NEWS ITEMS ON CAG/ AUDIT REPORTS

1. Reduce Load In Few Key Areas, Declog Judicial System For All: Sanjeev Sanyal And Co-Author's Prescription *(swarajyamag.com)* September 13, 2023

Throughout the hierarchies of India's judicial system, there are approximately 52 million pending cases.

In an article published in The Economic Times, Sanjeev Sanyal, a member of the Economic Advisory Council of the Prime Minister, and his co-author, Jayasimha KR, delve into this critical issue by examining the cumulative numbers of cases where the central or state governments, or related agencies are the litigators.

The dataset used for this exercise was the Legal Information Management and Briefing System— an online repository of GoI's court cases.

Sanyal and his co-author point out that currently, there is a striking backlog of around 44.7 million cases pending in district and taluk courts, 60.64 lakh awaiting attention in High Courts, and a relatively modest 69,000 clamouring for justice in the halls of the Supreme Court.

What's alarming according to them, however, is the undeniable role played by the government, both at the central and state levels, along with state-affiliated agencies in contributing to this congestion, as mentioned by various law commission reports.

Citing data from the LIMBS repository, the authors note that a handful of ministries and statutory institutions contribute for a large percentage of the cases. The top five being the Ministries of Finance, Railways, Defence, Labour, and the Comptroller and Auditor General (CAG), collectively accounting for approximately 75 per cent of pending litigation involving the GoI in India's courts.

The Ministry of Finance leads the pack with around 27 per cent of the pending cases, followed by the Railway Ministry (17 per cent), Defence Ministry (13 per cent), Labour and Employment Ministry (12 per cent), and the CAG (3 per cent).

Furthermore, around 42 per cent of cases in the Ministries of Finance and Defence have are over five years old. This trend is echoed in 55 per cent of railway cases, 49 per cent of labour and employment cases, and 36 per cent of CAG-related cases.

The LIMBS database categorizes these cases into 12 types. Out of these, tax-related issues make up 28 per cent, while service matters account for 22 per cent. Miscellaneous cases, including special leave petitions, constitute 17 per cent, followed by labor disputes at 10 per cent, and land-related matters at 8 per cent.

He points out that of the 6,45,000 active cases in LIMBS, 9 per cent are waiting for resolution in district and session courts, 37 per cent in high courts, 40 per cent in tribunals, more than 9 per cent in other courts (like revenue courts), and over 2 per cent in the Supreme Court (SC).

Sanyal and Jayasimha note that tribunals and HCs carry the majority of the Government of India's legal backlog. For example, 55 per cent of the Finance Ministry's cases are stuck in tribunals, and 37 per cent are in HCs. Similarly, for Railways, 48 per cent of cases are in various tribunals, and 23 per cent are before HCs. Defence is also grappling with a backlog, as 65 per cent of its cases await resolution in tribunals.

The authors highlight that In the Economic Survey of 2017-18, Chapter 9 studied how often tax departments won their cases in tribunals, high courts, and the Supreme Court.

The also found that a very small fraction, just 0.2 per cent, of cases represented a significant 56 per cent of the total money at stake. Meanwhile, 66 per cent of the cases with claims below 10 lakh made up only 1.8 per cent of the total money tied up in pending cases.

In layman's terms, a lot of the cases causing delays didn't involve substantial economic sum at the level of the entire state machinery. Therefore, the authors believe that it is essential to conduct a new analysis to understand the current situation better.

In the same Economic Survey, it was found that the tax department didn't win most of its cases in tribunals, high courts, and the Supreme Court. They had a success rate of less than 30 per cent, and lost 65 per cent of their cases.

Furthermore, in May, a Supreme Court panel mentioned that about 40 per cent of government lawsuits, from both the central and state governments, seemed to be unimportant or "frivolous."

According to Sanyal and Jayasimha, this problem has been around for a while. The Law Commission of India talked about the need to decrease government lawsuits in its 100th report in 1984, 126th report in 1988, and 230th report in 2009. Similarly, the Second Administrative Reforms Commission discussed this issue in its Fourth Report in 2007.

The authors conclude by pointing out that although the LIMBS database is useful for understanding GoI's legal cases, there's a need to conduct a similar analysis for other government levels to fully address the problem. They believe that since the bulk of the problem is concentrated in a few departments, if the load in few key areas is reduced, it would clear the backlog to a great extent. https://swarajyamag.com/ideas/reduce-load-in-few-key-areas-declog-judicial-system-for-all-sanjeev-sanyal-and-co-authors-prescription

STATES NEWS ITEMS

2. Telangana's total liabilities moving closer to ₹4 lakh crore

(thehindu.com) 13 September 2023

According to the Comptroller and Auditor General of India's audited figures for 2021-22, the State's total liabilities were to the tune of ₹3.21 lakh crore, amounting to 28% of the GSDP. This includes ₹6,949 crore which was passed on as back-to-back loans by the Central Government in lieu of the shortfall in the GST compensation.

The State could raise ₹32,119 crore in 2022-23 against the ₹52,167 crore projected in the budgetary estimates for the year, thanks to the restrictions imposed by the Union Finance Ministry on the ground that the State had "over borrowed" during the preceding fiscal years. The Union Ministry has fixed the gross borrowing ceiling of Telangana at ₹42,225 crore during the current year, of which the State had opted for negotiated loans of ₹1,500 crore and borrowing from public account to the tune of ₹4,107 crore, leaving space for raising ₹36,613 crore from the open market.

During the current fiscal, the State had raised open market borrowings of ₹26,500 crore through the auction of securities conducted by the Reserve Bank of India before the end of the first half thus leaving scope for raising just around ₹10,000 crore in the next seven months. The borrowings were mainly on account of the spree of welfare schemes announced for different sections and the commitments the Government had in the form of Rythu Bandhu, Dalit Bandhu and ₹1 lakh financial assistance as grant to sections like BC artisans and Muslims.

Added to these is the promise of completing crop loan waiver up to ₹1 lakh to eligible farmers which would entail around ₹19,000 crore.

On the revenue side, the State could achieve tax revenue of ₹42,712 crore till the end of July, just 28% of the targeted ₹1.52 lakh crore for the current fiscal. With revenue not meting expectations and restrictions imposed by the Centre on the borrowings, the State had to depend on auction of lands and advance issuance of licences for liquor outlets which fetched some revenue that helped the State in tiding over the burden on finances due to schemes like crop loan waiver. https://www.thehindu.com/news/national/telangana/telanganas-total-liabilities-moving-closer-to-4-lakh-crore/article67302574.ece

SELECTED NEWS ITEMS/ARTICLES FOR READING

3. Union cabinet approves Ujjwala Yojana 3.0 at ₹1,650 crore *(hindustantimes.com)* 14 September 2023

A fortnight after slashing cooking gas rates by ₹200 per cylinder for 330 million customers ahead of crucial elections, the government on Wednesday launched the third phase of its popular Ujjwala scheme to provide free gas connections along with a stove and a refill to 7.5 million poor households for three years. This phase takes the total coverage under the scheme to 103.5 million households.

