

## **NEWS ITEMS ON CAG/ AUDIT REPORTS**

### **1. As PM, India's Modi secretly tried to massively cut state funds** *(aljazeera.com)* 18 Jan 2024

**Modi tried to force the Finance Commission to cut back on the amount of tax revenue meant for India's states.**

New Delhi, India – Immediately after becoming the prime minister in 2014, Narendra Modi held backdoor negotiations with the Finance Commission of India to significantly cut funds allocated to the country's states.

However, the head of the commission, an independent constitutional body deciding states' shares from central taxes, resisted, and Modi had to back off, new revelations show.

The Finance Commission's firm stance forced the Modi government to hastily redo its maiden full budget in 48 hours and slash funding across welfare programmes since its assumption of retaining a greater portion of the central taxes did not pan out.

At the same time, Modi falsely claimed in Parliament that he welcomed the Finance Commission's recommendations on the tax portions to be allocated to the states.

These revelations of financial haggling and behind-the-scenes manoeuvring in the making of the federal budget came from BVR Subrahmanyam, the CEO of the government think-tank NITI Aayog. As a joint secretary in the prime minister's office, he was the liaison in the backdoor negotiations between Modi and the chairman of the Finance Commission, YV Reddy.

This is arguably the first time a top government official in the current Indian government has admitted publicly that the prime minister and his team had tried from the start to squeeze the states' finances, a concern now repeatedly raised by the states.

Subrahmanyam shared the information while speaking as a panelist at a seminar on financial reporting in India, which had been organised last year by the non-governmental think-tank the Centre for Social and Economic Progress (CSEP).

In his remarks – another first by a government official – he revealed how the federal budgets are “covered in layers and layers of attempt to cover the truth”. He added that he was “sure you will have a Hindenburg who will open up the [Indian government's] accounts if they are transparent”.

He meant, if the accounts were transparent, the truth of the government's fiscal condition would become evident, similar to how the Adani Group's questionable accounting practices were highlighted by US-based short seller Hindenburg Research last year.

Those allegations of accounting fraud and other issues by one of India's largest business conglomerates led to a \$132bn market rout in the group's valuation and became a

political hot potato as the airports-to-cooking oil conglomerate is perceived as being close to the Modi government.

The Reporters' Collective independently verified Subrahmanyam's claims against budget and other documents going back a decade.

At one point, Subrahmanyam even divulged details of financial embezzlement and fraud in a government-funded infrastructure project, referring to it as a "funny case".

Despite his headline-grabbing revelations, the seminar's YouTube livestream has garnered little more than 500 views. Hours after The Reporters' Collective sent detailed queries to the Prime Minister's Office (PMO), public access to the video of the seminar was cut off on the CSEP YouTube channel.

Subrahmanyam, the Ministry of Finance and the PMO did not respond to The Reporters' Collective's detailed queries.

The Finance Commission scandal

Per India's Constitution, an independent Finance Commission, made up of economists and public finance experts, decides what percentage of money the federal government should share with the states from its tax collections, excluding those it labels as "cess" or "surcharges".

The 14th Finance Commission was set up in 2013. Around the same time, Narendra Modi, as the chief minister of the state of Gujarat, was campaigning for the post of prime minister and made news for asking the commission to give states a 50 percent share of central taxes.

In its report that it submitted in December 2014, the commission recommended that states should get 42 percent of the share of central taxes, up from the 32 percent they had been receiving until then. But Modi, now the prime minister, and his Ministry of Finance, wanted to keep the states' share of taxes down at 33 percent and a larger portion for the federal government.

Under the constitutional provisions, the government has only two options: accept the Finance Commission's recommendations or reject them and establish a new commission. It cannot argue, debate or negotiate with it formally or informally.

But the prime minister tried off-record parleys to get the chairman of the Finance Commission, YV Reddy, who was earlier the governor of the Reserve Bank of India, to pare down his recommendations on the revenue share. In his comments on the panel, Subrahmanyam said he was the only other person in that conversation.

This was in breach of constitutional propriety. If the government had succeeded, it would be able to reduce the states' income while passing the blame onto the constitutional body, the commission.

Subrahmanyam said that a "tripartite discussion between Dr Reddy, me and the prime minister" about the figure took place.

“No Finance Ministry [official or minister],” he stressed, was involved. “Should it be 42 [percent] or 32 [percent] or some number in between? The previous number was 32,” he said, referring to the percentage share of taxes recommended by the 13th Finance Commission.

The conversation lasted two hours, Sabrahmanyam said, but Reddy was unyielding. Subrahmanyam recalled Reddy, telling him in “good south Indian English: ‘Appa [Brother], go and tell your boss [the prime minister] that he has no choice’.”

The government had to accept the Finance Commission’s recommendations of 42 percent.

The Reporters’ Collective verified from an official who was part of the 14th Finance Commission that there had been a delay in accepting the report and conversations about potentially altering it. We corroborated it with another economist who, at that time, was working for the government and in the know about the events.

“It was conveyed that the government had the power to reject the report but not ask for it to be altered. Only once in the past, the federal government has rejected the main report of a Finance Commission and even then it went with the dissenting note that was part of the report. It did not proffer its own devolution numbers,” said the economist, who declined to be named as the discussions involved the prime minister’s office.

But in Parliament, Modi hid his government’s failed attempt to reduce the states’ share of revenues. He told Parliament on February 27, 2015: “To strengthen the nation, we have to strengthen the states... There is a dispute among Finance Commission members. We could have taken advantage of that. We didn’t. But it is our commitment that states should be enriched, should be strengthened. We gave them 42 percent devolution.”

He added, “Some states would not have treasuries big enough to keep all this money,” as members of Modi’s ruling Bharatiya Janata Party (BJP) laughed and applauded.

But with a smaller portion of the tax revenue, the government had to rehash the entire budget and ended up slashing allocations for several welfare schemes.

“The budget was written in two days that year. Two days because this recommendation is accepted so late, so late and everything was written at that time ... in a conference room in NITI Aayog. Four of us sat and actually recast the entire budget,” Subrahmanyam recounted.

“I still remember when we were cutting off ... women and child – state subject – 36,000, make it 18,000 crores,” he said in his speech, recounting how he and three other unnamed officials halved the allocation from 360 billion rupees (\$5.8bn) to 180 billion rupees (\$2.9bn) for the central Ministry of Women and Child Development, which runs welfare schemes like delivering hot cooked meals to children, pregnant women and lactating mothers.

While the numbers he rattled off were not precise, the government did significantly cut allocations by nearly half from 211 billion rupees (\$3.4bn) in the budget for the

financial year ending March 2015 to 102 billion rupees (\$1.6bn) the next year after it had to accept the higher proportion of payment to the states.

The budget also saw an 18.4 percent cut in allocation for school education from the previous year.

‘Attempt to cover the truth’

Subrahmanyam’s candid remarks stand out all the more because it is quite rare for government officials, particularly in the Modi administration, to be so forthcoming.

Speaking on the panel on fiscal transparency – how honestly the government lays out its revenues and liabilities – Subrahmanyam said it would take a “Hindenburg” to delve into the country’s accounts. A chuckle of acknowledgement rippled across the conference room.

The federal budget is “covered in layers and layers of attempt to cover the truth”, he said. Analysis of budgets by the likes of JPMorgan and Citibank “actually unveils the truth in what the real situation is”, he said, referring to how foreign banks and investors are more honest than domestic players in their analyses of the Indian government’s accounts.

Subrahmanyam added that the budgets of the states and federal government were untrustworthy as governments at both levels were using accounting tricks and sometimes plain fraud to avoid revealing the levels of debt.

One of the key concerns of domestic and international investors is the level of fiscal deficit the government carries at any given time – how much it is spending in excess of what it earns from taxes and other revenues, through borrowings. In other words, living beyond its means. Unhealthy levels of fiscal deficit scare away investors and can lead to a negative cascading effect on the economy.

Governments, therefore, try accounting tricks to meet their expenses from borrowings that can be kept out of budget documents, better known as “off-budget borrowing”.

Indian governments of all hues have been criticised in the past for doing this. These, simply put, are loans, usually taken by the likes of government-owned companies, which are not reflected in government accounts, even though, ultimately, it is the government that has to repay these loans.

In its fiscal year 2019-20 budget, the federal government announced that going forward, it would disclose all such off-budget borrowings. This came on the heels of criticism from the 15th Finance Commission against the rise in such borrowings.

It did disclose better than it had so far, but as Subrahmanyam admitted, it was not enough.

“It is disclosing only one part,” he pointed out in his speech, referring to the government’s statement on extra-budgetary resources. “What is the time of the borrowing, amount of borrowing, timeline of the borrowing, interest rate? Nothing is known.”

A report on the federal government's finances by the country's comptroller and auditor general, exposed some of these deficiencies in 2022. It, for instance, did not disclose the more than 1.69 trillion rupees (\$21.9bn) raised by different government-owned bodies, which should have been part of the budget statement on extra-budgetary resources.

In his comments, Subrahmanyam also delved into a case of financial misconduct in a government-funded infrastructure project in the erstwhile state of Jammu and Kashmir when it was under the direct control of the federal BJP government.

"We had a funny case," he said and narrated how the Jammu and Kashmir administration, at the time under the direct control of the federal BJP government, submitted a "fake UC". This referred to utilisation certificates, the official document certifying that funds have been used for the purpose for which they were disbursed.

The federal government sends funds to states for infrastructure projects in tranches. The money for each subsequent tranche is released after the state sends a certificate that it has used the previous tranche for the right purposes.

"The second instalment came in. The contractor who has taken the first instalment, nobody knew how to pay him. Because the first instalment technically is consumed and the second has come up," he added.

