

NEWS ITEMS ON CAG/ AUDIT REPORTS

1. Top Electoral Bond Purchasers Include Companies Raided or Under the Scanner (*thewire.in*) 15 March 2024

Other big donors include Vedanta, a company related to Reliance, and companies run by Sanjiv Goenka.

Future Gaming and Hotel Services and Megha Engineering Infrastructure Limited are the top purchasers of electoral bonds from April 2019 to January 2024, having purchased bonds worth Rs 1,368 and Rs 980 crores, respectively, according to data uploaded by the Election Commission of India on its website. Both have both been under the lens of the Enforcement Directorate (ED) and Income Tax department, respectively.

On Thursday (March 14), the Election Commission uploaded data on electoral bonds purchased and encashed since 2019 onto its website, a day before its Supreme Court-ordered deadline. The data was released after the Supreme Court, earlier this week, asked the State Bank of India (SBI) to furnish all details of those who had purchased and those who had encashed anonymous electoral bonds since 2019. It had also asked the Election Commission to publish the data on its website by March 15.

The data, uploaded by the Election Commission, includes two documents – one a datewise list of purchases by companies, and the other a datewise list of deposits by political parties that have encashed them.

Future Gaming: Under the ED's lens

Future Gaming and Hotel Services PR has donated Rs 1,368 crore between October 21, 2020 and January 9, 2024, all in denominations of Rs 1 crore.

Coimbatore-based Future Gaming is one of India's biggest lottery companies and its founder Santiago Martin, styles himself as the "lottery king."

On July 23, 2019, the ED attached assets worth Rs 120 crore in an alleged money laundering scam, where he was accused of inflating prize money and amassing property from unaccounted cash, the Times of India reported.

The report also said that a few months earlier, the ED had searched over 70 premises associated with him.

According to the data now made available by the Election Commission, the company proceeded to purchase electoral bonds after this action, with its first purchase being listed on October 21, 2019.

However, the company has remained under the lens of the ED, with the agency conducting searches in its premises in Tamil Nadu as recently as last week in connection with an alleged sand mining case, reported news agency Press Trust of India.

On April 2, 2022, it was reported that the ED had initiated a money laundering probe against the company and seized Rs 409.92 crore worth of its assets. Five days later, on April 7, 2022, according to the Election Commission's data, the company bought around Rs 100 crore worth of bonds.

In July 2022, election watchdog Association for Democratic Reforms (ADR) analysed the Contribution Reports of Electoral Trusts submitted to the Election Commission of India for FY 2020-21 and noted that the lottery company had donated Rs 100 crore to Prudent Electoral Trust, which has donated the highest amount to the Bharatiya Janata Party.

“Why would raided companies ever go about making political contributions in the midst of raids, if not as protection money,” tweeted Arun Srikumar, a lawyer at Keystone Partners, adding that there was “zero bona fides in these contributions.”

Of the total number of electoral bonds worth Rs 12,008 crore sold between 2017-2018 and 2022-2023, the BJP received nearly 55%, or Rs 6,564 crore, of the total number of electoral bonds (around Rs 12,000 crore) sold from 2017-2018 to 2022-2023.

Megha Engineering Infrastructure Limited

Megha Engineering Infrastructure Limited, the second highest donor, has purchased Rs 980 crores between April 12, 2019 to October 12, 2023 of Rs 1 crore each.

Megha Engineering Infrastructure Limited, headquartered in Hyderabad, describes itself as “an emerging player in the global infrastructure scenario” on its website.

Owned by P.V. Krishna Reddy and P.P. Reddy, its interests include projects in the areas of irrigation, water management, power, hydrocarbons, transportation, buildings, and industrial infrastructure. The website also states that it has been a pioneer in PPP (public-private partnerships) with central and state governments and is currently executing projects in more than 18 states across the country.

A simple internet search of the company shows that it has bagged key projects like a crude oil project worth Rs 5,400 crore in Mongolia (the Mongol Refinery Project is a government to government initiative) in September, two separate packages to build the Thane-Borivali twin tunnel project in Mumbai for a total bid of Rs 14,400 crore in May and a Rs 500-crore order from the Ministry of Defence for its company IComm in June.

It is also working on the Zojila tunnel in Jammu and Kashmir, according to its website, which also lists key projects like the Char Dham Rail Tunnel, six Laning of Vijayawada bypass, Delhi-Amritsar-Katra Expressway, Maharashtra Samruddhi Mahamarg, Solapur – Kurnool – Chennai Economic Corridor, among others.

The group's Western UP Power Transmission Company Limited, has also donated Rs 220 crores in electoral bonds-the seventh highest on the list published by the Election Commission on Thursday.

On October 12, 2019, the income tax department had conducted an “inspection” at the group’s offices in Hyderabad, according to a report in the Hindu BusinessLine.

In a statement, the company, however, denied that it was a raid or a search and called it “routine inspection.”

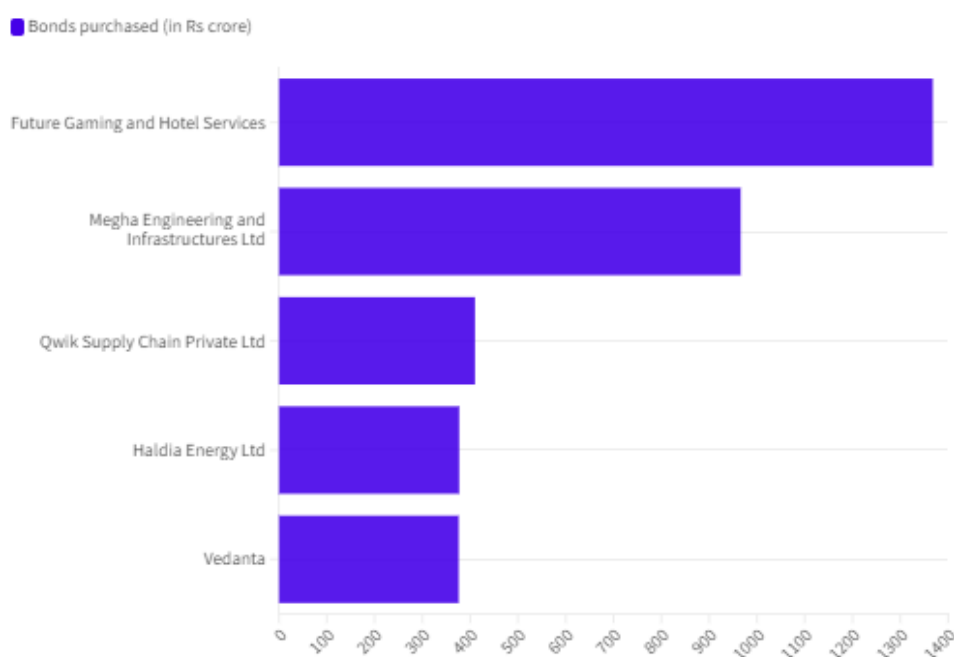
“The Income Tax Department has inspected our office on Friday. It is not a raid or search, but a routine inspection,” the company statement was quoted as saying by the outlet.

In January 2024, the Deccan Chronicle reported about a CAG audit report which made allegations against Megha for the work it had done in a major irrigation project in Telangana:

“High-profile Megha Engineering and Infrastructure Limited (MEIL) has allegedly pocketed thousands of crores of rupees of public money in the ill-famed Kaleshwaram Lift Irrigation Scheme (KLIS), thanks to the patronage it enjoyed from the previous Bharat Rashtra Samithi (BRS) government. According to the draft performance audit report on KLIS by the Comptroller and Auditor General (CAG), the company was paid an excess of Rs.5,188.43 crore in just four packages, involving the supply and commissioning of pumps, motors and auxiliary equipment.”

A recent report by The News Minute and Newslandry had also found that 30 firms that are facing ED and IT probes donated Rs 335 crore to the BJP in the last five years.