Briefing the media about decisions taken by the Cabinet under the chairmanship of Prime Minister Narendra Modi, Union information and broadcasting minister Anurag Thakur said the government has approved extension of Pradhan Mantri Ujjwala Yojana (PMUY) to provide 7.5 million free liquefied petroleum gas (cooking gas) connections up to March 31, 2026.

Under the scheme, beneficiaries will receive a deposit-free gas connection, including one stove and the first 14.2kg cylinder free of cost, he said. One such connection would cost ₹2,200 to the exchequer, a cost which will be initially borne by state-run oil marketing companies, with the government reimbursing them later. According to Thakur, the scheme is estimated to cost ₹1,650 crore.

Thakur said the scheme has been extended to include those eligible households that do not have LPG connections for various reasons such as formation of new nuclear family.

Experts said that the move will certainly benefit the ruling BJP in forthcoming assembly polls and the general election in 2024.

“Upliftment of the poor is the purpose of any democracy and polls catalyse this process. The move will certainly benefit the poor, creating political dividend for the ruling party,” said Keshav Mishra, professor at the Banaras Hindu University (BHU). Mishra sought to distinguish the scheme from other freebies or sops. “This scheme was well conceived, targeted, and has so far benefited 96 million poor families, and is hence different from untargeted freebies offered by some parties only to win polls.”

According to official data, Pradhan Mantri Ujjwala Yojana (PMUY or Ujjwala 1.0) was launched in Ballia (Uttar Pradesh) by PM Modi on May 1, 2016, to provide clean cooking fuel to about 80 million poor households across the country. The target was achieved in September 2019. Later, PMUY phase-2 (or Ujjwala 2.0) was launched from Mahoba district of poll-bound UP in August 2021 with an initial target of 10 million connections, which was achieved by January 2022. Subsequently, the government released 6 million more connections under Ujjwala 2.0 till December 2022. Now the government has announced a third phase of the scheme.

Last month, on August 29, the Cabinet announced slashing the price of cooking gas by ₹200 per 14.2kg cylinder for all 330 million users to ease the strain on household finances hit by soaring retail inflation that came in at a 15-month high of 7.44% in July; this fell to 6.83% in August, but still above the Reserve Bank of India’s tolerance band of 6%. Experts expect an impact of the subsidy to reflect in lower inflation in September. The move made LPG cylinders cheaper by ₹400 per refill for 96 million Ujjwala beneficiaries, who were already receiving a subsidy of ₹200. The other 234 million users, who were previously not eligible for a subsidy – the government scrapped subsidies on LPG in 2020 – now stand to benefit from a subsidy of ₹200 a cylinder. https://www.hindustantimes.com/india-news/ujjwala-3-0-approved-by-union-cabinet-at-1-650-crore-101694628829996.html

4. Cabinet approves Phase 3 of e-courts project, allocates Rs 7,210 crore *(moneycontrol.com)* 13 September 2023

The Union cabinet on September 13 approved the commencement of Phase 3 of e-courts project with a financial allocation of Rs 7,210 crore, Union minister Anurag Thakur announced in a cabinet briefing.

"Cabinet has approved Phase III of eCourts Project, with financial outlay of Rs.7210 crore. eCourts Mission Mode Project is the prime mover for improving access to justice using technology," a government spokesperson said on X (formerly Twitter)

The Union government allocated Rs 7,000 crore in Union Budget 2023 for the third phase of the e-courts project, which is a four-fold jump from Rs 1,670 crore granted for phase two of the digital upgradation of courts in 2015.

Chief Justice of India DY Chandrachud hailed the government's allocation and noted that the allocation will also help improve the efficiency of the justice delivery system in India. “Such endeavours (e-courts) will ensure that the court truly reaches out to every citizen of the country,” he said.

Launched in 2005, the project was conceptualised to equip the Indian judiciary with information and communication technology by digitising every facet of litigation from initiation to judgement.

The first phase saw the computerisation of district and taluka courts with Case Information Software (CIS) for providing basic case-related services to litigants and lawyers. Phase 2 saw the integration of systems across courts in the country and the introduction of the National Judicial Data Grid (NJDG), a near real-time repository of data on the pendency and disposal of cases.

Phase 3 of the project provides various new features such as digital and paperless courts that aim to bring court proceedings under a digital format in a court. An online court is aimed at eliminating the presence of litigants or lawyers in the court through virtual hearings and expansion of the scope of Virtual Courts beyond adjudication of Traffic Violations. Phase 3 also aims to harness Artificial Intelligence and its subsets like Optical Character Recognition (OCR) for analysis of case pendency, forecasting future litigation among others.

The e-Courts Phase 3 is being implemented under the joint partnership of Department of Justice, Ministry of Law & Justice, and eCommittee, Supreme Court of India. It is to be noted that CJI Chandrachud has been heading the e committee of the Supreme Court for over two years now.

The scheme is also expected to promote ease of justice by making the system more accessible, affordable, reliable, predictable, and transparent for all stakeholders. https://www.moneycontrol.com/news/trends/legal/cabinet-approves-phase-3-of-e-courts-project-alocates-rs-7210-crore-11359461.html

5. Expenditure of Holding Synchronised Polls Nearly ₹ 10 lakh Crore: Study *(ndtv.com)* September 13, 2023

Amid a debate over simultaneous polls, a new study on Tuesday pegged the total expenditure on all elections from Lok Sabha to local bodies at ₹ 10 lakh crore which could be brought down by ₹ 3-5 lakh crore if the voting period is reduced to just a week and parties strictly follow the model code.

The study said the 2024 Lok Sabha polls will involve an expenditure of around ₹ 1.20 lakh crore of which the Election Commission is estimated to spend "hardly 20 per cent" and this does not include expenditure on new electronic voting machines.

According to N Bhaskara Rao, a research-based analyst of public policies, ₹ 10 lakh crore is the estimate for holding Lok Sabha, assembly and local body polls (panchayats, zila parishad, municipalities) together.

But the total amount in elections is not necessarily spent by the central and the state governments. Parties too incur expenditure on candidates and campaigning. Campaigning often begins even before the election schedule is announced.

But parties are only mandated to share election expenditure with the EC from the date polls are announced till the election process is completed.

While there is ceiling on how much candidates can spend on campaigning, there is no such bar on parties.