In other words, based on the fake utilisation certificate that had been submitted, the federal government sent the second tranche of funds. But now, the Jammu and Kashmir administration was stuck with it. It had misused the first instalment of funds and it could not afford to pay the contractor partially.

The Reporters' Collective did not receive a response from Subrahmanyam and the Finance Ministry on detailed queries regarding the legality of this practice.

#### Cesspool of surcharges

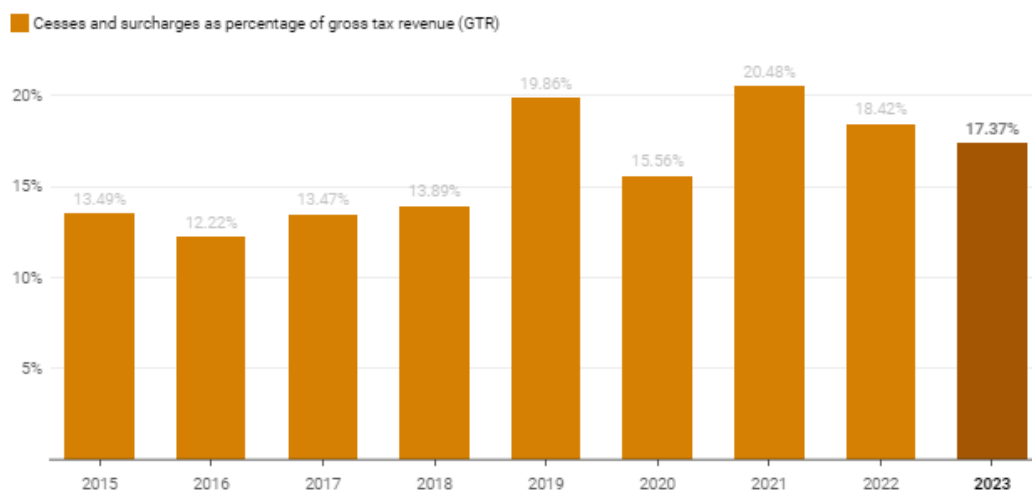
Once the Modi government found it could not reduce the state's share of taxes by getting the Finance Commission to change its report, it exploited an old accounting manoeuvre that persists to this day. The federal government steadily increased the collection of a class of taxes called cess and surcharges. States are not entitled to any portion of this.

"There is an increasing use of cesses and surcharges to fund or to raise revenues," Subrahmanyam said in his speech.

The amount of cess and surcharges collected by the federal government under Narendra Modi has grown since 2015, data shows.

## How India's federal government shortchanges states

The federal government has increased cesses and surcharges over the years as a percentage of gross tax revenues (GTR).



Source: Fifteenth Finance Commission Report and Parliament Queries



The share of cesses and surcharges stood at 10.4 percent of total taxes collected in 2011-12 by the Congress-led federal government. Between 2017-18 and 2021-22, the total cess and surcharge collected by the federal government more than doubled, from 2.66 trillion rupees (\$33.7bn) to 4.99 trillion rupees (\$64.8bn). During that period, cesses and surcharges rose from 13.9 percent to 18.4 percent as a share of gross tax revenue.

Malini Chakravarti of the independent think-tank Centre for Budget and Governance Accountability writes about the tricks the BJP government deployed to up its share of monies at the cost of the states: “In the 2017-18 budget while the Centre reduced the tax rate of incomes up to Rs 500,000 [\$7,400] from 10 percent to 5 percent, it levied a surcharge on incomes above Rs 5 million [\$74,600] to counter the resultant revenue loss. Similarly, in the 2018–19 budget even while excise duty on petrol was reduced by Rs 9 [\$0.12] per litre, the road cess was increased by an equivalent amount.”

Referring to the rise in cesses and surcharges, Subrahmanyam said: “So, if that is the case and these are part of the non-divisible pool, then states would be wary of ceding more and more of their autonomy in taxation.”

One such way the Modi government eroded the state’s tax resources was through a national goods and services tax (GST), which was introduced in July 2017 after years of political haggling. It was supposed to create a single market, replacing a plethora of local taxes with national ones. But “states are being increasingly choked for revenue,” Subrahmanyam said, echoing a concern that has previously been voiced by opposition-ruled state governments.

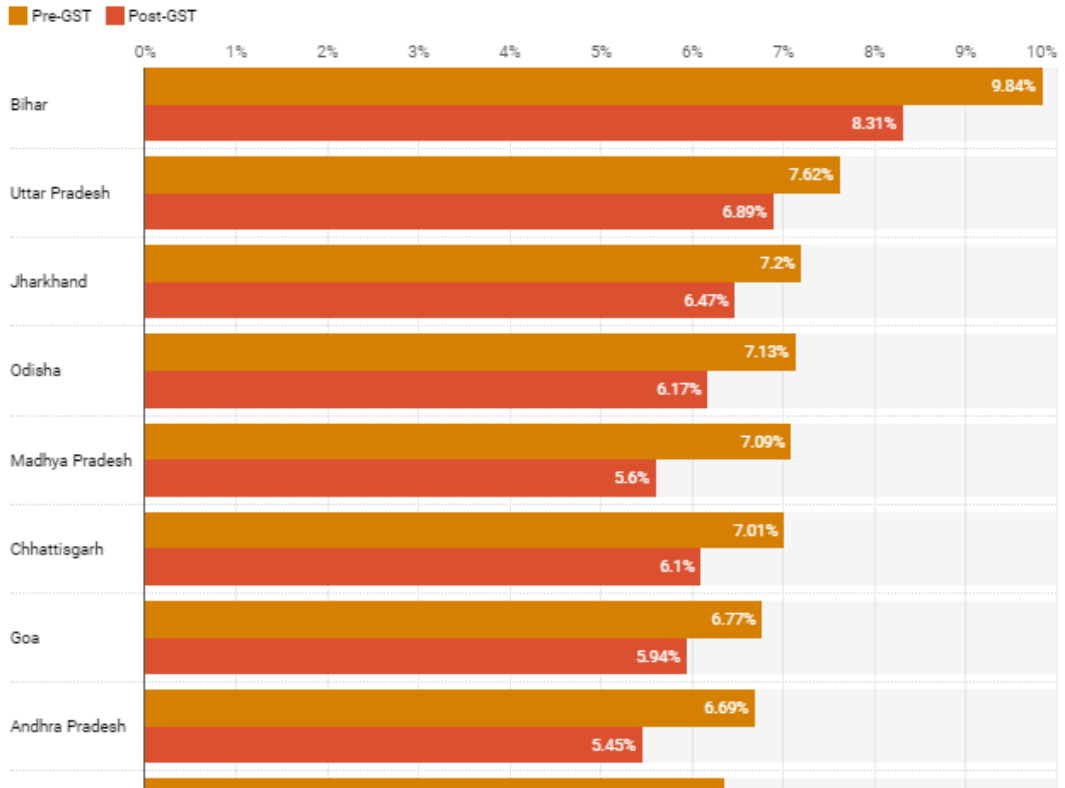
Research papers in the recent past have shown that state tax revenues post-GST have declined when compared with the pre-GST period.

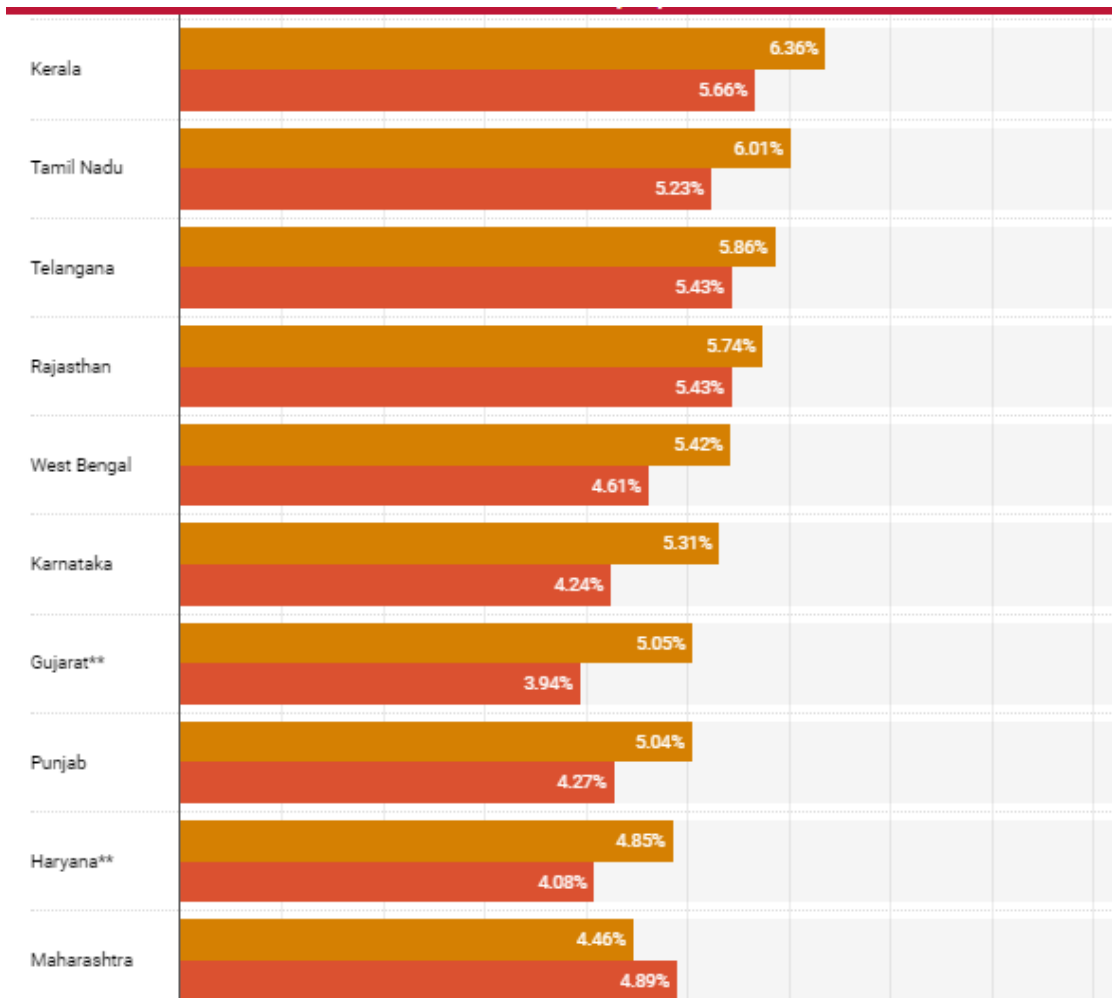
A January 2023 paper by researchers at the National Institute of Public Finance and Policy analysed state revenues and found that in 17 out of 18 states they reviewed, the

revenue that states generated through state-level taxes declined in the post-GST period compared with the pre-GST period when seen as a percentage of the gross state domestic product (GSDP).

