financial savings coupled with the continued draft on it by the government due to very high levels of fiscal deficit, are unlikely to spur private sector investments in the medium-term.

On average, the agricultural sector has been growing in the recent past at about 4%. However, a monsoon deficit of 5.6% from the long-period average this year is likely to impact the sector adversely. The RBI governor's statement says that despite the deficit, the acreage under kharif (monsoon crop) cultivation is higher by 2%. However, wide variations in the temporal and regional spreads of the monsoon are likely to lower productivity, particularly in water-intensive crops. Besides, the acreage under cultivation of pulses is estimated to be lower by 4.9% and that will impact both outputs and prices. The significantly lower levels in reservoirs are also likely to have an adverse impact on the rabi (winter crop) output.

The manufacturing sector too is unlikely to show any stellar performance. Although the non-agricultural credit growth is high, the spike in personal credit, particularly for housing and vehicles, constitutes a substantial part of this. The services sector including public administration, defence, and other services is likely to perform well as elections are scheduled for five states in this financial year and the general election to Lok Sabha is likely to be held in early 2024. The PMI of both industry and services has continued to expand, but it remains to be seen whether the momentum will be maintained throughout the year.

The global slowdown, the protectionist trend in advanced Western countries, and international conflict situations are other factors dampening external demand. Even if in the current year the economy registers a growth of 6%, it will be high in the context of slower growth in most countries. Accelerating growth and sustaining it at about 8-9% to reach the status of a developed country by 2047, requires considerable reforms that must be implemented without much loss of time. Spurring domestic demand alone has not been adequate to accelerate and sustain high growth in any country that has experienced high growth over long periods of time: Most of them had to depend upon increasing exports to maintain the growth momentum. Competitiveness cannot be achieved by maintaining high levels of tariffs. Achieving competitive manufacturing requires undertaking domestic reforms, however difficult they are. Small firms account for over 75% of manufacturing employment. But with no incentive for them to grow and achieve an optimal economic size and scale, their competitiveness is lost. In fact, there are significant disincentives for the small to become medium and large. According to an OECD report, 77.6% of the persons in the age group of 25-64 years have education levels below the upper secondary level and even training them is going to be a challenge. The medium-term risks to growth are even more serious.

Currently, GDP growth is led predominantly by private consumption and public investment. Much of the household consumption has been financed by borrowings from financial institutions: The household sector's financial savings as a ratio of GDP has shown a sharp decline to 5.1% in 2022-23 from 7.2% in the previous year. With a high fiscal deficit, there is hardly any borrowing space left for private investment. This is driving up the cost of borrowing. The decelerating levels of saving and investment can pose a major constraint in accelerating growth. Besides, attempts at fiscal consolidation will constrain the ability of the government to increase public investments. At the same time, a global slowdown, geopolitical tensions, and wars along with a protectionist policy environment do not show high prospects for growth acceleration through exports. In this environment, serious structural reforms to increase savings and investment, compress the fiscal deficit at the Union and state levels to ensure adequate availability of borrowing space to the private sector, and open up the economy and enhance competitiveness in Indian manufacturing are imperative. The challenge of achieving developed country status by 2047 is formidable but not impossible if such reforms are initiated. https://www.hindustantimes.com/opinion/good-gdp-numbers-hide-many-fault-lines-101697118870992.html

10. I-T pegs tax evasion by insurance companies, intermediaries at ₹30,000 cr *(economictimes.indiatimes.com)* OCTOBER 13, 2023

New Delhi: Insurance companies and their intermediaries allegedly evaded nearly ₹30,000 crore in income tax since July 1, 2017 (since inception of GST) by suppressing income and showing fake expenditure, according to an internal income tax department assessment.

The department is in the process of sending tax demand notices to these entities to recover the dues, people aware of the details told ET. The amount could increase once interest and penalties are levied, they said.

"We are sending demand notices along with penalty and interest to companies separately and they will get the mandated time to respond to them or contest them," a senior official said.

The assessment officer will decide the amount of interest and penalty.

I-T Pegs Evasion by Insurance Cos, Intermediaries at ₹30,000 cr

Last year, the income tax department initiated a probe, together with the Directorate General of GST Intelligence (DGGI), after discovering that some insurance firms were circumventing regulations on commissions, paying more than what is permitted to agents and intermediaries. Such payments were done against invoices that the officials said were fake.

The income tax department probed the loss of income tax due to the allegedly inflated expenditure.