For the 2019 Lok Sabha polls, parties had collected ₹ 6,400 crore, they had spent ₹ 2,600 crore.

According to Rao, while ₹ 1.20 lakh crore is estimated to be spent on Lok Sabha polls in 2024, ₹ 3 lakh crore could be spent if all assembly polls are held together. There are a total of nearly 4,500 assembly seats in the country.

He has pegged the cost of holding all municipal elections together at ₹ one lakh crore. There are nearly 500 municipal seats across the country.

Similarly for zila parishads (650 seats), mandals (7000 seats) and village (gram) panchayats (2,50,000 seats), the cost of holding polls has been pegged at ₹ 4.30 lakh crore).

Rao said holding simultaneous polls itself was not enough to reduce poll expenditure significantly substantially.

He said the present practice followed by parties on campaigning, effectiveness of the poll panel and strict adherence by parties to the model code of conduct will play an important role in reducing expenditure.

According to Rao, a "one-week poll" is likely to bring down poll expenditure. He said a rationale poll schedule which is not spread across phases will help reduce poll expenditure.

By having simultaneous polls for different levels what is likely to be reduced visibly is expenditure on travel, printing, media campaign, booth-level logistics.

Without curbing "note for vote" or voter inducement, poll expenditure will not reduce significantly, he said.

Rao, who headed Centre for Media Studies (CMS), has authored several books on elections and poll expenditure. https://www.ndtv.com/india-news/expenditure-of-holding-synchronised-polls-nearly-rs-10-lakh-crore-study-4386529

6. India Spent Over Rs 4,000 Crore on Beautification for G20 Summit in New Delhi *(thewire.in)* September 17, 2023

The Union government has spent over Rs 4,110 crore on beautification of the New Delhi area for the G20 summit that was held in the capital on September 9-10.

The two-day summit held under India's presidency saw the Narendra Modi government successfully pulling off a consensus over the New Delhi Declaration.

However, opposition parties have trained guns at the Union government over its spending on the summit, particularly on the beautification of the capital where the summit was held.

On September 4, Union minister of state for external affairs and culture Meenakshi Lekhi shared on X (formerly Twitter) a copy of the expenditure heads including the breakdown of the government's expenses on the beautification work done.

The document was titled 'Expenditure for City Improvement in the area primarily will be used for G20 delegates'.

According to this document, the Union government spent a total of Rs 4,110.75 crores.

This included various expenses undertaken under the head 'Street Furniture at Missing Points' by the New Delhi Municipal Corporation (NDMC), Delhi Development Authority (DDA), Ministry of Road Surface Transport, Public Works Department (PWD), MES/MEA, Forest Department, Delhi Police and the India Trade Promotion Organisation (ITPO).

The following expenses were incurred, according to the document, in this one category alone:

NDMC: About Rs 60 cr
DDA: About Rs 18 cr
Ministry of Road Surface Transport: About Rs 26 crore
PWD: About Rs 45 cr
MCD: About Rs 5 cr
MES/MEA: About Rs 0.75 cr
Forest Department: About Rs 16 cr
Delhi Police: About Rs 340 cr
ITPO: About Rs 3,600 cr

Expenditure for City Improvement in the Area primarily will be used for G20 Delegates										
S.NO.	Items	NDMC	DDA	Ministry of Road Surface Transport	PWD	MCD	MES/MEA	Forest Department	Delhi Police	ITPO
1	Horticulture Improvement									
2	Road Marking Curb Stone Reflectors and Signages									
3	Micro Surfacing/Blacktoppi of Carriage Way									
4	Maintenance of Street Lights and fixing Missing Lights									
5	Installing Sculptures with Palade Lighting									
6	Street Furniture at Missing Points	About Rs. 60 Cr.	About Rs. 18 Cr.	About Rs. 26 Cr.	About Rs. 45.00 Cr.	About Rs. 5 Cr	About Rs. 0.75 Cr.	About Rs. 16.00 Cr.	About Rs. 340 Cr.	About Rs. 3600 Cr.
7	Painting of Public Places									
8	Footpath Maintenance									
9	Clearing encroachment (C & D Wastes/MSW from Public Places									
10	Painting and Washing of Foot Over Bridges/Flyovers									
11	G20 Branding									

The documented tweeted by Union minister Meenakshi Lekhi. Photo: X/@M_Lekhi

While the document included other heads – horticulture improvement, road marking curb stone reflectors and signages, micro surfacing/blacktopping of carriageway, maintenance of street lights and fixing missing lights, installing sculptures and palade lighting, painting of public places, footpath maintenance, clearing encroachment, painting and washing of foot over bridges/flyovers, G20 branding – the expenses in the document were only provided for one head.

In her post, Lekhi was responding to Delhi PWD minister Atishi's claim that while the Delhi government had asked for Rs 927 crores, the Union did not provide a penny.

Lekhi claimed that the Aam Aadmi Party (AAP) government was lying and said: "It was the Central Govt that allocated ₹700 crore for the construction, repair, maintenance & beautification of roads in the capital. These central funds were used by PWD & MCD for the makeover.

PWD and MCD comes under the AAP government in power in Delhi.

"The work done by these agencies that they're quoting today was undertaken through the funds of the Central Govt. So it's evident that unless paid by the Centre, Delhi govt won't work. So, work is paid for and done by Centre, table is attached for all to see," Lekhi said.

According to a report by the Press Trust of India the Union government had allocated Rs 990 crore to the Ministry of External Affairs for the G20 summit in the Union Budget.

However, after opposition parties accused the Modi government of overspending by three-times, the Ministry of Information and Broadcasting's press information bureau fact check unit said in a post on X that these claims are misleading.

Responding to a tweet by All India Trinamool Congress (TMC) MP Saket Gokhale that said the government had spent 300% more than the budget, the PIB said that this claim is "misleading" but did not mention how it was so.

"The quoted expenditure is majorly towards permanent asset creation by ITPO & other infrastructure development which is not limited to hosting G20 Summit alone," the PIB fact check unit said.

A look at the spending by other countries that have hosted G20 summits in the past shows that India's expenditure of over Rs 4,110 crore, as claimed by Lekhi, stands more than other host states.

According to local media reports, Indonesia spent 674 billion Indonesian Rupaiya (roughly Rs 36 lakh) on the G20 summit in Bali in 2022.

According to a fact sheet by the University of Toronto, the cost of G20 summits before that include: $112 million during the 2018 G20 Summit in Buenos Aires, Argentina; €72.2 million during the 2017 G20 summit in Hamburg, Germany; the 2016 G20 Summit in Hangzhou included costs of around $24 billion, however Chinese authorities have not revealed the exact cost of the summit, the fact sheet said. https://thewire.in/government/india-spent-over-rs-4000-crore-on-beautification-for-g20-summit-in-new-delhi

7. Rail freight policy needs overhaul *(thehindubusinessline.com)*

September 13, 2023

Once a formidable force, carrying around 70 per cent of domestic freight in the late 1970s, the Indian Railways gradually lost its dominance to road transport and presently accounts for less than 30 per cent market share. Last year, the Railways formulated the National Rail Plan that envisions achieving a rail-share of 45 per cent in freight transport by 2030-31.