### States choked for revenue

How states' tax revenues changed as a percentage of their gross state domestic product (GSDP) post-goods and services tax (GST).





Source: National Institute of Public Finance and Policy

The federal government’s continued attempts to restrict states’ financial independence also showed up when it set up the 15th Finance Commission in 2017 and tasked it with recommending fiscal sticks and carrots to convince states to avoid “populist measures”.

In the same vein, Modi, since mid-2022, has been accusing opposition-governed states of indulging in a “revdi culture” referring to traditional sweetmeats and disparagingly likening welfare schemes to distributing sweets or freebies to people.

In his comments on the panel, Subrahmanyam differed with his boss on the matter.

“The question is these are social decisions. Somebody can say that Medicare and Medicaid in the US are freebies. Can you go and scrap them?” he asked. “I think these are societal decisions, these are not economic decisions. Economics will only decide whether you can pay for it and do it or not. It cannot say it is right or wrong. It is a political decision.” <https://www.aljazeera.com/economy/2024/1/18/as-pm-indias-modi-secretly-tried-to-massively-cut-state-funds>



## 2. Chartered Accountants Institute, CAG join hands to boost employment (*republicworld.com*) Jan 17, 2024

**The online certification courses will provide remuneration for workforce maintaining local account.**

In an endeavour to address paucity of accountants in local bodies, the Controller and Auditor General of India (CAG) and the Institute of Chartered Accountants of India (ICAI) have joined forces to launch online certification courses. These courses are specifically tailored for individuals interested in managing accounts for Gram Panchayats and Municipalities.

A statement said that the initiative aims to bridge the accounting gap at the grassroots level and create a skilled workforce for local governance. This, in turn, will provide temporary employment opportunities and remuneration for those involved in maintaining local accounts.

"The O/o the CAG of India has entered into an MoU with the Institute of Chartered Accountants of India (ICAI) to develop a set of online courses for different categories of Local Bodies. At the conclusion of such course, the participants/students would be required to clear a skill-based examination and get certified to be employed as an Accountant for Local Bodies. This would create the requisite pool of accountants for different types of LBs and resolve the problem of shortage of Accountants. A brief of the course is available at link for the flier. The details of the course can be seen at link for the brochure," said an official statement.

The online certification courses include CAP (Certificate Course for Accountants of Panchayats) and CAMB (Certificate Course for Accountants of Municipal Bodies). CAP comprises two levels focusing on Gram Panchayats and Zilla & Block Panchayats, while CAMB includes levels for Town Panchayats and Municipal Corporations & Municipalities.

It said that to ensure widespread access, the enrollment fee for each course is set at Rs 590, with the registration deadline for the first batch closing on January 31, 2024. Aspiring candidates can register through the official website: <https://lba.icaiarf.org.in/>(<https://lba.icaiarf.org.in>). <https://www.republicworld.com/business/chartered-accountants-institute-cag-join-hands-to-boost-employment/>

## 3. दरभंगा से देवघर तक- छोटे शहर UDAN एयरपोर्ट के साथ बड़े सपने देख रहे हैं लेकिन समस्याएं भी कई हैं (*hindi.theprint.in*) Jan 18, 2024

2016 में शुरू की गई पीएम मोदी की महत्वाकांक्षी UDAN योजना ने पिछले 7 वर्षों में छोटे शहरों और कस्बों में 517 नए उड़ान मार्ग और 76 हवाई अड्डे पेश किए हैं. लेकिन उड़ान के रास्ते में कई समस्याएं भी हैं.

दीपक यादव का इंस्टाग्राम हैंडल किसी पहाड़, स्मारक या मठ के तस्वीरों से नहीं बल्कि दरभंगा हवाई अड्डे, हवाई जहाज, साथी यात्रियों, टेक-ऑफ और लैंडिंग की तस्वीरों और रील से गुलजार है-

जिन पर लता मंगेशकर का जब से मिले नैना जैसे बॉलीवुड गाने लगाए गए हैं. बिहार के इस छोटे शहर के हवाई अड्डे से बमुश्किल तीन किलोमीटर दूर रहने वाले सेल्स एजेंट को अपनी इस नई जीवनशैली पर गर्व है. उनका छोटा सा शहर भारत के विमानन मानचित्र पर है और वह चाहते हैं कि हर कोई इसके बारे में जाने.

यादव एक रील में कहते हैं, “यह मेरा सपना था कि मैं जब भी और जहां भी यात्रा करूं, तो प्लेन से ही करूं. और अब मैं सिर्फ प्लेन से ही सफर करता हूं.” 2020 में दरभंगा हवाईअड्डा चालू होने के बाद से, यादव उर्वरक जैसे कृषि उत्पाद बेचने के लिए ट्रेन या बस लेने के बजाय दिल्ली और अन्य शहरों के लिए उड़ान भर रहे हैं. उन्होंने शहर को विकसित होते हुए भी देखा है और अब यहां एक कैफे, बड़े वेयरहाउस, एक स्टार्ट-अप इनक्यूबेटर, कई आवासीय और वाणिज्यिक परियोजनाएं हैं और सूट और साड़ी में लोग दरभंगा आ रहे हैं. मखाना, मछली और पान के लिए प्रसिद्ध यह शहर अब पर्यटकों, व्यवसायियों और उद्यमियों को आकर्षित कर रहा है. और एम्स-दरभंगा के विपरीत, जो कागज पर सिर्फ स्टेटस सिंबल बना हुआ है, इस हवाई अड्डे का काम शुरू भी हो चुका है.

यह प्रधानमंत्री नरेंद्र मोदी की 2016 में शुरू की गई महत्वाकांक्षी योजना UDAN –उड़ें देश का आम नागरिक का हिस्सा है, जिसने पिछले सात वर्षों में देश के छोटे कस्बों और शहरों में 517 परिचालन उड़ान मार्ग और 76 हवाई अड्डे पेश किए हैं. इस योजना के तहत “हवाई चप्पल” पहनने वाले लोगों को “हवाई जहाज” पर उड़ते देखने का लक्ष्य रखा गया था. पिछले साल घरेलू यात्रियों की रिकॉर्ड संख्या देखी गई, जो अप्रैल और नवंबर 2023 के बीच, 20 करोड़ से अधिक यात्रियों ने प्लेन में सफर किया, जो 2014 के बाद से 120 प्रतिशत की बढ़ोतरी है. लेकिन खराब बुनियादी ढांचे (दरभंगा में उपकरण लैंडिंग सिस्टम नहीं है), टर्बुलेंट एविएशन सेक्टर (गो फर्स्ट का दुर्घटनाग्रस्त होना और 2023 में जलना), और टिकट की बढ़ती कीमतें पीएम के सपने को पीछे धकेल रही हैं.

UDAN पर्यटन को बढ़ावा देने, व्यापार को बढ़ावा देने और स्थानीय अर्थव्यवस्था को सशक्त बनाने की मोदी सरकार की योजना का केंद्र है. भारत के दूर-दराज के हिस्सों में हवाई अड्डे - सिक्किम में पाक्योंग, केरल में कन्नूर, उत्तर प्रदेश में बरेली और अयोध्या, ओडिशा में झारसुगुड़ा और अरुणाचल प्रदेश में होलोंगी हैं, जहां कभी केवल रेल या सड़क मार्ग से ही पहुंचा जा सकता था, वे अब लोगों के यात्रा करने के तरीके को बदल रहे हैं. इस साल गोवा को मोपा में दूसरा हवाई अड्डा मिला, जबकि अयोध्या में नया लॉन्च किया गया महर्षि वाल्मिकी अंतर्राष्ट्रीय हवाई अड्डा 22 जनवरी को राम मंदिर के प्राण-प्रतिष्ठा समारोह से पहले भारी यातायात के लिए खुद को तैयार कर रहा है.

हवाई अड्डों ने श्रम गतिशीलता, पर्यटन और आर्थिक उछाल के लिए तैयार छोटे शहरों की आकांक्षाओं के एक नए युग की शुरुआत की है. टाटा ग्रुप की जिंजर, लेमन ट्री होटल्स, रेडिसन होटल ग्रुप और अन्य होटल शृंखलाएं विकास के लिए टियर-II शहरों पर विचार कर रही हैं. मुजफ्फरपुर की लीची और मिथिला का मखाना जमीन और महासागरों के पार उड़कर राष्ट्रीय और वैश्विक बाजारों को एक साथ जोड़ रहे हैं.