"There were also instances of fake CSR expenditure, showing events which never took place and highly inflated advertising and event bills for which we have got all the transaction details," another official said. The initial probe covered 30 insurance companies, 68 tax agents, and intermediaries. The probe was later extended to include many banks that had worked as insurance intermediaries across the country. In the case of banks that acted as intermediaries, the probe found that the insurance companies paid the manpower supply costs of the banks, which were never reflected in the books of banks.

This amounts to non-disclosure, which is a severe violation under the I-T laws, the second official added. The DGGI was looking into instances of insurers claiming input tax credit without the underlying supply of goods and services, allegedly using fake invoices provided by intermediaries. The DGGI said this caused GST evasion of ₹3,500 crore. "This was a joint probe and an example of data sharing which we did with the DGGI, which backed the probe with data and evidence," he said. https://economictimes.indiatimes.com/industry/banking/finance/insure/i-t-pegs-tax-evasion-by-insurance-companies-intermediaries-at-30000-cr/articleshow/104380828.cms?from=mdr

11. Global Hunger Index 2023: India slips 4 places, ranked 111 of 125 countries *(hindustantimes.com)* OCTOBER 13, 2023

India ranked 111th out of 125 countries in the Global Hunger Index-2023 with the country reporting the highest child wasting rate at 18.7 per cent.

The index was released on Thursday. India ranked 107th out of 121 countries in 2022.

The Global Hunger Index (GHI) is a tool for comprehensively measuring and tracking hunger at global, regional, and national levels.

With a score of 28.7 in the Global Hunger Index-2023, India has a level of hunger that is serious, according to a report based on the index.

India's neighbouring countries Pakistan (102th), Bangladesh (81st), Nepal (69th) and Sri Lanka (60th) have fared better than it in the index.

South Asia and Africa South of the Sahara are the world regions with the highest hunger levels, with a GHI score of 27 each, indicating serious hunger.

"India has the highest child wasting rate in the world, at 18.7 per cent, reflecting acute undernutrition," the report based on the index stated. Wasting is measured based on children's weight relative to their height.

According to the index, the rate of undernourishment in India stood at 16.6 per cent and under-five mortality at 3.1 per cent.

The report also said that the prevalence of anaemia in women aged between 15 and 24 years stood at 58.1 per cent.

The 2023 Global Hunger Index (GHI) shows that, after many years of advancement up to 2015, progress against hunger worldwide remains largely at a standstill.

The 2023 GHI score for the world is 18.3, considered moderate and less than one point below the world's 2015 GHI score of 19.1.

Furthermore, since 2017 the prevalence of undernourishment, one of the indicators used in the calculation of GHI scores, has been on the rise, and the number of undernourished people has climbed from 572 million to about 735 million, the index said. https://www.hindustantimes.com/india-news/global-hunger-index-2023-india-slips-4-places-ranked-111-of-125-countries-101697119864815.html

12. Ways to make IBC more effective *(thehindubusinessline.com)* OCTOBER 13, 2023

Any litigation around determination of claims should be delinked from the resolution process

Financial creditors, especially banks, which had high expectations that the Insolvency and Bankruptcy Code (IBC), 2016 would help resolve the non-performing asset (NPA) problem, are deeply concerned over inordinate delays.

The RBI, in its efforts to resolve NPAs, recently proposed in a draft paper, "revisions in the guidelines for handling wilful defaulters". It mandates review and finalisation on wilful default within six months of an account being classified as NPA. The success of such a major step also rests on timelines.

The need to stick to timeliness cannot be overemphasised. Even the 'Report of the Bankruptcy Law Reforms Committee', which gave birth to IBC, states: "From the viewpoint of creditors, a good realisation can generally be obtained if the firm is sold as a going concern. Hence, when delays induce liquidation, there is value destruction. Further, even in liquidation, the realisation is lower when there are delays. Hence, delays cause value destruction. Thus, achieving a high recovery rate is primarily about identifying and combating the sources of delay".

Some of the radical changes required to achieve the twin objectives of timeliness and asset maximisation are: delink the resolution process and liquidation process; in the resolution process, delink " the assets and business" from "determination of claims and other litigations"; and delink the promoters from CIRP (Corporate Insolvency Resolution Process) and the liquidation process.

First, it should be recognised that "resolution and liquidation" are two distinct and separate paths, each requiring different processes, people with different expertise and following different timelines.

Also, any litigation and determination of claim should run parallel without affecting the resolution process.