A massive capacity augmentation programme has been launched to cater to the future transport demand. Additionally, the Railways has initiated several marketing policies in partnership with the private sector to enlarge its commodity-basket beyond traditional bulk commodities. For the first time, the Railways lifted 1.5 billion tonnes of revenue-earning freight traffic in 2022–23, clocking a 7 per cent year-over-year growth.

However, this level of growth is not unprecedented — during the Tenth Plan (2002-03 to 2006-07), the CAGR of freight-loading was 8 per cent; but thereafter, the performance of the Railways has been sluggish. For achieving a reasonable 45 per cent market share in the next 7-8 years, the Railways will have to log a CAGR of over 11 per cent in freight-loading. This will be possible only by launching aggressive marketing and competitive pricing policies along with the on-going capacity expansion programme.

For the last 10 years, the Railways has been trying to capture non-bulk traffic, particularly automobiles and containerised movement of other high-value and midvalue commodities but with limited success. Even the diminishing share of the Railways in transporting its ‘bread-and-butter’ price-inelastic bulk-commodities is worrisome and requires urgent scrutiny. Both pricing policies and non-price factors are responsible for the declining importance of the Railways in freight transport, but the former appears to have got scant attention from policymakers.

Two key factors play a role in freight pricing administered by the Railways: cross-subsidising the loss-making passenger operation; and fully-distributed pricing owing to the existence of joint-costs. Both of these translate to suboptimal freight pricing by the Railways. Fully-distributed pricing particularly adds to inefficiency as goods carried by the congested routes are priced less, leading to increased congestion, while the underutilised routes are charged more, keeping these underutilised. The responsibility of price setting is exclusively vested upon the Central Government, that is, the Railway Board, as a result, freight pricing is rigid and centralised in an ever-evolving freight market.

The Railways follows a uniform tariff structure across the country as both ‘cost of service’ and ‘value of service’ are determined nationally. This policy is unable to accommodate any regional variations, and has severely eroded dynamism from rail freight pricing, unlike the trucking industry. Although the Railway Act empowers the zonal railways to set station-to-station rate by providing concessions between a select pair of origin-destination for any commodity, it is used sparingly due to the fear of scrutiny as rail fares are administered by the Government and do not work on commercial lines.

These factors make railway freight rates highly uncompetitive. In fact, the freight rates charged by the Railways are among the highest in the world. In India, there is wide regional variation in road-rates in contrast with the uniform rail-rates throughout the country.

The thin cost advantage of the Railways vanishes when the added costs associated with first and last miles are taken into account; this has been highlighted by Economic Survey 2017-18, too.

Dynamic tariffs

It is time the Railways initiated action to make its pricing system competitive. The Railways, operating as a monopoly since its inception, should make tariffs dynamic to take on its strong competitor, the road sector, which quotes tariffs on a daily basis. Internationally, most of the major railways have migrated to market-driven tariffs as well as contract-pricing on mutually agreed terms.

In the passenger category, the Railways has implemented dynamic pricing in a limited way, with some success. However, the tariff-setting in freight business largely remains unchanged with continued class-based uniform rating system.

In the absence of real-time determination of costs service-wise, the Railways will find the introduction of marginal-cost pricing difficult. However, it may consider such pricing on routes with excess capacity. This will not only allow the Railways to cover the operational expenses, but also help in attracting new business on underutilised routes.

The Railways is in the process of migrating to accrual accounting and a performance-based costing system, and it is expected that deficiencies of distributed-cost pricing may then disappear.

However, reforming the tariff policies must continue till the new accounting system is in place, which may take longer than expected.

The Railways may consider introducing the 'maxima-minima' pricing system to infuse dynamism in freight pricing. Under such a system, the Railway Board will set a maximum (possibly aligning with 'what market can bear') and a minimum ('break-even'), and the zonal railways will be empowered to set freight prices within such a price range.

On experimental basis it can be explored for commodities like cement, where there is stiff competition from the road sector. The freedom to the zonal railways to set freight tariff without the fear of any scrutiny will usher in dynamism and competitiveness. These freight-pricing reforms will complement the present marketing and infrastructure policies of the Railway Board. https://www.thehindubusinessline.com/opinion/rail-freight-policy-needs-overhaul/article67304096.ece

8. Why India is rebuffing a coal-to-clean deal with rich nations *(climatechangenews.com)* 13 September 2023

The country is not moving away from coal yet, doesn't want to hand rich nations a win and thinks the JETP terms aren't good enough

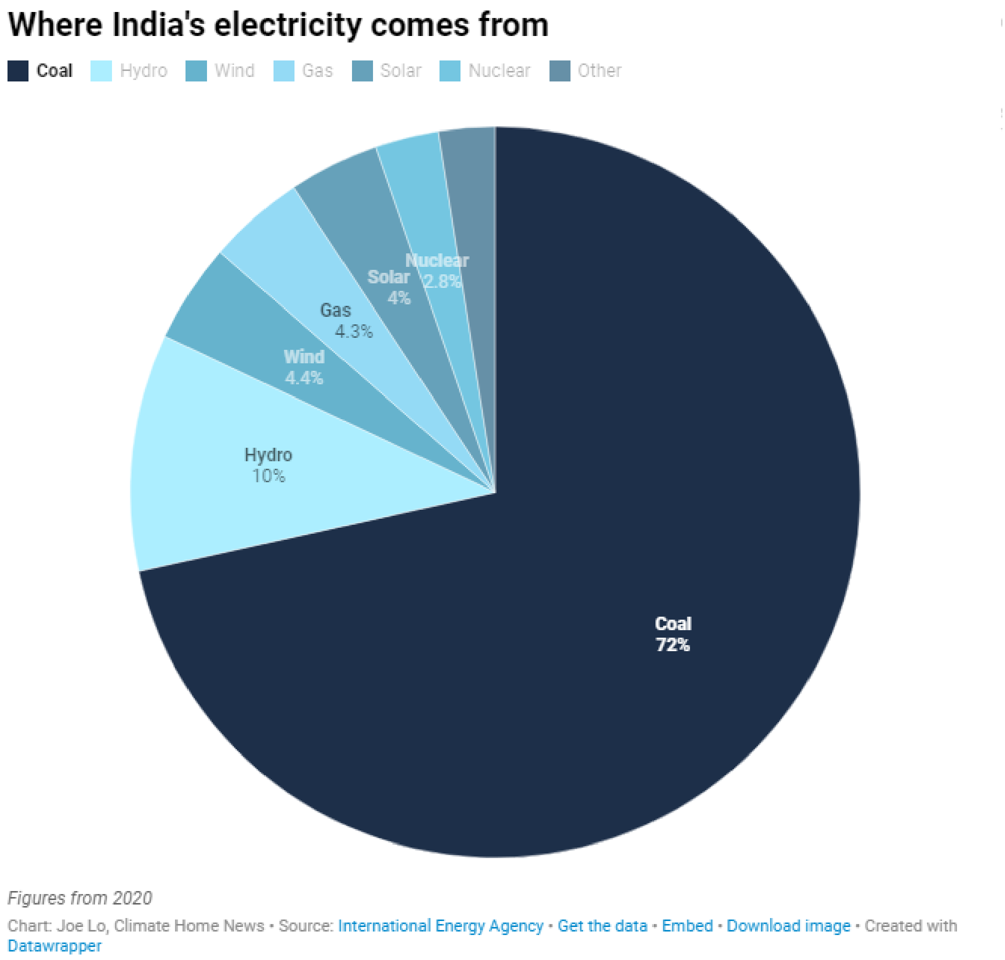
More than a year ago, leaders of the G7 group of big wealthy countries announced they were working on a series of deals to move emerging economies away from fossil fuels, particularly coal.