मोदी ने नागरिक उड्डयन मंत्रालय द्वारा UDAN पर एक पोस्ट का जवाब देते हुए पिछले साल अप्रैल में ट्वीट किया था, “पिछले नौ साल भारत के विमानन क्षेत्र के लिए परिवर्तनकारी रहे हैं. मौजूदा हवाई अड्डों का आधुनिकीकरण किया गया है, नए हवाई अड्डे त्वरित गति से बनाए गए हैं और रिकॉर्ड संख्या में लोग उड़ान भर रहे हैं. इस बढ़ी हुई कनेक्टिविटी ने वाणिज्य और पर्यटन को एक बड़ा प्रोत्साहन दिया है.”

हालांकि, मार्क मार्टिन जैसे विमानन विशेषज्ञ, जो एक कंसल्टेंसी चलाते हैं, UDAN की स्थिरता पर संदेह जताते हैं। सीएजी की 2023 की रिपोर्ट के अनुसार, उड़ान क्षेत्रीय कनेक्टिविटी योजना के तहत केवल 7 प्रतिशत मार्ग ही तीन साल की सरकारी सब्सिडी अवधि के बाद टिकाऊ हैं।

मार्टिन कहते हैं, “इस योजना के बुनियादी सिद्धांत त्रुटिपूर्ण हैं, क्योंकि गैर-व्यवहार्य हवाई अड्डों की संख्या बढ़ रही है। और व्यवहार्यता रातोंरात हासिल नहीं की जा सकती। विकास होने में कई साल लग जाते हैं।”

फिर भी, आसमान की सैर करने को उत्सुक भारतीय यात्रियों के लिए हवाई अड्डे समय बचाने का वादा लेकर आते हैं।

यादव, जो दिल्ली में एक वार्षिक सम्मेलन में भाग लेने गए थे, उन्होंने कहा, “दिल्ली पहुंचने में 15-18 घंटे लगते थे लेकिन हवाई अड्डे की वजह से अब मैं कुछ ही घंटों में अपनी मंजिल पर पहुंच जाता हूँ। बिजनेस में समय से अधिक मूल्यवान कुछ भी नहीं है।”

दरभंगा हवाई अड्डे से बाहर निकलने वाले यात्री लगभग 30 मीटर दूर मछली बेच रही एक महिला के पास रुकते हैं। अन्य लोग टर्मिनल में प्रवेश करने से पहले लिट्टी-चोखा खाते हैं। ये हवाई अड्डे अब नए रेलवे स्टेशन बन चुके हैं।

जबकि सरकार ने उड़ान योजना के तहत 13 ऑपरेटरों को 1,154 मार्ग आवंटित किए हैं, लेकिन 27 दिसंबर 2023 तक केवल 517 मार्ग वास्तव में चालू थे। और हालांकि घरेलू हवाई यात्रा में वृद्धि हुई है, फिर भी UDAN के तहत कई मार्गों पर सेवाएं बंद हो चुकी हैं।

चाय, इंतज़ार और टेकऑफ

दरभंगा हवाई अड्डे से 20 मीटर से भी कम दूरी पर स्थित कैफे में युवा पुरुष और महिलाएं चाय के साथ पनीर टिक्का का स्वाद लेते हैं, साथ ही वे विमानों के उतरने और उड़ान भरने की तस्वीरें भी खींचते हैं। यह न केवल यात्रियों के लिए बल्कि स्थानीय निवासियों के लिए भी एक लोकप्रिय स्थान है।

दिसंबर की ठंडी शाम को, दरभंगा शहर से लगभग 15 किमी दूर क्योटी गांव के ऋषि कुमार अपने 10 दोस्तों के साथ बैठे हैं और उन दो गिटारों में से एक को बजा रहे हैं जो कैफे मालिक राज प्रसाद ने ग्राहकों के लिए रखा है। ऋषि कहते हैं, “हवाई अड्डा शुरू होने के बाद ही यह कैफे खोला गया है। पहले अगर कुछ चाहिए होता था तो हमें और दूर जाना पड़ता था।” कैफे, जिसमें बाहर बैठने की भी जगह है, नींबू सोडा से लेकर वेज और नॉन-वेज तक सब कुछ परोसा जाता है।

एक तरफ जहां कैफे आकर्षण का केंद्र है, वहीं दरभंगा हवाई अड्डा अव्यवस्थित है। 2020-2021 में यात्रियों की संख्या 1.53 लाख से बढ़कर 2022-23 में 6.17 लाख हो गई। उत्तर बिहार में एकमात्र हवाई अड्डे के रूप में, यह UDAN योजना के तहत सबसे व्यस्त हवाई अड्डों में से एक है, यहां तक कि यह पटना हवाई अड्डे को भी पीछे छोड़ रहा है।

दरभंगा से दिल्ली तक केवल कुछ ट्रेनों के साथ लोगों को ट्रेन पकड़ने के लिए या तो पटना जाना पड़ता है या 100 किलोमीटर की दूरी तय करके सहरसा जाना पड़ता है, लेकिन हवाई अड्डे से यात्रा का समय दिनों के हिसाब से कम हो जाता है। यहां इंडिगो और स्पाइसजेट, दरभंगा से दिल्ली, मुंबई, बंगलुरु, हैदराबाद और कोलकाता के लिए उड़ानें संचालित होती हैं।

दरभंगा के होटल मालिक प्रशांत झा ने कहा, “कुछ साल पहले तक लोग यहां आने से भी डरते थे. लेकिन अब, यह चर्चा में है.”

प्रस्थान स्थल के ऊपर एक टिन शेड यात्रियों के लिए वेटिंग एरिया के रूप में काम करता है. हवाई अड्डे के एकमात्र प्रवेश बिंदु पर लोगों की कतार लगी है. जैकेट और स्वेटशर्ट में पुरुष, महिलाएं और बच्चे, लगभग सभी स्पोर्ट्स जूते पहने हुए, अपने आधार कार्ड पकड़े हुए हैं. “आप कहां से आए हैं? आप कहां जा रहे हैं? आपकी फ्लाइट कितने बजे की है?” वे एक-दूसरे से मैथिली में कई सवाल करते हैं. ट्रेन यात्रा के विपरीत, जहां यात्री स्टाइल से अधिक आराम को प्राथमिकता देते हैं, लोग हवाई यात्रा के लिए अधिक औपचारिक कपड़े पहनकर आते हैं. लेकिन कोई भी खाने से समझौता नहीं करता - कई लोगों ने ठेकुआ और बालूशाही को जूट के थैलों में पैक किया है. एक यात्री ने अपने बैग में लिमिट से ज्यादा किलोग्राम सामान के लिए 600 रुपये का भुगतान भी किया.

टर्मिनस के अंदर, अकेले बैगेज चेक-इन काउंटर पर स्कर्ट या पतलून और जैकेट में वर्दीधारी कर्मचारी परेशान होते हैं और समय से ज्यादा देर तक काम करते हैं, जबकि सिक्योरिटी चेक पॉइंट पर भीड़ जमा हो जाती है. “कृपया सभी लाइन में ही खड़े रहें”, स्पाइसजेट का एक कर्मचारी हिंदी में कहता है जब एक अधीर यात्री लाइन तोड़ने की कोशिश करता है. दो उड़ानें - एक मुंबई के लिए और दूसरी दिल्ली के लिए - उड़ान भरने वाली हैं. मुंबई की उड़ान को प्राथमिकता दी गई.

शंभू यादव, जो दिल्ली के गांधी नगर में एक कपड़ा फैक्ट्री में काम करते हैं, 12,000 रुपये प्रति माह कमाते हैं, जब उनके पिता की तबीयत खराब हुई तो उन्होंने दरभंगा आने के लिए छुट्टी ले ली थी. ट्रेन में बहुत अधिक समय लगता, इसलिए उन्होंने दिल्ली जाने के लिए 6,000 रुपये खर्च किए. वह कहते हैं, “मेरी आधी तनख्वाह टिकट पर खर्च हो गई, लेकिन मैं अपने पिता के निधन से पहले उन्हें देख सका.”

सिक्योरिटी चेक के बाद, यात्रियों को वेटिंग एरिया में ले जाया जाता है, जहां 40 से अधिक सीटों वाली टिन की छत के नीचे एक खुली जगह है. बाकी छोटे टर्मिनस की तरह यह एयर-कंडिशनड नहीं है. प्रतीक्षा करते समय, यात्री विमानों को देखने के लिए अपनी गर्दन ऊपर उठाते हैं.

भाजपा नेता और दरभंगा से सांसद गोपाल जी ठाकुर कहते हैं, दरभंगा और इसके आसपास के जिलों से बड़ी संख्या में बाहर से आने वाले प्रवासियों को देखते हुए, हवाई अड्डा एक वरदान साबित हुआ है, खासकर तब जब घर पर कोई इमरजेंसी होती है. वह आगे कहते हैं, “यहां पहुंचने में बहुत समय लगता था. लेकिन आज, हवाईअड्डे की वजह से लोग 2-3 घंटों के भीतर पहुंच जाते हैं.” दरभंगा हवाई अड्डे के एक पूर्व निदेशक, नाम न छापने का अनुरोध पर बताते हैं कि नेपाल के लोग भी इस हवाई अड्डे का उपयोग करते हैं.

हालांकि, हवाई अड्डा काफी समय से मौजूद है. 1950 में दरभंगा के पूर्व महाराजा कामेश्वर सिंह द्वारा निर्मित, यह वास्तव में, बिहार के सबसे पुराने हवाई अड्डों में से एक है. उद्यमशील महाराजा ने एक निजी वाहक, दरभंगा एविएशन भी लॉन्च किया, लेकिन यह 1962 में बंद हो गया. कथित तौर पर चीन के साथ युद्ध के दौरान हवाई अड्डे को भारतीय वायु सेना ने अपने कब्जे में ले लिया था.