Top five donors



Source: EC

Chennai Greenwoods

This little known construction firm is in the top 20 donors, having bought Rs 105 crore worth of electoral bonds. The firm is owned by the Andhra based Ramky group. In July 2021, Ramky was raided by the Income Tax authorities. “The IT officials found many incriminating documents and loose sheets and seized them. These indicated involvement of the group in unaccounted transactions,” the IT department said. Ramky, which was accused of having unaccounted income of Rs 300 crore, bought its first electoral bonds through Chennai Greenwoods in January 2022, making additional purchases in April 2022 and again in 2023.

Qwik Supply Chain Private Limited

This is a Mumbai-based company which bought electoral bonds worth Rs 410 crore.

According to the company information available on Zauba Corp, the company was founded 23 years ago in 2000. As per the data uploaded on the ECI’s website, Qwik Supply Chain, a firm linked to Reliance group, made its first purchase of bonds on January 5, 2022. The second batch of purchases continued five days later, on January 10. The purchase then followed on November 11, 2022 and a year later on November 17, 2023. All electoral bond purchases were made in the denomination of Rs 1 crore.

The company’s two present directors are Vipul Pranal Mehta and Tapas Mitra. According to Zauba Corp, Tapas Mitra, is also the director of Reliance Oil and Petroleum, Reliance Eros Productions, Reliance Photo Films, Reliance Fire Brigades, Ral Investment Private Limited, Reliance First Private Limited, Reliance Polyester, among others.

Between 2021-2022, Mitra’s salary as a “whole-time director” of the company was Rs 46.1 lakh, along with additional perks worth Rs 3.53 lakh.

The company, according to details uploaded on Zauba Corp, shows that they have an office space in Dhobi Talao, in South Mumbai.

According to the company’s website, Quick Supply Chain Private Limited is engaged in business of providing logistics and other support services to its Customers.

The company’s returns and shareholder details for the financial year 2022-23 attributes major turnover (91.1%) to land transport, the remaining 8.3% came from providing support service to other organisations and a minuscule share was of wholesale trading.

Haldia Energy Limited

The fourth biggest donor through electoral bonds is Sanjeev Goenka’s Haldia Energy Limited that donated Rs 377 crore between October 1, 2019 and January 5, 2024. The Kolkata-based billionaire owns the RP-Sanjeev Goenka group that has businesses in sectors like power and energy, retail, IT, FMCG, media and entertainment, infrastructure, and education.

The Haldia Energy Limited also runs a coal-based thermal power plant in West Bengal's port township Haldia and is a wholly owned subsidiary of the Calcutta Electric Supply Corporation, a flagship company of the RP-Sanjeev Goenka group.

The company began purchasing electoral bonds on October 1, 2019 when it bought bonds worth Rs 1 crore. However, then the purchasing became more frequent each subsequent year, even as the donations kept increasing. The company bought bonds worth Rs 21 crore in 2020 in three tranches, and spent Rs 105 crore in 2021 in five tranches.

Similarly, it bought bonds worth Rs 85 crore in 2022, while in 2023 it spent Rs 115 crore in electoral bonds. Its last purchase was on January 5, 2024 when it bought bonds worth Rs 35 crore.

Haldia bought its first bond on May 7, 2019 of 24 electoral bonds worth Rs 14 crore (1 crore each) and 1 crore through ten bonds, each of Rs 10 lakh denomination.

Another company owned by Goenka, Dhariwal Infrastructure Ltd. bought Rs 115 crore worth of bonds.

Last year, West Bengal BJP leader Suwendu Adhikari had targeted Sanjeev Goenka for funding the Trinamool Congress through electoral bonds and other modes.

Goenka, who also owns the IPL team Lucknow Super Giants and Kolkata-based ISL football club Mohun Bagan Super Giant, has been expanding his businesses even in the north-eastern states where he had planned to invest in the renewable energy sector. His company officials had a meeting with the minister of state for development of the north-eastern region, B.L.Verma, in which they had expressed their interests in developing a few hydro-power projects in the north-eastern states.

The CESC has also been reported to have interests in solar power generation in Rajasthan and Gujarat where it was looking to acquire over 50,000 acres of land for its proposed projects.

In January, 2024, the CESC outbid companies like ACME Cleantech, Sembcorp, Greenko, Avaada, Reliance Industries, JSW Energy, and the Adani group to establish a 10,500-tonne per annum green hydrogen production facility. The tender was invited by the Solar Energy Corporation of India Ltd.

Sanjeev Goenka's CESC and RPG Enterprises has been under the CBI scanner since 2012 in a case related to corruption, cheating, and criminal conspiracy over the allocation of coal blocks in Deocha Pachami, Tara West, Mahan and South Dadhu during 1993-95.

Vedanta

Vedanta is the fifth largest buyer of electoral bonds. It was also in the news when the controversial method of the finance bill was used to introduce electoral bonds. It was around the same time that a money Bill, involving Vedanta, was deployed to amend the FCRA retrospectively.

The Modi government made crucial amendments to the Foreign Contributions Regulation Act (FCRA) to legalise Vedanta's donations to both the BJP and the Congress. These amendments were enacted as a one-off, retrospective amendment to the FCRA, exempting the BJP and Congress from violating Section 3 of the Act. This section prohibits political parties, their office-bearers, and members of any House from receiving contributions from foreign companies or companies in India controlled by foreign firms.

Vedanta bought electoral bonds worth Rs 375.65 crore. On January 10, 2022, it bought 73 bonds worth Rs 1 crore each. Livemint reported on January 14, 2022, that the Vedanta Group made a bid to buy Bharat Petroleum Corporation Ltd (BPCL) or BPCL, as it was "willing to spend \$12 billion to acquire India's state-owned refiner Bharat Petroleum Corp., an asset sale that's among the nation's biggest and which has faced delays in completion."

Billionaire chairman Anil Agarwal was quoted as saying in an interview, "We're not going to bid aggressively, but we will put the right price."

"The market cap of the company is about \$11 billion to \$12 billion, so this is the amount of investment we're looking at."

Had this disinvestment gone through, it would have been one of the biggest privatisation exercises, but it was called off, as two of the three companies that had shown interest in acquiring the public sector undertaking withdrew their bids.

Agarwal told Moneycontrol on April 22 that the government has withdrawn the offer to sell its stake in BPCL and will come up with a new strategy. Next only to Indian Oil, BPCL is India's second-largest oil marketing company.

Another interesting point was made by The Wire's founding editor M.K. Venu. "Interesting that Vedanta group donated bonds while it was under scrutiny by ED/CBI through 2019 to 2022. Around this time the group was also chosen for PM Modi's ambitious semiconductor project in Gujarat for which the government proposed a massive grant of \$5 billion. Project didn't fructify," he said. <https://thewire.in/business/top-electoral-bond-purchasers-include-some-companies-that-were-raided-or-under-the-scanner>

2. Electoral Bonds: Future Gaming, Megha Engineering, Qwik Supply, Vedanta, Haldia, Bharti Group, Essel Mining Among Top Donors, BJP Encashed Maximum Bonds Worth Rs6,060.51 Crore (*moneylife.in*) 15 March 2024

The list of donors who donated money to political parties contains some unusual names like Future Gaming and Hotel Services Pvt Ltd, the top buyer of electoral bonds. The lottery company bought electoral bonds of Rs1,208 crore. Two other entities linked with Future Gaming also bought additional bonds worth Rs160 crore. As expected, prime minister (PM) Narendra Modi-led Bharatiya Janata Party (BJP) received maximum donations worth Rs6,060.51 crore through electoral bonds, almost half of the total contributions made through EBs.

On Thursday, the Election Commission of India (ECI) uploaded the data on electoral bonds to its website. The data was published as it was received from the State Bank of India (SBI) on 12th March following an order by the Supreme Court. The first part of the details contains 337 pages sharing the names of the corporate entities that bought electoral bonds and the date of purchase.