With South Africa's Just Energy Transition Partnership (JETP) already underway, they said at the summit in Germany that they were negotiating with Indonesia, Vietnam and India.

Since then, Indonesia and Vietnam have signed JETP deals — but not India. Experts familiar with the issue said that no Indian deal is expected in the near future.

Swati D'Souza, an energy analyst with the Institute for Energy Economics and Financial Analysis (IEEFA) said that for a number of reasons, "there is considerable resistance within India [to the JETP]".

Those reasons include the JETP's emphasis on phasing out coal, which is the mainstay of India's energy mix, and the relatively small amount of financing involved, as well as the debt nature of that finance.



There is also scepticism about adding a new and parallel negotiation on climate funding, when old ones haven’t come to much, says D’Souza

A distraction

At the UN climate talks, India has repeatedly but unsuccesfully urged wealthy countries like the G7 to fulfil their promise to provide $100 billion a year in funding for developing countries to help tackle and adapt to climate change.

Ultimately, the JETP is seen as a political statement that will be played as a win for G7 countries seeking to show they are helping developing nations wean off fossil fuels.

But it won't necessarily be seen as a win for India, especially ahead of national elections next year. “If India has to make a political declaration, what are the returns for it?” asks D’Souza.

A key obstacle appears to be the JETP’s emphasis on coal. The deals with South Africa, Indonesia and Vietnam focused on transitioning energy systems away from coal power towards renewables.

But India has long resisted deadlines for ending use of this fossil fuel - famously changing the phrase “phaseout” of coal to “phasedown” at the Cop26 talks at Glasgow.

No transition from coal

The government argues that coal is needed to meet the growing energy demands of its developing economy and the fuel is being unfairly singled out while the oil and gas on which developed nations rely are spared.

Santosh Agarwal, deputy director general of the ministry of coal, reiterated that position last month.

Delivering a lecture on the just transition, her first statement was: "As far as India is concerned, transition away from coal is not happening in the near future."

Coal provides more than 70% of India's electricity - a figure the government predicts will come down to 55% by 2030 as the share of renewables rises.

Because of India's growing population, economy and energy demand, a drop in the percentage doesn't mean using less coal in absolute terms. Agarwal said coal demand would rise by about 40% by 2030 and only peak in 2040.

India plans to produce more coal too to meet this rising demand. It has a target to increase coal production from 900 million tons to 1.5 billion tons by 2030.

Agarwal said there would be “no closure of mines because of just transition” and indeed "mega-mines" would open, creating jobs.

Independent analyses found there is potential to close some loss-making mines and some new coal power plants may be unneeded.

India has the second-largest plans to build coal plants in the world, after only China. Yet “many plants are under-utilised,” says Ashwini Swain, an analyst with the Centre for Policy Research in New Delhi.

But the growth projections mean India won’t see job losses in coal in the near future, making funding to retrain coal workers unnecessary.

D’Souza also notes that most of the 13-20 million Indians working in coal and allied industries are informal workers who may not be covered by a JETP-style program.

Terms not attractive

Sandeep Pai is an energy analyst and director of Swaniti Initiative. He said that the size and type of funding on offer is an obstacle to a JETP for India.

The public money on offer was around $8.5 billion for South Africa, with similar amounts for Indonesia and Vietnam. Pai describes these figures as very small for a country of India's size.

Rich countries sink billions into oil and gas despite Cop26 pledge

These are amounts that India can leverage from the commercial markets on its own, said Pai. According to one estimate, India will need some $900 billion over 30 years to meet its renewable energy targets.

“The first six months or so [after the JETP negotiations last year], Indian stakeholders were trying to understand what the G7 was talking about,” Pai says, adding, “Now they understand, and we are not very interested.”

Much of the money on offer to South Africa and Indonesia has been in the form of loans not grants. This has proved controversial in both nations, with critics saying the governments are adding to the nations' debt piles.

Different JETP needed
Despite the hurdles though, the JETP process could be useful for India in stimulating a conversation around just transition, as it did in South Africa, says Pai.

And the recent addition of Senegal, which is not a major coal user compared to the other countries, suggests these partnerships don’t have to focus on coal.

Instead, the focus could be on India’s own agenda of expanding renewable energy, says Swain. The country has committed to almost triple the amount of non-fossil fuel electric capacity from around 180 GW today to 500 GW by 2030.

Or it could look at how to offset some of the negative effects of coal. “If we recognise India’s reliance on coal for at least the next few decades, we can talk about how that coal can be cleaner, or finance for restoring ecology after a mine closure,” says Swain. “There has to be a separate model of JETP for India.” https://climatechangenews.com/2023/09/13/why-india-is-rebuffing-a-coal-to-clean-deal-with-rich-nations/

9. Understanding G20’s aim to triple renewable energy capacity by 2030 *(economictimes.indiatimes.com)* 13 September 2023

The recently concluded Group of 20 nations (G20) Summit had energy transition, renewable energy, and universal access to energy high on its agenda. In the G20 New Delhi Declaration 2023, all nations agreed to triple renewable energy capacity globally by 2030.

Directionally, it is a very important callout at a significant forum like G20 and reinforces the urgency of the need to travel towards a high RE regime with urgency to deal with the emergent climate change issues, Anish De, global head of energy and natural resources, KPMG, told ETEnergyWorld.