UDAN हवाई अड्डों के लिए एक सामान्य प्रक्षेप पथ है, इसमें 76 में से केवल 11 पूरी तरह से नए निर्माण हैं. बाकी मौजूदा रक्षा या निष्क्रिय हवाई अड्डे थे जिन्हें ठीक किया गया था. सरकार की योजना रनवे को मजबूत करने, 54 एकड़ भूमि पर स्थायी टर्मिनल भवन के साथ दरभंगा हवाई अड्डे

का विस्तार करने और रात में और खराब मौसम के दौरान लैंडिंग की सुविधा के लिए एक इंस्ट्रूमेंट लैंडिंग सिस्टम (आईएलएस) स्थापित करने की है। लेकिन निर्माण अभी तक शुरू नहीं हुआ है।

फिलहाल यात्रियों को मौजूदा सुविधाओं से ही काम चलाना होगा। डॉ. सोहेल अहमद, जिन्हें दिल्ली में एक शादी में शामिल होना है, को बताया गया है कि उनकी फ्लाइट में ढाई घंटे की देरी होगी। वह चिंतित है कि समय पर समारोह में नहीं पहुंच पाएंगे। बैठने के लिए जगह ढूंढते हुए वह कहते हैं, “शायद मुझे ट्रेन ही पकड़ लेनी चाहिए थी।”

शहर से 2 किमी दूर दरभंगा हवाई अड्डे के आसपास का एक वीरान इलाका पिछले कुछ वर्षों में बदल गया है। अब यह होटल और रेस्तरां वाले एक व्यस्त क्षेत्र में बदल चुका है।

पहले रियल एस्टेट, फिर लीची और अब मखाना उत्तर बिहार भारत के पर्यटन मानचित्र पर कहीं भी दिखाई नहीं देता है लेकिन उम्मीद है कि दरभंगा हवाई अड्डा यात्रियों के लिए नए अवसर खोलेगा।

प्रशांत झा कहते हैं, जो हवाई अड्डे से लगभग 200 मीटर की दूरी पर स्थित एक होटल के मालिक हैं, “कुछ साल पहले तक लोग यहां आने से डरते थे। अब, यह गुलज़ार है। व्यवसाय अच्छा चल रहा है और होटल के 12 कमरे लगभग हमेशा बुक रहते हैं।” झा के अधिकांश मेहमान निवेशक और व्यवसायी व्यक्ति हैं जो हवाई अड्डे की तेजी से लाभ उठाने के लिए संपत्ति और अवसरों की तलाश में हैं। दरभंगा कॉलेज ऑफ इंजीनियरिंग के सहयोग से एक स्टार्ट-अप इनक्यूबेटर भी स्वरूप ले रहा है।

मधुबनी जिले के एक सॉफ्टवेयर इंजीनियर अरविंद झा कहते हैं, “लोग अब न केवल गांवों में अपने परिवारों से मिलने के लिए लौट रहे हैं। बल्कि वे यहां आकर काम भी करना चाहते हैं।” पहले वे कभी-कभार ही अपने गांव आते थे लेकिन जब से हवाई अड्डा खुला है, वह साल में कई बार घर के लिए उड़ान भरते हैं।

पिछले कुछ वर्षों में, हवाई अड्डे के आसपास कई टाउनशिप और गोदाम बन गए हैं, जिससे जमीन की कीमतें दोगुनी हो गई हैं। निजी आवासीय टाउनशिप, श्री राम जानकी चलाने वाले प्रॉपर्टी डेवलपर राजन ठाकुर कहते हैं, 2020 के बाद से, 15 से अधिक रियल एस्टेट कंपनियों दरभंगा में खुली हैं। अब तक, उन्होंने हवाई अड्डे के 10 किमी के दायरे में 150 लोगों को जमीन बेची है।

ठाकुर कहते हैं, ज्यादातर खरीदार पड़ोसी जिलों से हैं, लेकिन बिहार के बाहर के लोग भी व्यावसायिक उद्देश्यों के लिए यहां जमीन ले रहे हैं। “एयरपोर्ट से पहले यहां जमीन की कीमत 6-7 लाख रुपये प्रति कट्टा थी। अब यह 14-15 लाख रुपये प्रति कट्टा है। हवाई अड्डे के कारण, परिवहन, व्यवसाय और चिकित्सा सुविधाओं तक पहुंच आसान हो गई है।”

इस नई आर्थिक वृद्धि को आगे बढ़ाने वाले वे अकेले व्यक्ति नहीं हैं। निजी टैक्सी क्षेत्र भी फलफूल रहा है। कैब सेवा कंपनी रोडबेज़ के सीईओ दिलखुश कुमार ने दरभंगा में अब और अधिक ड्राइवर आवंटित किए हैं। वे कहते हैं, “जीवनशैली बदल रही है और जो लोग फ्लाइट का उपयोग करते हैं उन्होंने टैक्सियों का उपयोग करना शुरू कर दिया है।”

किसान भी पीछे नहीं रहे हैं। कार्गो फ्लाइट्स की शुरुआत ने उनकी उपज के लिए नए रास्ते खोल दिए हैं। वर्तमान में, दरभंगा हवाई अड्डे से लीची बिहार से बाहर भेजी जाती है, पिछले तीन वर्षों में

300 टन फल का निर्यात किया गया है। हालांकि, कार्गो फ्लाइट्स साल में केवल पीक लीची सीज़न के दौरान लगभग दो महीने ही चलती हैं।

बिहार के लीची उत्पादक संघ के विपणन और नीति प्रमुख कृष्ण गोपाल, जो 2 लाख से अधिक किसानों का प्रतिनिधित्व करते हैं, साल भर कार्गो फ्लाइट्स की वकालत करते हैं।

वे कहते हैं, “फ्लाइट्स के कारण सामान जल्दी पहुंच जाता है और ताज़ा रहता है। यह एक फायदा है लेकिन कार्गो सुविधा सीमित समय के लिए और केवल लीची के लिए उपलब्ध है।”

अंतरराष्ट्रीय और राष्ट्रीय मार्गों पर कृषि उपज के परिवहन की सुविधा के लिए 2020 में शुरू की गई केंद्र सरकार की कृषि उड़ान योजना वर्तमान में 58 हवाई अड्डों को कवर करती है। लेकिन गोपाल जैसे किसानों और व्यापारियों का कहना है कि दरभंगा में इस योजना का पूरी क्षमता से उपयोग नहीं किया जा रहा है।

उत्तर बिहार मखाना और मछली के लिए प्रसिद्ध है, लेकिन अभी केवल मौसमी लीची का ही निर्यात किया जा रहा है। गोपाल कहते हैं, “यहां आय के पर्याप्त अवसर हैं लेकिन सुविधाएं नहीं हैं।”

टर्मिनल के भीतर बुनियादी ढांचे-एयर कंडीशनर, पर्याप्त बैठने की जगह, डिस्प्ले बोर्ड और भोजनालयों की कमी-यात्रियों के बीच निराशा का विषय है।

छोटे शहरों के हवाई अड्डे, बड़ी चुनौतियां  
दरभंगा स्थित पत्रकार मणिकांत झा ने अपनी किताब *Udan: A Journey Translated* में हवाई अड्डे के बारे में विस्तार से बताया है। उन्होंने लिखा, “हवाई अड्डा मुख्य रूप से वह स्थान था जहां मैं विमानों को उतरते और उड़ान भरते देखता था। यात्री विमान सेवाओं की व्यस्तता से यह आज जो हो गया है, उससे कोसों दूर था। यह बताना काफी दिलचस्प है कि यह हवाई अड्डा कैसे विकसित हुआ है।”

हालांकि, शिकायतों की संख्या भी बढ़ रही है।

15 दिसंबर को दिगंबर कुमार एक सार्वजनिक बस से करीब 100 किमी की यात्रा कर मधेपुरा से दरभंगा पहुंचे। जब वह सुबह 10 बजे हवाई अड्डे पर पहुंचे, तो उन्हें बताया गया कि उनकी फ्लाइट चार घंटे लेट है। यह अब एक आम बात बन गई है। फ्लाइट एरा द्वारा संकलित आंकड़ों के अनुसार, दरभंगा हवाई अड्डे से सेवा देने वाली 67 प्रतिशत उड़ानें - प्रतिदिन लगभग पांच फ्लाइट देरी से चल रही हैं।

कुमार हवाई अड्डे के गेट के बाहर लिट्टी-चोखा खाते हुए कहते हैं, “4-5 घंटे बचाने के लिए मैंने ट्रेन के बजाए दरभंगा से एक फ्लाइट बुक की। लेकिन फ्लाइट लेट हो गई और मुझे समय पर सूचित भी नहीं किया गया।”

टर्मिनल के भीतर बुनियादी ढांचे-एयर कंडीशनर, पर्याप्त बैठने की जगह, डिस्प्ले बोर्ड और भोजनालयों की कमी-यात्रियों को निराश करती है। मोतिहारी के नितेश चौधरी कहते हैं, जिन्हें बेंगलुरु के लिए फ्लाइट पकड़नी थी, “किसी भी शहर का बस स्टैंड इससे बेहतर है। हम घंटों से बाहर खड़े हैं, यहां बैठने तक की कोई व्यवस्था नहीं है।”

देवघर एयरपोर्ट के निदेशक प्रवीण कुमार ने कहा कि “एयरपोर्ट शुरू करना और उसे चलाना दो अलग-अलग बातें हैं।”

कई बार खराब मौसम या तकनीकी खराबी के कारण दिल्ली से दरभंगा जाने वाली उड़ानों को पटना डायवर्ट कर दिया जाता है।

ILS देरी को कम करेगा और फ्लाइट्स को रात में उड़ान भरने और उतरने की अनुमति देगा, लेकिन तीन साल बाद भी, सिस्टम अभी तक स्थापित नहीं किया गया है।