Need for stricter timeliness also arise from Section 25 of the Code which deals with the duties of the resolution professional (RP), where the RP is expected to perform certain duties which include preservation and protection of the continuous business operations of the company. Keeping a CIRP company as a " going concern" for a long time not only escalates CIRP expenses but also accelerates value erosion. This is because once a company slips into CIRP: (a) the employees look forward to greener pastures; (b) the suppliers prune their credit terms as they are not sure of getting the dues in time; and (c) customers delay/default payments, etc., taking advantage of the situation.

All these make the day-to-day management harder as time goes by, which calls for quicker resolution to arrest value erosion.

It is important that the RP is insulated from all litigations, which may be initiated by creditors or others, till the resolution plan is approved. Once the plan is approved, the successful resolution applicant (SRA) may deposit the consideration into a separate escrow account of a secured creditor to the benefit of entitled creditors. The SRA can take over the unit and keep it as going concern, unmindful of any litigations.

As far as liquidation process is concerned, Regulation 31A of the IBBI mandates the formation of Stakeholders Consultative Committee (SCC) consisting of various classes of stakeholders — namely, secured financial creditor, unsecured financial creditor, operational creditor, etc. While the liquidator is responsible for earlier realisation of the assets, "disputes amongst SCC members for their claims and other litigations" should run parallel without affecting the liquidation process.

Escrow account

Similar to the resolution process, in the liquidation process also the realisation should be deposited in an escrow account and the liquidator — on determination of the percentage of distribution to each creditor, with the approval of NCLT — can distribute the same.

Another change to be implemented is to keep the promoters away from the entire CIRP and liquidation process. Today most of the litigations are initiated by the promoters, mainly to: (i) scuttle the CIRP and liquidation process; (ii) obtain "stay" from the judiciary. Their mala fide intention to get back the company through the backdoor at a cheaper price is the root cause of all litigations. Once the promoters are kept away from the entire process, there would seldom be a "stay" either in the "resolution or liquidation" process.

The very act of reference to CIRP itself is a clear vindication of the failure of erstwhile promoters to enable revival in any reasonable terms. After exhausting all such reasonable efforts, once a company is referred to IBC, the umbilical cord with the erstwhile promoters must be severed completely. This single amendment would reduce the time, effort and cost of all stakeholders in the IBC.

Another major impediment which is ubiquitous in almost all CIRP cases is the non-availability of key records like audited accounts and fixed asset register for many years. Non-filing of audited accounts with the Ministry of Corporate Affairs is an indication of many serious issues within a company, and hence warrants severe action against the directors/promoters. Absence of those key records also affect the determination of the claims of the Creditors & the Valuation of the Company.

Banks should freeze the account of the companies if the audited accounts and fixed asset register duly certified by the auditor along with IT returns are not submitted every year within the timeframe. The PAN and DIN of the directors should be blocked so that the promoters do not carry on business in another name until audited accounts are filed.

Constant changes are key to the success of IBC. https://www.thehindubusinessline.com/opinion/ways-to-make-ibc-more-effective/article67413342.ece

13. An urgent turnaround *(millenniumpost.in)* OCTOBER 13, 2023

Planning for economic development in hilly regions should take climate impact into account, and dams should never be built in ecologically sensitive areas

There has been devastation in Sikkim due to flash floods in the Teesta river after an outburst of Lhonak glacial lake in North Sikkim on October 4, 2023. As of October 7, 18 people have died and 98 people, including 22 Army personnel, are still missing.

Hundreds of houses, many roads and bridges have been washed away and two dams have been damaged.

Sikkim is one of the 13 Himalayan states for which the central government has asked the Supreme Court to issue an order assessing their carrying capacity. It proposed the formation of an expert panel to evaluate the action plans submitted by each of them following the disasters in Himachal Pradesh and Uttarakhand in July and August.

The massive flood in the Teesta was primarily the result of three events: Heavy rains due to cloudburst, the South Lhonak glacial lake giving way and the resulting flow of water breaching the Chungthang dam, which serves the state's largest hydropower project.

Despite efforts to repair or rebuild damaged infrastructure in order to recover from the disaster in Sikkim, it remains to be seen whether the state could have been spared. The Teesta river hydroelectric project, which was damaged on October 4, 2023, had many doubts even before it was commissioned in 2017.

Way back in 2005, the Union Ministry of Environment, Forest and Climate Change's steering committee for carrying capacity of Teesta Basin noted "sediment carried and deposited by glaciers, temporarily forming glacial lakes and debris cones, is a potential source of hazard in North Sikkim."