The data provided by State Bank of India (SBI) to ECI is from April 2019 onward. However, SBI sold the first tranche of bonds in March 2018, and bonds worth Rs2,500 crore were sold in the first phase.

Among the other top 10 donors are Hyderabad-based Megha Engineering & Infrastructures Ltd (Rs966 crore), Qwik Supply Chain Pvt Ltd (Rs410 crore), Vedanta Ltd (Rs400 crore), Haldia Energy Ltd (Rs377 crore), Bharti Group (Rs247 crore), Essel Mining & Industries Ltd (Rs224 crore), Western UP Power Transmission Company Ltd (Rs220 crore), Keventer Foodpark Infra Ltd (Rs195 crore) and Madanlal Ltd, which bought electoral bonds worth Rs185 crore.

Many of the corporate donors who bought electoral bonds are allegedly being probed by government authorities or have received substantial awards or contracts after making the donations.

There are many cases of companies that have donated electoral bonds, and immediately afterwards gotten huge benefits from the government. For example, Megha Engineering donated over Rs800 crore in electoral bonds. In April 2023, the company donated Rs140 crore, and just one month later, it was awarded the Rs14,400 crore Thane-Borivali Twin Tunnel Project. On 7 October 2022, Jindal Steel & Power gave a Rs25 crore donation through electoral bonds and three days later, it won the Gare Palma IV/6 coal mine on 10 October 2022.

Future Gaming and Hotel Services, the top buyer of electoral bonds, is owned by Santiago Martin, known as lottery king. It is under scanner by the directorate of enforcement (ED) for alleged money laundering activities. According to a report from India Today, ED attached assets worth Rs409.92 crore in a money laundering case against the lottery company and its various sub-distributors. Mr Martin allegedly have links with Dravida Munnetra Kazhagam (DMK).

The Reddy family-controlled Megha Engineering & Infrastructures (MEIL) holds a majority stake in TV9. In May 2023, citing top officials, Moneycontrol reported that MEIL managed to pip engineering major Larsen & Toubro Ltd (L&T) and won two separate packages to build the ambitious Thane-Borivali twin tunnel project in Mumbai for a total bid of Rs14,400 crore.

Citing a draft performance audit report on Kaleshwaram Lift Irrigation Scheme (KLIS) by the Comptroller and Auditor General of India (CAG), a report from Deccan Chronicle says, MEIL was paid an excess of Rs5,188.43 crore in just four packages, involving the supply and commissioning of pumps, motors and auxiliary equipment.

Qwik Supply Chain is the third top buyer of electoral bonds worth Rs410 crore. However, according to data from the ministry of corporate affairs (MCA), the company's entire share capital is just Rs130 crore. Its shareholding pattern, as shared

by chartered accountant (CA) Himank Singla on X shows over 16.60% stake owned by Reliance Group Support Services Pvt Ltd. CA Singly did a thread on some corporate entities that bought electoral bonds.

Billionaire Anil Agarwal's Vedanta is a highly debt-ridden and loss-making company. During the December 2023 quarter, it reported a 7% decline in net profit at Rs2,868 crore compared with Rs3,092 crore, the same period a year ago. Last year, Taiwanese manufacturing heavyweight Foxconn pulled out from its US\$19.5bn (billion) joint venture (JV) with Vedanta to manufacture electronic chips.

In July 2023, the Securities and Exchange Board of India (SEBI) imposed a penalty of Rs30 lakh on the Anil Agarwal-led company for not providing correct disclosures to the media, including misrepresentation on the company's website related to the Foxconn deal of its ultimate holding company.

"...all along, Vedanta has been treating the listed company website as the billboard for the promoter company. Admittedly, Vedanta has been issuing the events of its promoters on its website on the listed company (Vedanta's) letterhead. Thus, it appears that Vedanta, being a listed company, is a repeat offender with total disregard for the investors' interest. In fact, Vedanta was providing misleading information to its investors, where the company is not concerned," the SEBI order says. (Read: Vedanta Asked To Pay Rs30 Lakh Penalty for Spreading Misleading Information on VIL's Deal with Foxconn)

Other corporate donors to various political parties through electoral bonds include Grasim Industries, Bajaj Auto, Torrent Power, DLF Commercial Developers, Cipla, several entities from Bajaj group, Apollo Tyres, Lakshmi Mittal (Rs35 crore), Edelweiss Housing Finance Ltd, PVR, Keventer, Sula Wine, Welspun, Sun Pharma, Vardhman Textiles, Utkal Alumina, Cavalier Transporters, Piramal Enterprises Ltd, Muthoot Finance Ltd, Pegasus Properties Pvt Ltd, Finolex Cables Ltd, Jindal Poly Films Ltd, Navayuga Engineering, Orient Fashion, Prime Sales Corporation, ITC Ltd, Shauryavir Carriers Pvt Ltd, Supreme Industries, Ace Commercial Company and many more.

Besides Mr Mittal, other individuals who donated through electoral bonds are Kiran Mazumdar Shaw, Varun Gupta, BK Goenka, Jainendra Shah and one Monika.

The second part, containing 426 pages, provides the details of the political parties, dates, and the amount. Political parties received more than Rs12,769 crore as donations from corporates and individuals through electoral bonds since 2019.

According to the data, political parties encashed 20,421 electoral bonds in the last five years. Of these, 12,207 bonds were of Rs1 crore each, 5,366 bonds (Rs10 lakh each), 2,526 (Rs1 lakh each), 219 bonds (Rs10,000 each) and 103 were of Rs1,000 each.

Bharatiya Janata Party (BJP) received a maximum Rs6,060.51 crore as donations through electoral bonds, which is almost half of the total amount. The party encashed 5,854 bonds of Rs1 crore each and 1,994 bonds of Rs10 lakh each. Apart from bonds of Rs1 lakh and Rs10,000, it also encashed 31 bonds worth Rs1,000 each.

All India Trinamool Congress secured the second spot and redeemed 3,275 electoral bonds worth Rs1609.50 crore, of which 1,467 were of Rs1 crore each and 1,384 bonds were of Rs 10 lakh each.

As per the data available on the EC's website, Indian National Congress encashed 3,141 electoral bonds worth Rs1421.86 crore, which included 1,318 bonds of Rs1 crore each and 958 bonds of Rs10 lakh each.

The recipients of funds through electoral bonds include the BJP, Congress, All India Anna Dravida Munnetra Kazhagam (AIADMK), Bharat Rashtra Samithi (BRS), Shiv Sena, Telugu Desam Party (TDP), YSR Congress Party, DMK, Janata Dal Secular (JD-S), Nationalist Congress Party (NCP), Trinamool Congress, Janata Dal (United) (JD(U)), Rashtriya Janata Dal (RJD), Aam Admi Party (AAP), Jan Sena Party, and Samajwadi Party (SP). <https://www.moneylife.in/article/electoral-bonds-future-gaming-megha-engineering-qwik-supply-vedanta-haldia-bharti-group-essel-mining-among-top-donors-bjp-encashed-maximum-bonds-worth-rs606051-crore/73697.html>

3. MEIL Donated Rs. 1,200 Crores to Parties Through Bonds (*deccanchronicle.com*) 15 March 2024

Hyderabad: The city-based Megha Engineering and Infrastructure Limited (MEIL), which has been facing allegations of receiving thousands of crores of rupees undue benefit in the just the Kaleshwaram lift irrigation scheme, donated close to Rs.1,200 crore to political parties by purchasing electoral bonds.

The MEIL, owned by P.V. Krishna Reddy, with an annual turnover of just Rs.200 crore in 2008 crossed Rs.8,000 crore with book order worth more than Rs.60,000 crore. The company stood second in the list of largest contributors after the “Lottery King” Santiago Martin’s Future Gaming and Hotels Services Pvt Ltd according to the data submitted by the State Bank of India to Supreme Court that was revealed by the Election Commission of India on Thursday.