बार-बार यात्रा करने वाले यात्री पिछले तीन वर्षों में हवाई अड्डे के उन्नयन की कमी पर अफसोस जताते हैं। एक और आम शिकायत यह है कि टिकट की कीमतें मजदूरों और प्रवासी श्रमिकों के लिए अप्राप्य हैं। शादी के सीजन और छठ पूजा के दौरान दिल्ली से दरभंगा के लिए हवाई टिकट की कीमत 15,000 रुपये से 20,000 रुपये के बीच हो जाती है। सांसद ठाकुर कहते हैं, “हम कीमतें उचित रखने के लिए एयरलाइन कंपनी से लगातार बात कर रहे हैं।” हवाई अड्डे के विस्तार के लिए भूमि के लिए राज्य सरकार से जमीन मांगी गई जिसमें 76 एकड़ जमीन दी जा चुकी है, टेंडर प्रक्रिया अभी शुरू ही हुई है। बीजेपी सांसद का कहना है कि “916 करोड़ रुपये का टेंडर जारी किया गया है।”

बढ़ते किराये की समस्या सिर्फ दरभंगा तक ही सीमित नहीं है। CAG ने अपनी अगस्त 2023 की रिपोर्ट में क्षेत्रीय मार्गों पर सीटों की बुकिंग में सुधार का आह्वान किया ताकि यह सुनिश्चित किया जा सके कि एयरलाइन ऑपरेटर सरकार की क्षेत्रीय कनेक्टिविटी योजना में निर्धारित सीमा से ज्यादा टैक्स न लें।

मधुबनी स्थित एएन सिन्हा इंस्टीट्यूट ऑफ सोशल स्टडीज के पूर्व निदेशक डीएम दिवाकर कहते हैं, “बिहार में अंतर-क्षेत्रीय असमानता बहुत अधिक है और प्रति व्यक्ति आय भी बहुत कम है। इसलिए, केवल वे लोग जो अच्छी कमाई करते हैं, हवाई यात्रा का उपयोग कर पा रहे हैं।”

विडंबना यह है कि जहां घरेलू हवाई यात्रा बढ़ी है, वहीं उड़ान के तहत कई मार्गों पर सेवाएं बंद हो गई हैं। देवघर, सूरत, हुबली और मैसूर जैसे दरभंगा हवाई अड्डे कुछ ऐसे हैं, जो अपवाद हैं। नागरिक उड्डयन राज्य मंत्री वीके सिंह ने राज्यसभा को बताया था कि पिछले साल 31 अक्टूबर तक, 103 क्षेत्रीय कनेक्टिविटी योजना (आरसीएस) मार्गों को तीन साल के बाद बंद कर दिया गया था और अन्य 136 मार्गों को तीन साल की सब्सिडी अवधि पूरी करने से पहले समाप्त कर दिया गया था।

केंद्र सरकार के आंकड़ों से पता चलता है कि पिछले पांच वर्षों में आठ घरेलू एयरलाइंस बंद हो गई हैं, जिनमें गो एयरलाइंस, एयर डेक्कन, एयर ओडिशा और टूजेट शामिल हैं। इनमें से टूजेट 40 आरसीएस मार्गों पर परिचालन चला रहा था। जबकि सरकार ने योजना के तहत 13 ऑपरेटरों को 1,154 मार्ग आवंटित किए हैं, 27 दिसंबर 2023 तक केवल 517 मार्ग वास्तव में चालू थे। वित्त मंत्रालय ने उड़ान के लिए परिव्यय को पिछले वित्तीय वर्ष में 601 करोड़ रुपये से दोगुना करके 2023-2024 में 1,244 रुपये कर दिया है।

धार्मिक पर्यटन को बढ़ावा देना

UDAN के माध्यम से, सरकार आकर्षक मंदिर गलियारों और धार्मिक पर्यटन को भुनाना चाहती है, जिसका मूल्य बाजार के अनुमान के अनुसार, वित्त वर्ष 2023 में लगभग \$56 बिलियन था, जो 2020 में \$44 बिलियन से अधिक था। राम मंदिर के प्राण-प्रतिष्ठा समारोह से एक सप्ताह पहले अयोध्या के नए खुले हवाई अड्डे के लिए हवाई टिकट सामान्य दर से तीन गुना ज्यादा है।

सरकार का दावा है कि पासीघाट, जीरो, होलोगी और तेजू हवाई अड्डों की शुरुआत के कारण पूरे पूर्वोत्तर में पर्यटन उद्योग में काफी उछाल आ रहा है. पिछले छह वर्षों में, आरसीएस योजना के तहत 53 धार्मिक मार्गों को शुरू किया गया, जिनमें खजुराहो, अमृतसर और किशनगढ़ (अजमेर) शामिल हैं.

जबकि अयोध्या हवाई अड्डा उड़ान का हिस्सा नहीं है, झारखंड में देवघर हवाई अड्डा धार्मिक सर्किट में एक सफलता की कहानी के रूप में सामने है और दरभंगा में अपने समकक्ष की तुलना में अधिक उन्नत है. बाबा बैद्यनाथ धाम के लिए प्रसिद्ध, देवघर में लालू प्रसाद यादव और राबड़ी देवी से लेकर गृह मंत्री अमित शाह तक, जो पिछले साल फरवरी में दिल्ली से आए थे, के वीआईपी दौरे के लिए कोई अजनबी नहीं है. यह लगभग 50 किमी दूर जैन तीर्थ स्थल पारसनाथ के लिए भी एक लोकप्रिय आधार है. अब, यह शहर अपनी धार्मिक अपील को और बढ़ाते हुए, तिरूपति के बालाजी मंदिर की प्रतिकृति की मेजबानी करने के लिए तैयार है.

पहले से ही, हर साल लाखों लोग देवघर आते हैं, खासकर जुलाई-अगस्त में सावन के महीने में, जो हवाई अड्डे को धार्मिक भावना से जुड़े लोगों के लिए एक व्यवहार्य केंद्र बनाता है. लेकिन हवाई अड्डे पर ILS सुविधा नहीं है और अभी तक केवल इंडिगो एयरलाइंस द्वारा सेवा प्रदान की जा रही है.

देवघर एयरपोर्ट के निदेशक प्रवीण कुमार कहते हैं, “एयरलाइन का एकाधिकार है, इसलिए टिकट की कीमतें अधिक हैं. जब अधिक एयरलाइंस यहां आएंगी तो किराया अपने आप कम हो जाएगा. और फिर आम आदमी भी अधिक से अधिक हवाई यात्रा कर सकेगा, जो फिलहाल नहीं हो रहा है.”

जिला प्रशासन के एक वरिष्ठ अधिकारी ने कहा, यह देखते हुए कि हवाईअड्डा आसपास के छह झारखंड जिलों को कवर करता है और बिहार और पश्चिम बंगाल के कुछ हिस्सों से आसानी से पहुंचा जा सकता है, यह देवघर की अर्थव्यवस्था में महत्वपूर्ण भूमिका निभा सकता है.

उन्होंने कहा, “पहले लोग रांची जाकर फ्लाइट लेते थे लेकिन अब काफी समय बच रहा है. वहीं लोग सुविधा की ओर भी ज्यादा ध्यान दे रहे हैं. भविष्य में इसका (हवाईअड्डा) और विस्तार होगा.” अधिकारी ने यह भी उम्मीद जताई कि हवाई अड्डा उद्योगपतियों को आकर्षित करेगा और आसान कनेक्टिविटी के कारण कंपनियां यहां आना शुरू कर देंगी.

654 एकड़ में फैला, देवघर हवाई अड्डा, जो शहर से 12 किमी दूर है और पिछले साल चालू हुआ, शहर के धार्मिक और आदिवासी इतिहास से जुड़ा है. हवाई अड्डे के अंदरूनी हिस्से में स्थानीय आदिवासी कला और हस्तशिल्प का प्रदर्शन होता है, जबकि एयरपोर्ट के सामने के हिस्से पर बाबा बैद्यनाथ धाम शिखर की नक्काशी है. दरभंगा हवाई अड्डे के समान, यह अब एक स्थानीय पर्यटक आकर्षण है.

दिसंबर की एक दोपहर में, 30 किमी दूर मधुपुर के निवासी मोहम्मद सिराज अंसारी अपने भाइयों के साथ हवाई यात्रा के लिए नहीं, बल्कि हवाई अड्डे के माहौल को देखने के लिए पहुंचे. वीडियो बनाते और तस्वीरें लेते हुए वह कहते हैं, “मैं लंबे समय से यहां आना चाहता था. मैंने हर किसी से हवाई अड्डे के बारे में सुना था, आज इसे देख भी लिया. यह काफी खूबसूरत है.”

दिल्ली से देवघर उतरने के बाद, मनोज कुमार और उनकी पत्नी सुधा ने टैक्सी ली और सीधे भारत के 12 ज्योतिर्लिंगों में से एक बाबा बैद्यनाथ धाम गए. नोएडा में एक इंजीनियर, मनोज कहते हैं, “मैं कई वर्षों से यहां पूजा करना चाहता था. लेकिन ट्रेन से लगभग 17-18 घंटे लगते हैं. जब हवाई अड्डा शुरू हुआ, तो हम बहुत खुश थे.”



उन्हें अगले दिन ही दिल्ली लौटना था लेकिन यह निश्चित नहीं है कि फ्लाइट समय पर होगी या नहीं. देवघर हवाई अड्डे पर भी फ्लाइट की देरी और रद्द होना एक समस्या बन चुकी है.