The committee that approved the construction of the project in 2006 also warned that the project falls in an area of glacial lakes, which is highly sensitive.

A 2020 report by the Sikkim State Disaster Management Authority also raised suspicions of an outburst at the Lhonak lake. There are 300 glacial lakes in the Sikkim Himalayan region, with 10 of them vulnerable to outbursts at any time and Lhonak lake was one of them, the report said.

The lake was under government observation for many years. Apart from this, according to a report by the Forest and Environment Department of Sikkim, its area has increased significantly in the last five decades. The southern part of the lake has increased by 2.5 times since 1989.

A 2013 report by the Indian Space Research Organisation found there was a 42 per cent chance of the Lhonak lake outbursting. An outburst of the lake is likely to release 19 million cubic metres of water downstream as the glacier above the lake is melting rapidly, it mentioned.

From 1962 to 2008, the glacier has shrunk by 1.9 to 2 metres and will shrink by another 11 metres over the next 11 years. A study published in journal Science Direct in 2021 warned of a catastrophe in Sikkim. Local activists in Sikkim have for long also been warning of the adverse environmental implications of the hydropower projects.

The Teesta river flooding in Sikkim as a result of the lake outburst has caused the majority of the damage in the inhabited areas along the river banks. From 1985 to 2015, people living in river basins suffered more from floods, according to a study published in the journal Nature.

Such a large tragedy could have been avoided if the Sikkim government had taken prompt action. About 31 per cent of Sikkim's population lives in the river basins. The military camp washed away in the floods was also located on the floodplain.

Because of their varied shapes, large stones, gravel and sand brought by glaciers do not form a flat and solid surface. Despite repeated warnings from geologists and environmental experts, the state government paid no attention. Both the Teesta river dam and the city of Joshimath in Uttarakhand are built on glacier debris, putting the lives and property of the people in these areas at risk.

The planet is also warming rapidly, thanks to climate change — all the months from January to September in 2023 had above-average temperatures. The glaciers are melting faster and glacial lakes are filling up rapidly as well. This may further increase the possibility of lake bursting and flooding in the future.

The 2013 floods in Uttarakhand were caused by the melting of the Chorabari glacier and the breaching of the Chorabari lake. The February 2021 flood in Uttarakhand's Chamoli was also caused by melting glaciers.

A 1.5 degree Celsius rise in average global temperature is also expected to melt half of the world's glaciers by the end of this century. Mountainous regions of 12 countries in Asia, including India, Pakistan, China and Nepal, are at high risk due to melting glaciers.

Sikkim is situated in the Himalayan mountain range due to which landslides occur frequently. According to a report by the Geological Survey of India, 3,377 areas are in landslide zones where no construction should take place.

Several countries, including India, saw heavy rains in 2023 and dams broke, releasing water beyond their capacity, causing floods in the states and cities downstream of river basins. Punjab, Haryana, Uttar Pradesh, Bihar, West Bengal and other states saw heavy floods in July-August due to heavy rains in the hilly areas of India.

At least 3,958 people lost their lives and significant amounts of property were destroyed in the Libyan city of Derna early in September 2023 as a result of the collapse of two dams.

In 2004, India's Central Electricity Authority planned to set up 162 projects for power generation, of which 10 were to be built in Sikkim. The number of these projects has only increased over time. Now, several hydropower projects are in various stages of development in Sikkim and West Bengal on the Teesta river, according to National Hydropower Development Corporation. Nine of these have already been commissioned, 15 are under construction and 28 more are in the planning stages.

Teesta is one of the most dammed rivers in the country. More than half of the state's hydropower projects are in the northern part of the state, which is now the most flood-affected region, found a study on hydel projects in the state by think tank World Water Council.

Larger dams with enormous storage capacities generate more hydroelectricity, but when it rains heavily and the amount of water in the dam exceeds its carrying capacity, the floodgates open, flooding the plains and wreaking havoc.

The government should also take every precaution to repair dams on schedule. Lack of prompt dam maintenance in Libya has resulted in the deaths and displacement of thousands of people. There has been a terrible disaster in many Sikkim districts as a result of a portion of the Teesta river's dam number 3 collapsing.

Dams should not ever be built in hazardous or environmentally sensitive areas. Many factors have to be taken into consideration while constructing a dam. First of all, the opinion of geologists should be taken about the geological structure of the land and mountains in the area where the dam is to be constructed.