Deccan Chronicle had carried a series of articles exposing the KLIS scam on which the Comptroller and Auditor General of India revealed that the company was paid an excess of Rs.5,000 crore in just four packages and the amount would be much higher as it executed another 17 packages, the details of which were not furnished to the country’s top most statutory auditing agency.

The income-tax department, which conducted raids on the company way back in 2019, issued a press release during that time in which it claimed to have found incriminating evidence to establish tax evasion of about Rs.1,900 crore. Indicating a nexus between MEIL and political parties, noted lawyer Prashant Bhushan posted in X: “The company gives 100s Crs in electoral bonds on April 11, 2023, and within a month it gets Rs 14,400 cr contract from BJP’s Maharashtra government (sic).”

MEIL’s group company Western UP Power Transmission Company Ltd bought Rs.220 crore worth bonds, according to the data revealed by the Election Commission.

MEIL began its journey under Krishna Reddy's uncle P. Pichi Reddy as a pipe manufacturer and specialised in irrigation projects but later diversified into oil and gas, power and electric vehicles.

Ironically, all the political parties in the two Telugu states of Andhra Pradesh and Telangana accuse the company of receiving undue benefits from the government of the day but never probe into their own allegations after coming to power. The lone exception was the recently elected Revanth Reddy-led Congress government in Telangana which constituted a judicial commission to probe into irregularities in KLIS, majority of which was executed by the MEIL.

City based corporate hospital agglomerate Yashoda Hospitals, which enjoyed the patronage of previous BRS government, donated Rs.162 crore to political parties though it is not known yet which party received the amount as SBI did not match the bonds the companies purchased with the political parties. Rithwik Projects, owned by former MP C.M. Ramesh, bought electoral bonds worth Rs.45 crore while the city based international pharma company Dr Reddy purchased Rs.124 crore worth bonds.

Navayuga group which is also into executing infra projects donated Rs.77 crore, NCC Rs.61 crore, Hetero Rs.61 crore, Divis Rs.56 crore and Aurobindo Pharma Rs.51 crore. <https://www.deccanchronicle.com/nation/meil-donated-rs-1200-crores-to-parties-through-bonds-885293>

STATES NEWS ITEMS

4. Plantation Corp's apiculture side gig aims for extra bucks (*timesofindia.indiatimes.com*) 14 March 2024

Kerala: As state govt is straining every nerve to overcome the severe financial crisis, some loss-making public-sector undertakings like Plantation Corporation of Kerala are venturing into unconventional steps to earn an extra buck. However, the present situation fails to add confidence as the revenue earned would not add much to the company's topline.

The loss-making corporation is planning to start apiculture on its plantations in the state by allowing interested farmers to place wooden beehive boxes for harvesting honey.

In the initial stage, two farmers came forward to place 100 boxes each at the oil palm plantation in Athirapilly. The corporation will collect only Rs 34 per box each year from them and will encourage more people to come forward.

"Petiole of rubber leaves is a good source of honey. Bees get pollen also from the flowers in the oil palm. That might be the reason farmers chose the Athirapilly plantation for placing wooden boxes initially. We have 25-30 boxes of beehives at Cheemeni estate in Kasaragod. Even though the amount we would collect from farmers for placing the box is negligible, it is to encourage more to come forward. We have rubber, oil palm and cashew plantations spread over 14,120ha across the state. Most of the plantation areas under the corporation are in Pathanamthitta where rubber is the crop," said a corporation official. Another official said around 90% of honey harvested

in the state comes from rubber trees. “The honey from rubber leaves is a good quality one. Our effort is to earn an extra income from the apiculture,” said a senior official.

The land, except the cashew plantation (1,300ha) in Kasaragod, belongs to the forest department, which has been leased out to the corporation. The plantations under the forest department is one of the reasons for the man-animal conflicts as it was developed by clearing natural trees, leading to the degradation of forests and thereby depriving food to the wildlife.

As per the last CAG report, rubber and cashew plantations under the corporation recorded decline in earnings between 2017-18 and 2021-22. <https://timesofindia.indiatimes.com/city/kochi/plantation-corporations-apiculture-side-gig-for-extra-bucks-kochi-news/articleshow/108507440.cms>

SELECTED NEWS ITEMS/ARTICLES FOR READING

5. Election synchrony: Convenient or costly? (*livemint.com*) 15 Mar 2024

A panel headed by former president Ram Nath Kovind has submitted an over-18,000-page report on simultaneous national and state elections to President Droupadi Murmu. It is, in brief, an endorsement of the idea and lays down how it may be implemented. It suggests that polls to the Lok Sabha and state assemblies be held simultaneously as the first step, followed by local-body elections within 100 days.

In the event of an unresolvably hung house, or a government ejected by a no-confidence vote, it recommends that fresh polls be held for the rest of the five-year term. To enable it, parts of the Constitution would need to be amended. The approval of not just Parliament, but also state legislatures would be needed. India’s ruling Bharatiya Janata Party may be able to muster the requisite central support for it, especially if it acquires a two-thirds Parliamentary majority with its allies this year, but opposition-ruled states wouldn’t want their administrations’ terms cut short for an initial reset.

Convenient as the idea sounds, it’s unlikely to serve the cause of cooperative federalism. Also, governments coming apart mid-term would mean we’ll end up with that many more elections overall. <https://www.livemint.com/opinion/quick-edit/election-synchrony-convenient-or-costly-11710430088122.html>

6. BSNL, MTNL's Rs3.23 Lakh Crore Revival Packages and PIO's Funny Excuse to Deny Information under RTI Act (*moneylife.in*) 14 March 2024

During the run-up to the 2014 general election, current Prime Minister Narendra Modi repeatedly emphasised that the government has no business to be in business. While the Union government takes full credit for the divestment of Air India, it continues to dole out revival packages to other loss-making public sector enterprises (PSEs). For example, over the past five years, the Union government gave three packages of over Rs3.23 lakh crore to revive Bharat Sanchar Nigam Ltd (BSNL) and Mahanagar

Telephone Nigam Ltd (MTNL). Yet, the public information officer (PIO) in the department of telecom (DoT) says information on revival package proposals cannot be given because it may affect the share price of MTNL!

Aakash Goel, an engineer, management graduate and chartered financial analyst, had filed an application under the Right to Information (RTI) Act seeking copies of the proposals for revival packages and copies of note sheets, office memorandum (OM) sent by the ministry of communication showing the calculation of the relief and grant of revival packages for BSNL and MTNL.

The PIO told him that "The revival package was given to BSNL and MTNL with the approval of the Union Cabinet in 2019, 2022 and 2023 and consequently, this office issued OMs dated 29 October 2019, 2 August 2022 and 9 June 2023. However, the revival package has not yet been released wholly and is still in the implementation phase. Further, MTNL is a listed company and the revival package is still in the implementation phase; revealing of such documents can affect the MTNL shares."

The concerned Project/MTNL Division has informed that the revival package was given to BSNL/MTNL with the approval of the Union Cabinet in 2019, 2022 & 2023 and consequently this office issued O.Ms dated 29.10.2019, 02.08.2022 & 09.06.2023. However, the revival package is not yet released wholly and still in implementation phase. Further, MTNL is listed company and revival package is still in implementation phase, revealing of such documents can affect the MTNL shares.

Also, such Cabinet decision is exempted, as per the clause (d) and (i) of sub-section (1) of Section 8 of RTI Act, 2005:

Further, such Cabinet decision is exempted, as per clause (d) and (i) of sub-section (1) of Section 8 of the RTI Act, the PIO says. "The concerned project/ MTNL division has informed that the information/ material sought by the applicant cannot be furnished. As such, it is informed that information/ material sought cannot be furnished as the same is exempted under clause (d) of sub-section (1) of section 8 of the RTI Act."