निर्देशक कुमार कहते हैं, “यह अभी-अभी शुरू हुआ है. हवाईअड्डे को शुरू करना और उसे चलाना दो अलग-अलग चीजें हैं.” <https://hindi.theprint.in/feature/darbhanga-deoghar-airport-bihar-darbhanga-airport-jharkhand-narendra-modi-udan-scheme/652597/>

## **STATES NEWS ITEMS**

### **4. Audit report: GMCH-32 Causes loss of ₹86 lakh as it failed to float tenders for services (*hindustantimes.com*) Jan 18, 2024**

According to the report, GMCH failed to float the tenders in 2018 as per the instructions of the UT finance department to outsource the services of workers and security personnel from existing contractors

The local audit department, in its special audit, has pointed out that the Government Medical College and Hospital (GMCH), Sector 32, has caused a financial loss of nearly ₹86 lakh to the government exchequer.

According to the report, GMCH failed to float the tenders in 2018 as per the instructions of the UT finance department to outsource the services of workers and security personnel from existing contractors. The tender was supposed to be floated through the Government e-Marketplace (GeM) portal, but the hospital continued with the services of existing contractors, leading to the audit department pointing out the anomalies.

A special audit was conducted recently, and it was found that a loss of ₹86 lakh has been incurred to the government exchequer. On hiring four contractors for providing technical and other skilled services, round-the-clock security and fire prevention services, housekeeping, and sanitation services and paramedical services, the special audit report concluded that four contracts for outsourcing manpower have been extended for many years without the approval of the competent authority. Had new tenders been finalised in a time-bound manner, the expenditure to the tune of ₹86.36 lakh could have been saved on the government exchequer.

GMCH-32 director Dr AK Attri said, “We have already filed our reply with the UT finance department, and we have not received any reply from them regarding the loss.”

In 2018, the department said the secretary of medical education and research conveyed the advice of the UT finance department dated August 27, 2018, that GMCH should review all outsourcing contracts and immediately take the services of GeM, which is presently at 1.18%, to avoid loss to the exchequer. However, GMCH-32 continued to outsource the services, including housekeeping and sanitation, paramedical, technical and other services, round-the-clock security, and fire prevention, from existing contractors from October 2018 to March 2020 and paid ₹86.35 lakh in excess administrative charges paid over and above 1.18%.

The report observed that if the services had been hired through the GeM portal, an amount of ₹86,35,906 paid more than administrative charges could have been saved.

Furthermore, the report stated that it was clarified to GMCH-32 that services of manpower provided to educational institutions for security or housekeeping or cleaning are exempted from service tax, but GMCH had paid the service tax on these services amounting to ₹1.66 crore to the outsource agencies providing manpower for security and housekeeping. The report remarked that necessary steps to recover the amount of service tax amounting to ₹1.66 crore paid to outsource firms should be taken at the earliest.

The audit department advised inviting fresh tenders in the future well before the completion of the existing contract, and contracts should be awarded on the expiry of existing contracts to avoid unnecessary extensions.  
<https://www.hindustantimes.com/cities/chandigarh-news/audit-report-gmch-32-causes-loss-of-86-lakh-as-it-failed-to-float-tenders-for-services-101705521645476.html>

## **SELECTED NEWS ITEMS/ARTICLES FOR READING**

### **5. Food subsidy bill for FY24 to overshoot Budget estimates, breach ₹2 trillion (*livemint.com*) 17 Jan 2024**

**The food department requires additional funds of nearly ₹5,600 crore for its flagship food welfare programme that it recently extended by another five years, ahead of the general election**

NEW DELHI : The Union government's food subsidy bill for fiscal year 2023-24 is likely to overshoot the budgeted estimate of ₹1.97 trillion, prompting the food department to seek additional funds primarily to support its flagship programme.

Revised allocation for the ongoing fiscal year is expected to go up by 3% to ₹2.02 trillion, a top official of the department of food and public distribution told Mint.

The department requires additional funds of nearly ₹5,600 crore for decentralised procurement of foodgrains under the Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY) scheme, and sugar subsidy for families covered under the Antyodaya Anna Yojana programme, this official said, declining to be identified.

India's food subsidy bill is likely to go up next year as well, as the Union government recently extended the PMGKAY scheme, its flagship food welfare programme, for another five years ahead of this year's general election.

This will require more procurement and storage capacity and a higher state-set minimum or guaranteed price for wheat and rice.

Containing spending on food subsidy is crucial for managing India's fiscal deficit, which the government is targeting at 5.9% of gross domestic product this financial year, with plans to lower it by at least 50 basis points in fiscal year 2024-25.

“In view of a hike in (minimum support price) of crops and other incremental expenses, including the extension to the free food scheme, the food subsidy bill is bound to increase,” the official mentioned above said.

“Though the (budgeted estimate) is ₹1.97 trillion for food subsidy in FY24, we require a slightly higher budget. We have given a proposal for additional allocation, and ₹2.02 trillion may be allocated for food subsidy alone in the ongoing financial year.”

A fund for assistance to state agencies for intra-state movement of foodgrains is also expected to be revised to a little over ₹8,500 crore from the budgeted estimate of ₹7,400 crore, the official informed.

About ₹23 crore is also likely to be allocated for the Scheme for Modernisation and Reforms through Technology in Public Distribution System (SMART-PDS), which had not received any allocation in the Budget for 2023-24, the official said.

The expenditure and the food and public distribution departments did not immediately reply to queries on the request for additional funds.

India runs its multi-billion-dollar food welfare programme, the world's biggest such initiative, by buying rice and wheat from millions of domestic farmers at guaranteed prices and then supplying the staples at subsidised rates or for free to 800 million Indians.

The government spends some part of the food subsidy also on maintenance and other administrative costs.

“Food subsidy depends on the quantum of offtake from the central pool. As there is no additional allocation, food subsidy will not rise much,” said Siraj Hussain, former Union agriculture secretary. “Additionally, there is an element of buffer subsidy on the stocks, which is also likely to be lower because food grain stocks are at a low level.”

Mint on 9 January reported that the Union government may allocate ₹2.2 trillion towards food subsidy in the upcoming Budget to pay for higher farm support prices and an extended food welfare scheme. The allocation could be 10% higher than last year’s.

The Union government provides subsidised food grains to states under the National Food Security Act and other welfare schemes, including PMGKAY. The Food Corporation of India (FCI) is reimbursed by the Centre for the gap between the cost and the subsidised price of food grains supplied to states.

States participating in decentralised procurement of foodgrains receive direct subsidies from the Centre based on the quantity they procure and distribute. Over the previous 9 years, the government has released food subsidy amounting to ₹4.04 trillion to such states, and ₹14.48 trillion to FCI. <https://www.livemint.com/economy/food-subsidy-bill-for-fy24-to-overshoot-budget-estimates-breach-2-trillion-11705494136197.html>

## 6. **Healthy direct tax growth is good news for the fisc** (*thehindubusinessline.com*) January 17, 2024

### **Income tax collections as well as the number of IT returns filed have increased**

The buoyancy in direct tax collections in the first nine months of this fiscal, led by robust personal income tax collections, is probably a signal that the recent drive to increase the tax base is beginning to show dividends. The estimated growth for gross tax collections in the Budget for 2023-24 was quite conservative at 10.5 per cent, taking into account the possible decline in inflation and moderation in growth. But the 16.77 per cent growth in the April-December 2023 period has helped collect ₹17.18-lakh crore of tax, which is almost 81 per cent of the Budget estimate. This can prove quite helpful in achieving the fiscal deficit target for this fiscal year.

The growth in corporate tax collections has been muted in the first nine months of this fiscal year, at 8.32 per cent. This is not surprising given the challenges being faced by companies due to tepid global demand, rising interest burden and lower revenue growth, resulting in lower profitability. Personal income tax collections have, however, surprised pleasantly, with strong growth of 26.11 per cent. This growth is accompanied by a 9 per cent increase in number of income tax returns filed for the accounting year 2023-24, reaching a record high of 8.18 crore. The increase in tax base could be partly due to the increasing formalisation of the economy and a younger workforce joining the services sector where the pay packages are higher. Reforms in personal income tax rules could also be contributing to the increase.

Among these is the new tax regime, where the taxpayer enjoys a lower tax rate while foregoing all exemptions and deductions. This could be resonating with new taxpayers due to its simplicity, increasing compliance. Two, the practice of pre-filing the returns with data including salary, interest, dividend, brought forward losses and MAT credit is also making the process easier. Three, the information on financial transactions of taxpayers given in the annual information statement and taxpayer information summary helps in capturing all the income of the taxpayer, which can be inadvertently omitted, thus increasing the tax revenue. Four, expansion of the number of transactions subject to tax collection at source is also perhaps proving to be a good idea, bringing high income earners who have been evading paying tax, into the tax net. The Centre must continue this drive to plug the loopholes and simplify tax structure and process in order to expand the income tax payer base.

With the first advance estimate pegging the nominal GDP growth for FY24 at 8.9 per cent, the fiscal deficit could be under pressure. Decline in central excise duty collection from fuel, shortfall in disinvestment programme and higher outgo on food and fertilizer subsidy will also expand the fisc for FY24. Higher direct tax collections along with robust dividends from public sector enterprises and the Reserve Bank of India will prove handy in achieving the fiscal deficit target of 5.9 per cent of GDP budgeted for FY24. <https://www.thehindubusinessline.com/opinion/editorial/healthy-direct-tax-growth-is-good-news-for-the-fisc/article67748917.ece>

## **7. Govt to target fiscal deficit at 5.3% of GDP for FY2025, says ICRA (*financialexpress.com*) January 18, 2024**

With the the Union Finance Minister Nirmala Sitharaman all set to present the interim Budget for the fiscal year 2024-25 on February 1, 2024, an analysis by ICRA suggested that the government is likely to target fiscal deficit at 5.3 per cent of GDP for FY2025, entailing a reasonable degree of fiscal consolidation amid slower capex growth.