Water carrying capacity of the area should also be taken into account. In addition, the dams should be small and have a low water storage capacity to prevent human casualties in the event of flooding. Large dams like Gujarat's Sardar Sarovar Dam and Punjab's Bhakra Dam should not have been built.

Plans for economic development in hilly areas should be created and carried out with consideration for the earth's rising temperature. Buildings, roads and homes should not be built near dams, water bodies (such as rivers, springs and lakes), landslide zones, or in hilly areas. Because hilly areas are more sensitive than plains, the state and federal governments should prioritise implementing various economic development schemes there. https://www.millenniumpost.in/opinion/an-urgent-turnaround-536390?infinitescroll=1

14. Bardoli Nagarpalika Spent Rs 10 Cr for A 2-KM Road *(theblunttimes.in)* OCTOBER 13, 2023

The bewildering saga began in 2018 when the Bardoli Nagarpalika approved tenders from two contractors for the construction of a two-kilometer Tree-Mix Road, extending from Amiras Hotel to Alankar Cinema, for a combined cost of Rs 4.21 crore. The project also included plans for tree plantation alongside the road, aiming to enhance the aesthetics and provide green cover.

Surat: The Bardoli Nagarpalika, nestled within the jurisdiction of the Surat Urban Development Authority (SUDA), has recently come under scrutiny due to extravagant spending on the construction of a seemingly straightforward two-kilometer road. This lavish expenditure, totaling a staggering Rs 10 crore, has left residents and authorities alike perplexed and has sparked concerns over possible mismanagement of public funds.

The bewildering saga began in 2018 when the Bardoli Nagarpalika approved tenders from two contractors for the construction of a two-kilometer Tree-Mix Road, extending from Amiras Hotel to Alankar Cinema, for a combined cost of Rs 4.21 crore. The project also included plans for tree plantation alongside the road, aiming to enhance the aesthetics and provide green cover.

However, it didn't take long for concerns to arise. After the road's completion, potholes began to surface at various locations, and it became evident that the work had not been executed in accordance with the prescribed specifications laid out in the contracts. In response to these glaring issues, the Bardoli Nagarpalika issued notices to the contractors, demanding pothole repairs and written explanations for the subpar workmanship.

What has left the community baffled is that, despite the evident quality issues, the Bardoli Nagarpalika authorities granted completion certificates for the project. Typically, contractors are bound by a five-year maintenance obligation following project completion. However, Bardoli Nagarpalika authorities took an unusual step by allocating an additional Rs 2 crore to a local contractor, Chetan Patel from Bardoli, to rectify the road's issues.

The Bardoli Nagarpalika authorities misguided the officials of SUDA by stating that the road was never constructed and the funds under 14th Finance Commission was not utilised anymore.

Darshan Naik, a vigilant social activist, has strongly advocated for strict action against Bardoli Nagarpalika authorities, including the president, CEO, and other engineers, for their role in misleading SUDA authorities and allegedly misappropriating funds through corrupt practices.

Naik contends, "The Municipal Engineer, Chief Officer, and President of Bardoli Nagar Palika provided certificates and undertook that the construction of Canal Road from Amiras Hotel to Alankar Cinema (Right and Left Sides) had not been taken up in any scheme, grant/own fund before and it is a brand new work with no duplication or overlapping of these works. The truth is that the work was approved under the 14th Finance Commission scheme, with Rs 4.21 crore already expended."

According to Naik, Bardoli Nagarpalika paid Rs 4.21 crore to the initial two contractors, only to later award a third contractor Rs 2 crore for the reconstruction of a road that had already been constructed. Additionally, Bardoli Nagarpalika expended a substantial Rs 84 lakh on wall construction, Rs 4.45 lakh for asphalt painting, and other supplementary work that was originally intended to be executed by the initial contractors for Rs 4.21 crore.

"The involvement of all officials and ruling party leaders in Bardoli Nagarpalika in this substantial misappropriation of funds is deeply concerning. For a two-kilometer road with an initial estimated cost of Rs 4 crore, the Nagarpalika ultimately spent a jaw-dropping Rs 10 crore. I have called upon the Vigilance Commission to launch a comprehensive investigation into this matter," stated Naik. https://theblunttimes.in/bardoli-nagarpalika-spent-rs-10-cr-for-a-2-km-road/36997/

15. Completion of ambitious Margao ring road project to cost Rs 100 cr *(thegoan.net)* OCTOBER 13, 2023

Decades old delay in the execution of the ambitious Margao ring road project will now cost the exchequer a bomb to complete the project.