The Declaration read: “We will pursue and encourage efforts to triple renewable energy capacity globally through existing targets and policies, as well as demonstrate similar ambition with respect to other zero and low-emission technologies, including abatement and removal technologies, in line with national circumstances by 2030.”

But, what does it really mean for India and the world?

According to De, it does imply a lot to be done in terms of manufacturing, supply chains, project development, etc.

"While the messaging is important and implementation is hard, this is true across the world and also in India. But the prize of getting there in terms of clean energy, new employment, etc, is also significant," he said.

Even though investments in clean energy exceed those in fossil fuels at present, it will be a very challenging feat to achieve.

"It has taken India and the world quite some time to get to the present… Tripling from here in short seven years is a massive activity that will inevitably face constraints and challenges," said De.

He said that globally, this is one of the largest capital reallocation experiments in modern times and even though it is not impossible, the capital must find appropriate returns to be deployed at that scale so there will be some balancing.

"Manufacturing and supply chains will be pushed because simultaneously we are trying to reduce the concentration risks of China. This will be challenging and there may also be inflationary pressures," he added.

Global inflation is high resulting in a high cost of money, which would push up delivered costs. There are also issues of land, permitting, and transmission all of which have to be in sync and do not happen that way automatically.

De added that there would be issues in getting access to skills on the scale required, so massive upskilling and reskilling will also be needed.

"There are also issues around nature and biodiversity which come to be a challenge when you want to make a change so rapidly – maintaining that balance between development and nature would be a very fine one," he said.

In the Energy Transition Working Group under India's G20 Presidency, the Ministry of New and Renewable Energy also led and co-led some priority areas including hydrogen and access to low-cost financing for energy transition.

These were reflected in the New Delhi Leaders' Declaration where all G20 nations agreed upon adoption of high-level principles of hydrogen and access to low-cost finance for energy transition especially in developing countries.

It also noted that an estimated investment of $4 trillion per annum is needed for energy transition with a high share of renewable energy in the primary energy mix.

The G20 New Delhi Declaration 2023 also took note of the Presidency's initiative to establish the Green Hydrogen Innovation Centre steered by the International Solar Alliance.
https://energy.economictimes.indiatimes.com/news/renewable/understanding-g20s-aim-to-triple-renewable-energy-capacity-by-2030/103632644

10. Fitch retains India's growth forecast for FY24 at 6.3%, flags inflation risks *(moneycontrol.com)* 14 September 2023

Fitch Ratings on Thursday retained India's growth forecast for the current fiscal at 6.3 per cent saying the Indian economy continues to show resilience despite tighter monetary policy and weakness in exports, but upped year-end inflation projection on El Nino threat.

The Indian economy grew 7.8 per cent in the April-June quarter of current fiscal on strong services sector activity and robust demand.

"The Indian economy continues to show resilience despite tighter monetary policy and weakness in exports, with growth outpacing other countries in the region," Fitch said, while projecting 6.3 per cent growth for current fiscal, and 6.5 per cent for next fiscal.

In its September update of the Global Economic Outlook Fitch, however, said that high-frequency indicators suggest that the pace of growth in the July-September quarter is likely to moderate.

Growth in the July-September quarter is likely to moderate as exports continue to weaken, credit growth flatlines and the Reserve Bank of India's latest bimonthly consumer confidence survey shows consumers becoming a little more pessimistic on income and employment prospects, Fitch said.

On the price front, it said that the temporary increases in inflation, in particular rising food inflation, in coming months could curb households' discretionary spending power.

"The inflation impact on consumers may be temporary but other more fundamental factors are weighing on the economy.

"India will not be immune to the global economic slowdown and the domestic economy will be affected by the lagged impact of the RBI's 250bps of hikes in the past year, while a poor monsoon season could complicate the RBI's control of inflation," Fitch said.

Annual headline inflation was 6.8 per cent in August after 7.4 per cent in July and 4.9 per cent in June.

"The increase in inflation in recent months has been driven largely by a sharp increase in the price of tomatoes and other food products," Fitch said.

Notwithstanding the risk of higher food prices, Fitch maintained its RBI's benchmark interest rate forecast at 6.5 per cent for the end of this calendar year.
The government has reacted by importing greater quantities of food (especially tomatoes), temporarily scrapping the import duty on wheat and restricting sugar exports, it said.

The RBI expects annual CPI inflation to moderate in coming months given the short-term nature of vegetable price shocks.

"Nevertheless, the threat of El Niño means that inflation could exceed our forecasts, although the impact on consumers and the economy is likely to be temporary," Fitch said, adding it expects 2023-end retail or CPI inflation at 5.5 per cent, higher than our previous forecast of 5 per cent. https://www.moneycontrol.com/news/business/economy/fitch-retains-indias-growth-forecast-for-fy24-at-6-3-flags-inflation-risks-11367111.html

11. Report reveals Rs 134 cr in irregularities over teachers' recruitment in 7 Uttarakhand universities *(newindianexpress.com)* 14 September 2023

The universities were recruiting teachers and staff as well as giving extensions of service without the permission of the government, according to a report presented in the state assembly.

DEHRADUN: Financial irregularities worth Rs 134 crore have been found in seven government universities of Uttarakhand. The universities were recruiting teachers and staff as well as giving extensions of service without the permission of the government, according to a report presented in the state assembly.

“The open university appointed 38 people without creating posts, who were paid Rs 40.58 lakh irregularly, as well as administrative and educational consultants on a fixed salary without creating posts, leading to irregular payment of Rs 1,44,77,000,” the report said.

Also, the university did not accommodate advances of Rs 3.15 crore in three years, it said.

“The Pantnagar University has wrongly paid Rs 35.89 crore to those who are not covered under the career advancement scheme by giving the benefit of increasing the retirement age,” the report said.

As per the report, the purchase of Rs 12.91 lakh was not done as per the rules.

Similarly, Sanskrit University in the state has received an “unfair profit of Rs 4 crore by giving recognition to various colleges, educational institutions and professional courses,” it said.

According to the report, a firm was paid Rs 23,80,000 more for computerisation of the examination process at Kumaon University.

Regarding the Ayurveda University, the report said, “The authorities deposited the online counselling money in the account of the service provider firm and the company has not refunded Rs 18.48 lakh so far while the security service provider was paid Rs 35 lakh more than the panel rates.