Responding to a question in the Lok Sabha on 2 August 2023, Devusinh Chauhan, minister of state for communications, says, "The Union Cabinet on 23 October 2019 approved the revival package of Rs70,000 crore (approx) for 'revival of BSNL and MTNL' by reducing employee costs through voluntary retirement scheme (VRS), debt restructuring by raising of sovereign guarantee bonds, and monetisation of assets. With this, both BSNL and MTNL have become operationally profitable since 2020-21 and remained so since then."

- (d) (i) The Union Cabinet on 23.10.2019 approved the revival package of Rs 70,000 Cr (approx.) for “Revival of BSNL and Mahanagar Telephone Nigam Limited (MTNL)” by reducing employee costs through VRS, debt restructuring by raising of sovereign guarantee bonds, monetisation of assets etc. With this, both BSNL and MTNL have become operationally profitable since 2020-21 and remained so since then.
- (ii) The Union Cabinet on 27.07.2022 approved revival package for BSNL amounting to Rs. 1.64 lakhs crores. The revival measures focus on infusing fresh capital for upgrading BSNL services, allocating spectrum, de-stressing its balance sheet, augmenting its fibre network by merging Bharat Broadband Nigam Limited (BBNL) with BSNL.
- (iii) Further, the Union Cabinet on 07.06.2023 approved the allotment of 4G/5G spectrum to BSNL with the total outlay of Rs 89,047 Cr through equity infusion.

The Union Cabinet, on 27 July 2022, approved a revival package for BSNL amounting to Rs1.64 lakh crore, the minister says, adding the revival measures focus on infusing fresh capital for upgrading BSNL services, allocating spectrum, de-stressing its balance sheet and augmenting its fibre network by merging Bharat Broadband Nigam Ltd (BBNL) with BSNL.

"Further, the Union Cabinet on 7 June 2023 approved the allotment of 4G/5G spectrum to BSNL with the total outlay of Rs89,047 crore through equity infusion," the Lok Sabha was informed.

Information shared by Mr Chauhan, the minister, shows that since the financial year (FY)19-20 to FY23-24, the government has allotted Rs1.30 lakh crore for the revival plan of BSNL. The telecom PSE utilised Rs92,851.69 crore for capital infusion, viability gap funding, ex-gratia and employee pension.

The details of fund allotted and utilized so far from Revival Plan by BSNL is as mentioned below:

| Financial Year | (Amount in ₹ crore) | |
|----------------|---------------------|-----------------------------------------------------------------------------|
| | Fund Allotted | Fund Utilized (Capital infusion, Viability Gap Fund, Ex-gratia and Pension) |
| 2019-20 | 4646.00 | 4452.86 |
| 2020-21 | 11,269.24 | 12,059.57* |
| 2021-22 | 3,046.74 | 2,977.11 |
| 2022-23 | 54,244.11 | 45,568.79 |
| 2023-24 | 56,996.75 | 27,793.36 |
| | 1,30,202.84 | (up-to 30.06.2023) 92,851.69 |

(*) Expenditure till December, 2020 was Rs.1770.00 Crores, afterwards there was a larger number of claims in the months of January, February and March-2021 for payment of incremental pension (committed liability) against employees of BSNL who had sought VRS.

Last year in September, both the loss-making PSEs signed a memorandum of understanding (MoU) for synergy of operations between them. "The MoU with BSNL will pave the way for synergy of operations between MTNL and BSNL in order to

provide pan India telecom services as a public sector enterprise under the government of India," MTNL says in a regulatory filing.

According to a report from Economic Times, last month the Union government has pulled up the management of BSNL and MTNL for the slow pace of their land monetisation process, especially in metro cities. "They have released only Rs550 crore from land monetisation in the past few years, compared with the estimated potential of over Rs20,000 crore."

Cabinet secretary Rajiv Gauba called a review meeting with the senior officials of BSNL and MTNL in February to take an update on the monetisation process. "They have been asked to prepare a detailed circle-wise report, with the land parcel and reason for the delay or possible hurdles, by 31 May 2024," an official told the newspaper. <https://www.moneylife.in/article/bsnl-mtnls-rs323-lakh-crore-revival-packages-and-pios-funny-excuse-to-deny-information-under-rti-act/73689.html>

7. Indian Railways rakes in record revenue of Rs 2.4 lakh crore in 2023-24 (zeebiz.com) Mar 15, 2024

India Railways has crossed the 1500 million tonnes freight loading mark and earned a record total revenue of Rs 2.4 lakh crore so far during the current financial year ending on March 31, according to official data released on Friday.

India Railways has crossed the 1500 million tonnes freight loading mark and earned a record total revenue of Rs 2.4 lakh crore so far during the current financial year ending on March 31, according to official data released on Friday.

During this FY 2023-24, the total revenue of Indian Railways stands at Rs 2.40 lakh crores as of March 15 which is Rs 17,000 crore higher than the corresponding figure of Rs 2.23 lakh crores for the same period of 2022-23.

The total Expenditure of Indian Railways stands at Rs 2.26 lakh crores in FY 2023-24. "Indian Railways is on its track to record the best performance in its recorded history in terms of the output from the Freight Business, Total revenue, track laying in the Financial year 2023-24," the Ministry of Railways said.

Total passengers travelling on India Railways during 2023-24 stands at 648 crores, an increment of 52 crores when compared to the figures of the same period of last year. The total number of passengers last year stood at 596 crores.

Previously, Indian Railways had achieved the best-ever freight loading of 1512 million tonnes during FY 2022-23 for the full year. Indian Railways has also laid 5100 km of new tracks in the current financial year as of March 15, which works out to a daily average of more than 14 km per day. <https://www.zeebiz.com/indian-railways/news-indian-railways-rakes-in-record-revenue-of-rs-24-lakh-crore-in-2023-24-280367>

8. Indian economy has made it to the launchpad. It still needs a spark (*moneycontrol.com*) MARCH 15, 2024

India's macroeconomic stability is impressive compared to many of its peers. Pandemic spending wasn't excessive. The fiscal deficit has been steadily shrinking as a proportion of GDP. The rupee has been remarkably stable. And "core" inflation, which excludes food and fuel prices, has eased to 3.3% year-on-year. But it is still government actions that are pushing growth up or down, rather than the choices made by India's private sector

As India prepares for elections this spring, confidence about the country's prospects seems ubiquitous. The country has just finalised a new trade agreement; it's with a small trading bloc composed of Norway, Switzerland, Liechtenstein and Iceland, but the headline number for new foreign investment it commits to bringing in, \$100 billion, is nevertheless eye-catching. The stock markets are at record highs, and most expect them to rise even higher.

This year, Indian debt will begin to be included in global bond indexes, starting with JPMorgan Chase & Co.'s products in June, followed by the Bloomberg Emerging Market Local Currency Government Index from January 2025. (Disclaimer: Bloomberg LP, the parent company of Bloomberg News, offers index products for various asset classes through Bloomberg Index Services Ltd.) And, when last quarter's growth numbers were announced in the past fortnight, analysts were startled to see that the Indian economy had apparently grown at an annualised rate of 8.4 percent.

There are certainly solid grounds for optimism. India's macroeconomic stability is impressive compared to many of its peers. Pandemic spending wasn't excessive. The fiscal deficit has been steadily shrinking as a proportion of gross domestic product. The rupee has been remarkably stable. And "core" inflation, which excludes food and fuel prices, has eased to 3.3 percent year-on-year, according to data released this week.

Some of this stability is hard-won, born of tough choices that the government in New Delhi has made. Fuel taxes are kept high to feed government revenue, for example, and an inflation target has been institutionalised for the country's central bank.