Blame it on lack of political will to shift and rehabilitate the migrants inhabiting the Cine Lata colony, coming along the ring road alignment or simply the failure to acquire land along the Gandhi market stretch of the ring road, the government has now proposed to connect the ring road with an elevated corridor, estimated to cost the Centre and Goa government a whopping over Rs 100 crore.

The elevated corridor or a flyover is expected to save the migrant shanties near Cine Lata from demolition. At the same time, construction of the flyover will not necessitate land acquisition along the Gandhi market stretch of the ring road, sources said.

The kilometer-long flyover will start just before the Cine Lata migrant colony where the ring road has hit a dead end because of the hutments. And, the flyover will descend near the Old railway station just ahead of the Victor Hospitals, sources informed.

While the elevated corridor is expected to link the ring road, at the stretch between Cine Lata and Old station road, questions whether a flyover worth over Rs 100 crore just to complete the long-delayed the ring road project has become a subject matter of debate.

The flyover project also raises questions how the government will go about the Cine Lata migrant colony, whether the inhabitants will stay put at the existing place or will be rehabilitated on the government acquired land.

For, PWD officials in the know informed that the government had acquired land admeasuring 7,000 square metres at Comba for the rehabilitation of the land losers displaced by the ring road project, especially along the Comba section of the project.

Sources further informed that the government had also acquired land near Cine Lata itself. PWD officials, however, told The Goan that the acquiring department is yet to hand over the possession of the acquired land free from all encumbrances.

Shedding light on the ring road project, Margao MLA Digambar Kamat has said a fresh initiative has been made to complete the long-delayed ring project.

"The ring road is complete along the Aquem power house stretch to the old Margao station road near Victor hospital. The stretch from Old market-Comba-Cine Lata stretch is also complete. The project could not see light of the day because of the missing link between Cine Lata and old Margao station. To tide over the issues, it has been proposed to build an elevated corridor connecting Cine Lata to the Old Margao station road', Kamat said.

He added: "Since the project will need huge amount of funds, it has been decided to seek central funding from the Union Ministry of Surface Transport to build the elevated corridor and complete the ring road".

The Ring road project was first mooted in the late 70's by the Margao Municipal Council in order to streamline the traffic flow and to take care of the city's future traffic requirements. Sadly, the ring road project began to take shape only in the 90's and was taken up in phases along the Aquem and Comba stretches. https://www.thegoan.net/goa-news/completion-of-ambitious-margao-ring-road-project-to-cost-rs-100-cr/104731.html

16. Two former SDMs booked for fraud worth over ₹380 cr *(hindustantimes.com)* Oct 13, 2023

Two former sub-divisional magistrates (SDM) of Amethi were booked for cheating and fraud causing loss worth over ₹380 crore to the exchequer in the process of fixing and distribution of compensation to people whose lands were acquired during construction and expansion of by-pass around 10 years ago, said senior police officials here on Thursday.

Amethi superintendent of police (SP) Elamaran G told the media persons that the FIR was lodged on the complaint of land revenue record officer of Musafirkhana SDM office Surendra Prasad Srivastava with Musafirkhana police station on Wednesday.

He said the two former SDMs of Musafirkhana RD Ram and Ashok Kannaujiya along with other unidentified persons have been booked under charges of Indian Penal Code sections 409 (for criminal breach of trust by public servant), 410 (for cheating with knowledge that wrongful loss may ensue to person whose interest offender is bound to protect) and 420 (for cheating and dishonestly inducing delivery of property).

RD Ram retired from service few years back while Ashok Kannaujiya is presently posted at the Youth Welfare Directorate in Lucknow.

According to the FIR, Amethi district magistrate Rakesh Kumar Mishra had ordered enquiry into the alleged anomalies in distribution of compensation to people while acquiring their land for the by-pass expansion and construction during the Samajwadi Party regime between 2012 and 2017. He said the enquiry report exposed multiple anomalies allegedly committed by the two SDMs posted at Musafirkhana Tehsil following which the FIR was lodged.

As per the FIR, the enquiry report revealed the two officers fixed and cleared compensation of the acquired land at distance from the by-pass on the same circle rate as it was fixed and cleared for land acquired adjoining to the by-pass. It further stated that several people were illegally benefitted with the act.

Another police official said further charges of Prevention of Corruption Act and other irregularities could also be added if the allegations were proved during the police investigation. https://www.hindustantimes.com/cities/lucknow-news/two-former-sdms-booked-for-fraud-worth-over-380-cr-101697138104376.html