Speaking to TNIE, Uttarakhand Finance Minister Premchand said: “The matter pertains to the universities, over which the Governor also has direct control. A thorough investigation into the irregularities and accountability will be initiated.”

https://www.newindianexpress.com/nation/2023/sep/14/report-reveals-rs-134-cr-in-irregularities-overteachersrecruitment-in7uttarakhanduniversities-2614700.html

12. Financial Irregularities during Pandemic Time *(statetimes.in)*

Sep 14, 2023

The Enforcement Directorate (ED) has reported that over 50 per cent of Rs. 140 crore paid for O2 during Covid has been siphoned off. In this connection, the ED has reportedly recorded the statement of several people including contractor Romin Chheda of Highway Construction Company. Chheda is a politically influential contractors working in the BMC and his company was involved in renovation and development work of civic-run zoo in Byculla. The financial irregularities have been detected by the ED in the supply of oxygen to hospitals and field COVID centres during the pandemic. BMC had reportedly paid Rs. 140 crore and out of that amount less than half of the amount has been said to have been spent on it. The remaining amount has been siphoned off. ED has claimed that Chheda sub-contracted the work to another company, a paper company, which eventually purchased the oxygen and required equipment from a Delhi-based supplier. While examining the documents, the ED has found that the Delhi-based supplier had raised the bill in the name of the paper company and subsequently an inflated bill was raised in the name of the company through which Chheda bagged the contract. Chheda has allegedly paid only 40 per cent of the Rs. 140 crore to the Delhi-based supplier and a part of the amount has been spent on transportation and for creation of storage facilities. ED had reportedly searched Chhedda's premises in July and recovered Rs. 1.2 crore cash from his office and home. COVID Second wave claimed the lives of many people. A large number of families were bereaved during that period. While a number of families were in grief, it was a God-sent opportunity for contractors and hospital authorities to make money through unfair means. Beds in hospitals were hired for bribe money apart from collecting legitimate fees. Artificial scarcity of beds was created. Those who greased the palm of hospital authorities got the beds and saved their lives. Poor people who could not afford to pay hefty sums of money as bribe had to lose their lives. During the second wave, vaccination had not been developed. Therefore, the disease claimed heavy tolls. Even now there is no report to suggest that COVID-19 has been eradicated. US President Joe Biden's wife has tested positive. The arrival of Biden for the G20 meet was also in doubt earlier. After finding that he tested negative, he could take part in the G20 summit in Delhi. No country should be complacent on this disease which at one point of time threatened the very existence of mankind. Vaccination should be administered and it should be the continuing process. If the disease raises its ugly head, it not only plunges the families in grief but also it impairs the economy of the nation as a whole. Investment on the manufacture of vaccination with associated expenditure in administering it to the people is no dearer than the expenditure likely to be incurred if the disease plays havoc more formidably than before. The interest of children has been totally neglected and the government should not forget that they are the budding and promising citizens of the country. No effort should be spared to keep the pandemic under check and no chance should be given to the suppliers of oxygen or contractors or hospital authorities to take advantage of the difficulties the people face. https://statetimes.in/financial-irregularities-during-pandemic-time/

13. State govt allows PMRDA to skip social impact assessment for ring road *(hindustantimes.com)* Sep 13, 2023

It is mandatory to carry out the social impact assessment before starting land acquisition for executing any mega project

Pune: To speed up the inner ring project proposed by the Pune Metropolitan Region Development Authority (PMRDA), the Maharashtra government has offered the planning authority a relaxation to avoid the social impact assessment stage and instead start the land acquisition process.

It is mandatory to carry out the social impact assessment before starting land acquisition for executing any mega project, as per the Land Acquisition Act. However, at the same time, the State has the discretion to ask any institution to skip the social impact assessment stage to speed up the project.

Now, on Tuesday Maharashtra government issued the circular for it and asked the PMRDA to skip the social impact assessment and start the land acquisition as a priority.

Ramdas Jagtap, PMRDA Public Relations Officer (PRO) said, "Maharashtra government had given an exemption for not doing social impact assessment. The circular was published on 8th September and PMRDA received it on Tuesday evening."

For Pune city, two outer ring road projects are proposed. The first project is being executed by the Maharashtra State Road Development Corporation (MSRDC) for which land acquisition also started for the same on the western part of the city. The second ring road has been proposed by PMRDA. The PMRDA's ring road is 82 Km in length, and it will require 700 hectares of land. Already the PMRDA has planned the Town Planning schemes around this ring road which would help to get land acquisition free of cost for the ring road project. https://www.hindustantimes.com/cities/pune-news/state-govt-allows-pmrda-to-skip-social-impact-assessment-for-ring-road-101694627334658.html

14. Congress alleges RS 13,000-crore scam in J&K Jal Jeevan Mission *(bizzbuzz.news)* 14 Sept 2023

Congress on Monday hit out at the BJP-led Centre alleging Rs 13,000 crore scam in the Jal Jeevan Mission in J&K and victimisation of the IAS officer, who exposed the scam while shielding the accused.

Addressing a press conference at the party headquarters here, Congress Working Committee (CWC) member, Pawan Khera said that everyday the government does event management.

Khera, who is also the chairman of the media and publicity department of the party, said: "This is done to divert attention from real issues. And while the government was holding the G20 Summit in Delhi, a complaint from Jammu and Kashmir has come against Lt Governor Manoj Sinha alleging Rs 13,000 crore scam in the Jal Jeevan Mission.

"The whistleblower of the scam, Ashok Kumar Parmar is an IAS officer, who happens to be a Dalit IAS officer and has written to the SC/ST Commission and also the ministry of Home but no action has been taken."

Hitting out at the government, the Congress leader said, "It seems that the top echelons of the Modi government, the Union Minister of Jal Shakti, Gajendra Singh Shekhawat and Lieutenant Governor of J&K, Manoj Sinha has promoted these corrupt officers, named in the scam by Parmar, and punished the whistleblower, by demoting him from being a Principal Secretary, Jal Shakti Department to ARI and Trainings Department, even though with 30 years of service, his position should have been of Financial Commissioner."

He said that Parmar was transferred four times, while the officers named in the scam are being protected. He also cited the example of another scam by Satyapal Malik, former Governor of the erstwhile state of Jammu and Kashmir. "We also know, through media reports, that the dubious captured thug, Sanjay Rai Sherpuria who was part of the BJP-RSS ecosystem had lent Rs 25 Lakh to Sinha (Present Lt Governor) for his 2019 Lok Sabha elections," Khera said.

"So, it comes as no surprise that there is a scam in Jal Jeevan Mission (JJM) also under the nose of the J&K Lt Governor," Khera added.

Firing salvos at the government, Khera asked, "Will Prime Minister Narendra Modi and his government answer, why was a Dalit IAS officer harassed and targeted? https://www.bizzbuzz.news/national/g20-new-delhi-declaration-demonstrates-indias-ability-1247879?infinitescroll=1

15. The puzzle that is skill development scam and Chandrababu Naidu's alleged involvement *(indiatoday.in)* UPDATED: Sep 13, 2023

Andhra Pradesh's Crime Investigation Department (CID) arrested former chief minister and Telugu Desam Party (TDP) chief Chandrababu Naidu on September 9 in connection with a fraud case involving misappropriation of funds from the Skill Development Corporation, leading to a loss of over Rs 300 crore to the state government, CID Chief N Sanjay had said after the arrest.