Yet, even if some investors and sell-side analysts are touting India as "the best structural growth opportunity in emerging markets, if not the world," it is worth looking beyond the hype to the real reasons for some of these surging indicators, to judge whether India's growth is assured in coming years.

Consider the Indian equity markets. There are excellent, long-term reasons why they have been on an upward trend. But it is always unwise to deduce the real health of an economy from the level of its headline stock index. It sometimes says more about the choices available to capital than anything else.

That's certainly the case in India. We are in the middle of a years-long shift to the greater financialisation of savings. As Indian households gain easier access to formal finance, they will put less of their wealth into gold or real estate and more into financial assets, whether bank deposits or stocks. Even when foreigners sell Indian equities —

as they did heavily at the beginning of this year — the domestic appetite for shares seems inexhaustible, driven by this bedrock change in household preferences.

Equities are also island of calm, competence and transparency in the Indian economy. The securities regulator is largely independent and efficient; minority shareholders' rights are legally protected better than in many advanced economies; and you can find large companies in most sectors with trustworthy balance sheets and professional management. Money, including global finance, piles into Indian stocks partly because it so much easier than taking a punt on, say, building a factory.

But it's only when more and more investors want to create real factories rather than juice up financial assets that India's economy will really take off. This is part of the reason that, when judged against earnings, Indian shares are among the most expensive in the world. The macro figures underline the basic problem: Although corporate earnings have increased from a multi-decade low a few years ago, profits as a percentage of GDP are still about three percentage points lower than they were in the boom years of the 2000s.

Growth, meanwhile, was higher than expected partly because it's only now that the post-pandemic recovery is really kicking in — and partly because government subsidies declined sharply. Thanks to how national accounts are calculated, that meant while actual value added seems to have slowed a little, the GDP numbers jumped up.

That's a symptom of one underlying problem: It is still government actions that are pushing growth up or down, rather than the choices made by India's private sector. Private investment in India has simply never recovered to the levels it reached during India's 2000s growth spurt. While big public infrastructure rollouts have soaked up Indians' savings, the private spending they were supposed to "crowd in" hasn't yet materialised.

A decent platform has been built for the Indian economy to achieve liftoff. But the India hype, in contrast, doesn't have firm foundations. The next government still has a lot to do if the Indian economy is to enter a real high-growth phase. Watch corporate earnings and private investment over the next few years to see if it's going to happen. <https://www.moneycontrol.com/news/opinion/indian-economy-has-made-it-to-the-launchpad-it-still-needs-a-spark-12464281.html>

9. Mudra loans disbursed to micro, small enterprises in current fiscal surpass entire FY23 performance (*financialexpress.com*)

March 15, 2024

In FY23, Rs 4.56 lakh crore loans were sanctioned, of which Rs 4.50 lakh crore loans were disbursed to micro and small enterprises.

The loan amount sanctioned and disbursed in the current financial year under the government' refinancing scheme for last mile lenders to micro and small businesses Mudra Yojana has surpassed the previous fiscal's sanctions and disbursements.

Data from the scheme's portal showed that as of March 08 loans amounting to Rs 4.82 lakh crore were sanctioned, of which Rs 4.744 lakh crore loans were disbursed to micro and small enterprises. In comparison, Rs 4.56 lakh crore loans were sanctioned, of which Rs 4.50 lakh crore loans were disbursed in FY23.

In terms of loan volume, 5.8 crore loans were sanctioned as of March 08 in the current fiscal while 6.23 crore loans were sanctioned in FY23.

Launched in 2015, the scheme extends collateral-free institutional credit up to Rs 10 lakh provided by member lending institutions (MLIs), that is, scheduled commercial banks (SCBs), non-banking financial companies (NBFCs) and microfinance institutions (MFIs).

Individuals with a business plan for small business enterprise can avail loan under the scheme for income-generating activities in the manufacturing, trading, service sectors and also for activities allied to agriculture across three loan categories, viz. Shishu (loans up to Rs 50,000), Kishor (loans above Rs 50,000 and up to Rs 5 lakh) and Tarun (loans above Rs 5 lakh and up to Rs 10 lakh).

Meanwhile, the total non-performing assets (NPAs) as a percentage of credit disbursed under the Mudra scheme stood at 2.68 per cent as of June 2023, according to the data shared by Bhagwat Karad, Minister of State in the finance ministry in the Rajya Sabha in December last year.

As of March 31, 2023, Mudra NPA level stood at 2.62 per cent, down from 3.17 per cent as of March 2022. NPAs are advances or loans that are overdue for more than 90 days.

“However, steps taken by PSBs (public sector banks) for recovery of NPA under PMMY include constant follow up and increased frequency of customer connect; settlement through Lok Adalats, service of legal notices and initiation of legal action in the form of civil suits, etc.; and restructuring of eligible accounts and One Time Settlement (OTS),” Karad had said. <https://www.financialexpress.com/business/sme/mudra-loans-disbursed-to-micro-small-enterprises-in-current-fiscal-surpass-entire-fy23-performance/3426210/>

10. Half of major Indian reservoirs at less than 40% of capacity (*thehindubusinessline.com*) Updated: March 14, 2024

Storage drops for 23rd week in a row with the level in three-fourths of southern region perturbing

The water level in half of India's 150 major reservoirs is less than 40 per cent of the capacity with the storage in two-thirds being less than 50 per cent, as per data from the Central Water Commission (CWC) on Thursday.

The major reason for the low storage is that under the influence of El Nino, which results in drought and prolonged dry period in Asia due to the warming up of the Pacific Ocean, at least 60 per cent of the country received deficient or no rainfall since January

this year. Even during the post-monsoon period of October-December 2023, over 50 per cent of the country received deficient rainfall.

More worry in store

According to CWC's weekly bulletin on live storage status of 150 reservoirs, the water level this week was 40 per cent of the 178.784 billion cubic metres (BCM) capacity at 70.746 BCM. During the same period a year ago, the level was 84 per cent of the capacity. Over the last 10 years, the average water level has been 97 per cent of the capacity. It is for the 23rd consecutive week that the water level has declined.

While the level in 75 of the reservoirs is below 40 per cent of the capacity, it is below 50 per cent in 21 and below 60 per cent in 32 others — cause for worry as the storage continues to dip in the face of lack of rainfall.

The situation in the southern region is more concerning with cities such as Bengaluru already starved of water. In fact, Karnataka, where the storage is 26 per cent below normal, has been rain deficient ever since El Nino emerged in June 2023.

Nearly three-fourths (30) of the 42 reservoirs in the region are filled below 40 per cent of the capacity and a few more could witness a decline over the next couple weeks.

Low level in agri regions

Andhra Pradesh (-68 per cent) tops among States where the reservoir level is below normal. The storage in Tamil Nadu is 27 per cent lower than usual, while in Telangana it is 10 per cent lower. Kerala's level is normal but chances are that it could drop next week.

Srisailem (15 per cent of capacity), Nagarjuna Sagar (4 per cent), Somasila (8 per cent), Yeluru (1 per cent) and Kandaleru (7 per cent), Priyadarshini Jurala (2 per cent) and Kaddam (4 per cent) in Andhra Pradesh and Telangana have low storage.

In Karnataka, the level in Krishnaraja Sagara (16 per cent), which irrigates the Cauvery delta, Tungabhadra (4 per cent) — which irrigates crucial cereals-growing areas of Uttara Karnataka, Telangana and Andhra Pradesh — and Narayanpur (17 per cent) is worrisome.

In Tamil Nadu, Aliyar (8 per cent) and Sholayar (3 per cent), which irrigate the key agricultural areas in the western parts, storage is low. Overall, the storage in the southern region is 24 per cent of the 53.334 BCM capacity at 13.054 BCM.

Assam, a contrast

Though the storage in the northern region dropped to 34 per cent of the 19.663 BCM capacity (39 per cent same time a year ago) at 6.744 BCM, it can expect relief once the snow in the Himalayas begins to melt. An agriculture expert said in contrast, the southern region may not have any relief until the South-West monsoon sets in June.

In both Punjab and Himachal Pradesh, the storage is 7 per cent lower than normal. Barring one, the level in 9 of the 10 reservoirs in the northern region is below 50 per cent of the capacity.

Of the 23 reservoirs in the eastern region, the storage this week was 50.7 per cent of 20.430 BCM capacity at 10.363 BCM. Of these, 11 are filled less than half the capacity. Assam has more than double the normal storage, while it is 59 per cent below normal in Bihar.

In the western region, 25 of the 49 reservoirs have a level below 50 per cent of the capacity. Overall, the storage was 48 per cent of the 37.130 BCM capacity at 17.815 BCM.

In the central region, the level in 17 of the 26 are below 50 per cent of the capacity. Of the 48.227 BCM capacity, the storage was 22.77 BCM or 47 per cent. Chhattisgarh (-22 per cent) and Uttar Pradesh (-25 per cent) had below normal water. <https://www.thehindubusinessline.com/economy/agri-business/half-of-major-indian-reservoirs-filled-less-than-40-of-capacity/article67951210.ece>

11. India ranked 134 out of 193 countries on United Nations Human Development Index for 2022 (*economictimes.indiatimes.com*)

March 15, 2024

India's ranking on the United Nations Human Development Index improved by one position in 2022 to 134 out of 193 countries ranked compared to 135 out of 192 countries ranked in 2021 on the back of a marginal increase in its HDI value to 0.644 compared to 0.633 in 2021.

“After a drop in its Human Development Index (HDI) value in 2021 and following a flat trend over the past few years, India's HDI value has increased to 0.644 in 2022, placing the country 134 out of 193 countries and territories,” the United Nations Development Programme said in the 2023-24 Human Development Report released on Thursday.

However, India needs a renewed focus on women-led development, UNDP cautioned.

As per the report, in 2022, India saw improvements across all HDI indicators including life expectancy, education, and Gross National Income (GNI) per capita.

India ranked 134 out of 193 countries on United Nations Human Development Index for 2022

While India's life expectancy rose from 67.2 to 67.7 years, expected years of schooling reached 12.6, mean years of schooling increased to 6.57, and GNI per capita saw an increase from \$6,542 to \$6,951, the report said.

According to the report, India demonstrated progress in reducing gender inequality with a GII value of 0.437 and ranked 108 out of 166 countries in 2022. The GII measures gender inequalities in three key dimensions – reproductive health, empowerment, and labour market.

“However, India also has one of the largest gender gaps in the labour force participation rate, a 47.8% difference between women (28.3%) and men (76.1%),” UNDP added.

Comparing India's performance across human development indicators since 1990, the report said India has shown remarkable progress over the years with life expectancy at birth risen by 9.1 years; expected years of schooling have increased by 4.6 years, and mean years of schooling have grown by 3.8 years while India's GNI per capita has grown by approximately 287%.

"This highlights the country's commitment over time to accelerate economic growth and improve the quality of life for its citizens," its aid.

"But there is room for improvement. With a renewed focus on women-led development, India can further unlock socio-economic progress, paving the way for a brighter and more equitable future for all," Caitlin Wiesen, resident representative at UNDP India said.

UNDP however said it is not meaningful to compare the Human Development Indices values and ranks published in the HDR 2021-22 with the values and ranks published in the HDR 2023-24.

"The full indices time series for each country was recalculated afresh, to incorporate revisions in the time series of the different indicators, new data availability, and other changes implemented by the entities from where HDRO sources the data," it said. <https://economictimes.indiatimes.com/news/economy/indicators/india-ranked-134-out-of-193-countries-on-united-nations-human-development-index-for-2022/articleshow/108486435.cms?from=mdr>

12. Capex or human development? (*thehindubusinessline.com*) March 14, 2024

Social sector should be at par with physical infrastructure. And communities should be involved in implementing the latter

The Union Budget has rightly emphasised the need for a thrust on infrastructure for growth. Capex has become the new buzz word for Indian Mandarins. The relationship of infrastructure and growth has been over-emphasised.

As East Asian nations have demonstrated, human capital is also very central to the emergence of higher order, skill and education led economies. The opportunity to every youth to develop their fullest human potential is the way to a sustainable, high rates of economic progress and human well-being.

Human development is not a 'revdi' or a freebie; it is the crux of well-being. This writer in these columns a few months ago said why even infrastructure projects require a strong community connect. It was argued that timely completion with quality outcomes happens when local community own infrastructure initiatives. While maintaining the thrust on infrastructure, it is important to recognise the following eight key pathways to a good infrastructure thrust.

Eight pathways

Infrastructure Projects must be prioritised on the basis of citizen and market surveys and community participation. While we may have many fancy ideas, but let us not

underestimate the power of local wisdom in determining what is the best way forward. If we listen to these citizen voices in time, it improves the planning, alignment and outcome of an infrastructure project.

DPRs must be subject to rigorous technical and feasibility scrutiny at planning stage to prevent padding of costs. IITs/NITs should be partners in this value for money exercise. A specific example from the experience of the Pradhan Mantri Gram Sadak Yojana (PMGSY), implemented by the Ministry of Rural Development (MoRD), will illustrate the point. The Ministry of Home Affairs (MHA) wanted to implement the second phase of road construction for Left Wing Affected (LWA) districts.

First it requested the Public Works Departments of States to prepare the costs. The proposal in 2017-18 was to construct 5,000 kilometres of roads in LWA districts at the cost of ₹11,000 crore.

At that point, MHA transferred the responsibility to the MoRD. After a series of appraisal of DPRs, GIS based assessments, and intensive examination of costs, alignments, specifications and materials by IITs and NITs who are PMGSY State specific technical partners, the 5,000 km roads were completed with ₹6,000-odd crore.

The savings was used to construct another thousands of kilometres of roads in LWA districts. Over-specification often becomes a challenge.

Social infrastructure is as important as physical infrastructure and should always be the top most priority. When we compare school infrastructure of Kendriya and Navodaya Vidyalayas with an average government funded school, there is still a large gap, in spite of Sarva Shiksha Abhiyan. Technical Institutes and Skill Centres are often not as well equipped as the Indo German Tool Rooms or the CIPET skill training Centres. Quality matters in excellence and employability.

Large infrastructure projects with employment and skill opportunities must be done in consultation with Gram Panchayats so that development linkages for the hinterland are well thought through. In Madhya Pradesh Rural Livelihood Mission, a drive for full employability was undertaken. A register of all those wanting jobs/skills was prepared and provided for through job melas and local community led skill programmes, as also long-distance residential skill initiatives that also provided life skills to participants under the Deen Dayal Upadhyaya Grameen Kaushal Yojana (DDUGKY). The results were encouraging in a large number of villages.

Labour and differential skill needs in these projects should be known to local communities and work in partnership with Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) for a full employment linkage with the hinterland. GPs/ULBs must have the total employment picture vis-a- vis the total youth seeking employment. Having the full picture at the level of the local government is critical to a successful and integrated employment and self-employment opportunities for all. It must be monitored at local government level.

Studies on rate of return on investment (RoI) must be carried out on a large scale to understand the true picture of an infrastructure project. RoI of MGNREGS and Pradhan Mantri Awaas Yojana Gramin (PMAY Gramin) should also be undertaken to see the

impact on employment and incomes. MGNREGS is a rural infrastructure programme and not a dole; useful income generating sustainable livelihood assets have been created under it, raising incomes of poor households.

Include infrastructure construction done under so-called revenue budget (MGNREGS, PMAY Gramin, etc) in the infrastructure resources. Reform MGNREGS to focus on infrastructure deficits in poorer regions with challenges of water conservation.

The multiplier impact on employment and jobs should be a very important consideration in infrastructure projects. We must emphasise employment, both direct and indirect, in all infrastructure projects. Urban infrastructure to improve the quality of life of the working class in cities, is important.