It all started in 2015, during the tenure of Chief Minister Chandrababu Naidu. The Andhra Pradesh government entered into a Rs 3,356 crore Memorandum of Understanding (MoU) for a skill development project. Siemens was set to provide 90% of the funding, with the government contributing 10%. The project was to be executed by the Andhra Pradesh State Skill Development Corporation (APSSDC) in collaboration with Siemens, Industry Software India Ltd, and Design Tech Systems Pvt Ltd.

The CID accused Naidu of playing a key role in a conspiracy to convert the Siemens and DesignTech project, primarily funded by private companies, into a government-funded initiative. The CID alleged that Rs 371 crore was released into the account of DesignTech before the project's institutions were established or the work's value was assessed.

The investigation revealed fake invoices from affiliated shell companies, such as PVSP IT Skills/Skillar Enterprises Pvt Ltd, Allied Computers International (Asia) Ltd, Inweb Services Pvt Ltd, and Patrick Info Services Pvt Ltd, Smith Solutions Pvt Ltd, Knowledge Podium, TalentEdge, and others, were used to divert APSSDC funds amounting to Rs 279 crore. These funds were allegedly misappropriated through bogus invoices without delivering the services specified in the agreement.

In 2017, the Directorate General of GST Intelligence (DGGI) and the Income Tax Department initiated an investigation, uncovering the misappropriation of at least Rs 241 crore out of Rs 371 crore by using fake invoices and Hawala transactions. This diversion was allegedly concealed under the guise of project management.

A forensic audit report conducted by APSSDC revealed that the sum of about Rs 241 crore was misappropriated through bogus invoices by the technology partners and others, causing wrongful loss to the state government.

The remand report also alleged that notifications related to the project were removed from the Secretariat by the accused once Central Tax Agencies began investigating the fund misappropriation network.

APSSDC was formed in 2014 without cabinet approval, including the appointment of its CEO and director, Ghanta Subbarao and K Lakshminarayana, respectively. It was reported that, with Naidu's instructions, Ghanta Subbarao coordinated with Soumyadri Sekhar Bose to prepare cost estimations for the Siemens Project without proper documentation or justification.

Several arrests have been made in connection with the scam, including former MD of Siemens Software India Soumyadri Shekhar Bose, Vikas Vinayak Khanwilkar of Designtech Systems, former financial adviser Mukul Chandra Aggarwal, and Suresh Goyal, authorized signatory of Skiller Enterprises India Pvt Ltd. https://www.indiatoday.in/india/story/puzzle-that-skill-development-scam-chandrababu-naidus-alleged-involvement-2435130-2023-09-13

16. Energy Audit: एनर्जी ऑडिट कराएगी दिल्ली सरकार, ऊर्जा बचत की दिशा में उठाया बड़ा कदम, मांग में आएगी स्थिरता *(amarujala.com)*

14 Sep 2023

ऊर्जा खपत को मापने के लिए दिल्ली सरकार एनर्जी ऑडिट कराएगी। ऑडिट का उद्देश्य यह भी है कि बिजली के अधिक इस्तेमाल करने वाले स्थानों का पता चल सके और स्मार्ट तरीकों से बिजली की खपत को कम करने की नीति तैयार की जा सके। सरकारी भवनों के साथ-साथ, सभी वाणिज्यिक मॉल, प्लाजा, अस्पताल, संस्थागत भवन, बहुमंजिला और ऊंची गैर-घरेलू इमारतों व उद्योगों का ऑडिट होगा, जिसमें स्वीकृत भार 500 किलोवाट और उससे अधिक है। बोर्ड ऑफ एनर्जी एफिशिएन्सी (बीईई) के नियमों के अनुसार विस्तृत एनर्जी ऑडिट सरकार कराएगी।

दिल्ली सरकार पांच सौ किलोवॉट और इससे अधिक इस्तेमाल करने वाले सभी बिजली उपभोक्ताओं को नोटिफिकेशन जारी करेगी। इसके बाद छह महीने के भीतर एनर्जी ऑडिट करवाना होगा। साथ ही सभी को तीन साल में एक बार एनर्जी ऑडिट करवाना अनिवार्य होगा और ऑडिट रिपोर्ट की सिफारिशों को अमल में लाना होगा। ऊर्जा मंत्री आतिशी ने कहा कि 'एनर्जी ऑडिट' से पता चलेगा कि बिजली का अत्यधिक उपयोग कहां हो रहा है, इन स्थानों पर बिजली की खपत कैसे कम की जा सकती है। ऑडिट से मिले बिजली बचत के उपायों से दिल्ली में बिजली की मांग को स्थिर करने में मदद मिलेगी। ऊर्जा खपत को कम करने के साथ-साथ वित्तीय बोझ भी कम करने में मदद मिलेगी।

दिल्ली सरकार बिजली के दक्षतापूर्ण प्रयोग की दिशा में मिशन मोड में काम कर रही है। ऊर्जा संरक्षण के प्रति केजरीवाल सरकार की प्राथमिकता भविष्य में ग्रीन और सस्टेनेबल दिल्ली की दिशा में एक सकारात्मक पहल है। बिजली के सभी उपकरणों और उनकी वास्तविक ऊर्जा खपत को मापना, उसकी आवश्यक अनुमानित न्यूनतम ऊर्जा के साथ तुलना करना और फिर बिजली की बचत के लिए आर्थिक और तकनीकी रूप से जरूरी तरीकों की पहचान करना शामिल है।

ऊर्जा मंत्री ने कहा कि माना जाता है कि यदि कोई उपभोक्ता बिजली की एक यूनिट की बचत करता है, वह बिजली संयंत्र में उत्पादित 2 यूनिट के बराबर होता है। ऐसे में ऑडिट से प्राप्त ऊर्जा-बचत उपायों से दिल्ली की समग्र बिजली मांग को स्थिर करने में मदद मिलेगी। यह पहल कार्बन उत्सर्जन को कम करने में मददगार साबित होगी। सरकार दिल्ली में स्ट्रीट लाइटों के लिए भी एनर्जी ऑडिट करवाएगी। स्ट्रीट लाइट का रखरखाव मुख्य रूप से एमसीडी, एनडीएमसी और पीडब्ल्यूडी द्वारा किया जाता है। https://www.amarujala.com/delhi/delhi-government-will-conduct-energy-audit-2023-09-14