Half of India will be in urban areas in another decade. We are least prepared for it. Rurban like planned initiatives to develop small towns and growth points need greater thrust as part of the infrastructure pipeline.

These are suggestions making infrastructure and growth more aligned to human development and well-being, the ultimate test for any initiative. The ultimate test of an intervention is its ability to improve human lives and livelihoods. The inability of Human Development sector Ministries in spending even their limited Budget reflects in the Revised estimates for most schemes. This suggests a broader problem. <https://www.thehindubusinessline.com/opinion/capex-or-human-development/article67951685.ece>

13. The proliferation of EVs could make decarbonization harder to achieve (*livemint.com*) 15 Mar 2024

EVs look set to use more power than the country can clean. To solve this problem, electric cars will require solar roofs so that they can charge while parked in the sun, even as we push for a cleaner electricity grid, use battery swapping to minimize surge charging and encourage public transport.

India's electricity consumption is growing at nearly 9% per year, faster than real gross domestic product (GDP). That is understandable, since economic growth involves rapid urbanization, which is electricity-intensive. It is also possible that in the near-term, GDP growth has higher energy intensity beyond electricity. Given that energy or electricity in India is still dominated by coal and other fossil fuels, carbon emissions are going up, even in per capita terms. Until India reaches middle-income status, it is difficult to imagine how its GDP growth can be less energy- and carbon-intensive. India's annual coal consumption is close to a billion tonnes and will rise to 1.4 billion by 2030. The load factors of our thermal plants are improving somewhat, slowing down coal demand growth. The projection factors in the expansion of renewable-energy capacity to 450 gigawatts by 2030 and assumes that India will keep its climate pledge of having at least 40% of its power-generation capacity from non-fossil fuels by then.

Adding complexity to the challenge of sustaining high urban-oriented GDP growth while lowering carbon intensity is the ambition to turn mobility electric. In the last financial year, more than 1 million new electric vehicles (EVs) rolled onto Indian roads.

This year, the number could be 50% higher. Presently, only about 1% of all vehicles run on electricity. India aims a 30% vehicle penetration by 2030. Imagine what it will do to electricity demand. There are two aspects of this. One is the quantum of electricity units needed to charge EV batteries and the other is the increased wherewithal required across generators, grids and transformers to handle EV-charging in surge mode. A battery that needs four hours of charging with a 100-kilowatt source will need a 16-times bigger power source if it has to be fast-charged when it is outdoors. Simultaneous demand of such surge-charging could trip a transformer, or worse, lead to a grid collapse if the scale is seriously large. Not only will it require a radical redesign of our grid infrastructure, but increased demand for generation will also have to be factored in. The ambition of accelerated electric mobility to 30% by 2030 directly collides with India's Paris pledge and also our net-zero goal by 2070, unless electricity production shifts to nuclear or hydro sources on a large scale. Solar will not be able to meet demand without enormous overnight storage capacity.

One way out is to use the massive and diffused network of electric cars for power storage. The usual intuitive approach is to charge your EV at home at low wattage all night so that you have a fully-charged vehicle to drive during the day. This is a bad idea because night charging uses up fossil fuel-based electricity. Instead, your car should run on an almost-empty battery charge in the morning to reach office. While parked in a parking lot, your EV could use a solar roof to charge its battery all day long. And then you can bring a fully-charged battery back home every evening to run your household appliances on the electricity stored in your vehicle. This is how we can turn a vast number of automobiles into decentralized storage devices with daily solar-panel charging. This is a bit difficult to implement in congested cities, but by using a large land-surface area to create huge parking lots, it should be possible. A country like Australia, richly endowed with sunshine and a rapidly-growing solar industry, is well poised to use this approach.

An unexpected growth in electricity demand is most dramatically manifest in North America. For the six years prior to 2023, demand was flat at roughly 250,000-300,000 gigawatt hours, according to data compiled by North American Electric Reliability Corp for the US, Canada and part of Baja California in Mexico. This flat demand was in line with slow GDP growth, ageing populations and greater energy efficiency. But then demand jumped nearly 150% to 564,000 gigawatt hours in 2023. This has been attributed to an unforeseen spike in demand from artificial intelligence investments, server farms and power-hungry chips, not to forget demand from crypto-mining farms and data servers. Indeed, data servers are estimated to already account for more than 2% of total electricity consumption and a much larger carbon footprint. Mobile charging consumes more electricity than a fridge over a month. The United States has been experiencing power outages, with the highest number recorded in 2022 across major states like California and Texas. Unless the US grid infrastructure is extensively redesigned and rebuilt, such occurrences will only get more frequent.

India too should brace itself to upgrade its grid capacity, connectivity and resilience to handle spikes in power demand. To meet the challenge of increased electric mobility while also reducing its carbon footprint, India will have to adopt a multi-pronged policy. First, move towards non-fossil fuel electricity to charge batteries. Second, use battery swapping to minimize surge charging. Third, use EVs as distributed storage devices for solar power. Fourth, make big investments in urban public transportation to partly

reduce the need for private vehicles. Sixth, offer incentives to reduce demand for mobility and commuting, and encourage work-from-home, at least in the digital economy. Achieving a balance between our electrification and decarbonization goals is not going to be easy. <https://www.livemint.com/opinion/online-views/the-proliferation-of-evs-could-make-decarbonization-harder-to-achieve-11710430010346.html>

14. India plans new population census, economic data improvements (*economictimes.indiatimes.com*) Mar 14, 2024

India's government is planning a number of steps to improve the quality of its economic data, including kicking off a long-delayed population census, according to people familiar with the matter.

The Statistics Ministry has made a number of proposals that have been discussed by Prime Minister Narendra Modi's office in the past month, the people said, asking not to be identified as the discussions are private.

These include reviving its survey of businesses, last released in 2014, and publishing the household consumption survey on an annual basis, the people said. It also plans to introduce a uniform base year for key indicators and update the basket of goods for calculating inflation, they said.

Separately, the government is also considering a new population census once elections are completed, the people said. The census is usually conducted once a decade, and was last published in 2011, with the most recent survey delayed because of the pandemic.

Economists have frequently called for an overhaul of India's statistics, while Modi's own economic advisory council has raised concerns about the quality of the data. With India's economy expanding rapidly and global investor interest growing, official figures are coming under more scrutiny. Relying on outdated surveys also raises the risk of policy errors.

India's Statistics Ministry and the Prime Minister's Office didn't respond to requests for further information.

The census would include training and deploying more than 300,000 government staff to enumerate citizens in the world's most populous nation, the people said. The survey exercise would likely last about 12 months, one of the people said.

Advisory Panel

The business survey being revived will help officials better understand the economy's shift away from farming to other industries, the people said.

The survey is expected to help the government tailor its policies to boost manufacturing, which has been steadily declining as a share of gross domestic product over the years. The World Bank estimates the ratio was about 13% in 2022, while the government's goal was to raise it to 25% by 2025.

The government will also appoint an advisory panel that will make recommendations to the Statistics Ministry regarding changes to the base year in key economic data and revising the weights of categories, the people said. The plans will be put into effect after elections due by May, the people said.

Industrial production and GDP data are currently calculated using a 2011-12 base year, while consumer inflation uses 2012.

Statistics agencies usually adjust base years every few years to better reflect changing spending patterns and economic trends over time.

The consumer price basket will also be revised to reflect consumer spending changes in India, such as less expenditure on food and a higher contribution for digital items like mobile tariffs, the people said.

A recent survey of household consumption showed the proportion of spending on food has dropped in urban and rural households over the past decade. <https://economictimes.indiatimes.com/news/economy/indicators/population-census-india-plans-economic-data-improvements-new-population-census-after-lok-sabha-elections/articleshow/108488520.cms?from=mdr>