The upcoming Budget will be an interim one and is said to have no major announcements as it is coinciding with the general elections year which is scheduled for this year. The full budget for the fiscal year 2024-25 will be presented after the formation of the new government following the general elections. The Budget is allotted for the upcoming fiscal year, which runs from 1st April to 31st March of the next year.

However, the expansion in the Government of India's (GoI's) capex and the extent of fiscal consolidation would be scrutinised closely, given the implications for growth and G-sec yields, respectively. ICRA expects the fiscal deficit target for FY2025 to be set at 5.3 per cent of GDP, midway through the expected print of 6.0 per cent for FY2024 and the medium-term target of sub-4.5 per cent by FY2026. "This, along with our projection of an appreciable dip in the revenue deficit, would allow for a capex target of Rs 10.2 trillion for FY2025, 10 per cent higher than the expected level for FY2024 vis-à-vis the 20 per cent-plus YoY expansion seen during FY2021-FY2024. A higher capex target would impinge on the GoI's ability to bridge half the required fiscal consolidation in FY2025, thereby making the task of reaching medium-term fiscal deficit target by FY2026 even more challenging," ICRA said in a report.

### What are the expectations from Interim Budget for FY24

Per a report by ICRA, the GoI's revenue receipts are likely to exceed the FY2024 Budget Estimate (BE) by ~Rs 0.5 trillion, largely driven by the overshooting in net tax and non-tax revenues. On the expenditure side, it said that the total spending is expected to remain largely in line with the FY2024 BE of Rs 45.0 trillion, with a lower-than budgeted capital expenditure partially offsetting the projected overshooting in revenue expenditure (by +Rs. 800 billion) vis-à-vis the budgeted target for the fiscal.

Further, it said that the fiscal deficit is unlikely to overshoot the FY2024 BE of Rs 17.9 trillion. However, a lower nominal GDP number than what the Union Budget had pencilled in (NSO's first advance estimates: Rs 296.6 trillion vs. FY2024 BE: Rs 301.8 trillion), is likely to result in the fiscal deficit printing at 6.0 per cent of GDP. This, along with the robust inflows into small savings schemes, suggest that the GoI's market borrowings are likely to remain in line with the budgeted amount for FY2024 (gross: Rs 15.4 trillion; net: Rs 11.8 trillion).

### What are the expectations from Interim Budget for FY25

Given the favourable macroeconomic backdrop and expectations of the benign domestic environment sustaining in the next fiscal, per the analysis by ICRA, the GoI is expected to continue on the fiscal consolidation path in the Union Budget for FY2025. However, it added that this is likely to entail a slower expansion in capex vis-

à-vis that seen in the post-Covid years, which could weigh on the growth in economic activity. Additionally, with the upcoming Budget set to be an interim one for the purpose of a vote-on-account, major policy changes and announcements are unlikely at this juncture, it said.

“We expect the GoI’s gross tax revenues (GTR) to grow by a healthy 11 per cent in FY2025, led by direct taxes and GST collections, even as the growth in excise and customs duty collections is likely to be subdued,” it said.

The disinvestment target is likely to be pegged at sub-Rs 500 billion for FY2025. Given the uncertainties involved in market transactions, it would be prudent to set a moderate target of sub-Rs 500 billion for FY2025, instead of a higher aim that may disrupt the budget math if there is a large shortfall in such receipts by the end of the fiscal, based on the past year trends.

Furthermore, ICRA expects the revenue expenditure to increase by a modest ~4 per cent in FY2025, led by a moderate growth in interest payments amid a slight moderation in allocation for subsidies and a continued focus on curtailment of other expenses. It added, “We estimate the GoI to budget for a capex of Rs 10.2 trillion in FY2025, implying a relatively sedate YoY expansion of ~10 per cent, compared to over 20 per cent expansion seen in each of post-Covid years. The slowdown in capex growth is likely to have some bearing on economic activity and GDP growth.”

As already mentioned above, ICRA expects the GoI to target a fiscal deficit of 5.3 per cent of GDP in FY2025, midway through the expected print of 6.0 per cent in FY2024 and the medium-term target of 4.5 per cent for FY2026.

For FY2025, the 15th Finance Commission (FC) had recommended a normal borrowing limit of 3.0 per cent of the Gross State Domestic Product (GSDP) for the state governments. Given this and ICRA’s expectations of the GoI’s fiscal deficit, the General Government deficit is likely to dip to 8.3 per cent of GDP in FY2025 from 9.2 per cent of GDP expected in FY2024. This would be the lowest level of the General Government deficit since FY2020 (7.2 per cent of GDP).

Net General Government dated market borrowings for FY2025 are pegged to rise to Rs 18.6 trillion, marginally higher than the Rs 18.5 trillion projected for FY2024. With larger redemptions of G-sec and SGS, gross borrowings are estimated to rise by 2.1 per cent to Rs 25.5 trillion in FY2025 from the projected Rs 25.0 trillion in FY2024. Overall, largely stable market borrowings, along with inflows on account of bond index inclusion, are expected to augur well for yields, ICRA said. <https://www.financialexpress.com/budget/interim-budget-2024-expectations-govt-to-target-fiscal-deficit-at-5-3-of-gdp-for-fy2025-says-icra-3367862/>

## **8. NHA gets back to BOT, readies massive Rs 2.1 trillion pipeline** (*financialexpress.com*) January 18, 2024

**The length of these would be 522 km and cost Rs 39477 crore. Uttar Pradesh will have six highways of 1344 km at the cost of Rs 50,333 crore.**

The National Highways Authority of India (NHAI) has identified 53 highway projects worth Rs 2.1 trillion to be developed through Built Operate Transfer (BoT) model. This marks a big shift in the resource generation strategy, after long years of low private risk capital raised its debt burden to very high levels.

Around 5214 km road stretches with high traffic density will be developed through BoT. The maximum number of BOT projects (14) will be in Maharashtra. The length of these would be 522 km and cost Rs 39477 crore. Uttar Pradesh will have six highways of 1344 km at the cost of Rs 50,333 crore.

Jammu and Kashmir, Haryana, Punjab, Rajasthan, Telangana and Uttarakhand will have six new highways of 490 km on BoT at the cost of Rs 15,600 crore. Seven projects in Andhra Pradesh and four in Bihar will be developed at the total cost of Rs 28,027 crore.

Four BoT projects in Tamil Nadu will come up with Rs 26,061 crore investment. As per the Centre's 'Vision 2047' Plan, a large number of high-speed corridors are envisaged to be developed. Robust Public Private Partnership in development of the road sector will play a pivotal role in realising this vision, according to a NHAI statement.

The government wants to push BOT in a big way to bring back private participation in highway construction. In the BOT model, winning the concession builds and operates the highway thus saving resources of the government. However, there is a provision in some cases for capital grants of up to 40% in the BOT model also.

During 2007 and 2014 only BOT was used for building highways. With the disputes and delays that the system ran into, the pace of highway construction slowed down considerably.

In 2018-19 and 2019-20, no road concessions were awarded on the BOT model. Officials say that the problems that the BOT faced have been sorted out and the contractors are willing to bid for highways under this model again.

In the last few years, almost the entire cost of highway construction has been borne by the government through Hybrid Annuity Model (HAM) and Engineering Procurement and Construction (EPC). This has resulted in a big jump in budgetary support to NHAI. This year the budget will provide Rs 1.62 lakh crore to NHAI as against Rs 1.41 lakh crore last year. In 2021-22 NHAI had got Rs 57081 from the budget and rest from debt. From the 2022-23 budget NHAI was barred from raising money through bonds

To make BoT more attractive the modifications has been proposed in the Model Concession Agreement (MCA) of BOT (Toll) to address concerns and remove roadblocks highlighted by the stakeholders.

The proposed modifications include various provisions to eliminate discrepancies such as determination of termination payments, modifications in Concession Period based on actual traffic (PCU) Vs tolling groups of vehicles, actual traffic exceeding design capacity to be re-visited, and compensation for delays on the part of Authority as well as force-majeure cause to be clearly defined termination payments before project completion with a new provision of Buy Back in case of Additional

Tollway/Competing Road. <https://www.financialexpress.com/business/roadways-nhai-gets-back-to-bot-readies-massive-rs-2-1-trillion-pipeline-3367555/>

## 9. Incentives worth ₹4,415 crore disbursed in 8 sectors under PLI scheme (*thehindubusinessline.com*) 17 January 2024

A total of Rs ₹1,515 crore was disbursed in FY24 till October, while it was Rs ₹2,900 crore in 2022-23, when payments under the scheme commenced

The government has disbursed incentive of around ₹4,415 crore disbursed under the Production Linked Incentive (PLI) scheme for eight sectors so far, per figures shared by the Department for Promotion of Industry and Internal Trade (DPIIT).

The sectors where disbursements have been made include large scale electronic manufacturing, IT Hardware, bulk drugs, medical devices, pharmaceuticals, telecom and networking products, food processing and drones and drone components, DPIIT Additional Secretary Rajeev Singh Thakur said at a press briefing.

A total of ₹1,515 crore was disbursed in FY24 till October, while it was ₹2,900 crore in 2022-23, when payments under the scheme commenced.

Going forward

Next fiscal, disbursements will begin in at least four of the six remaining sectors that are part of the PLI scheme, Thakur added. The six sectors where disbursements are yet to start include white goods, speciality steel, textiles, high efficiency solar PV modules, chemistry cell batteries and electronic/technology products.

Singh said that while some small changes may be made by the line Ministries in the processes for certain sectors where performance may not be as expected, no major change is likely in the schemes.

Investments of over ₹1.03 lakh crore were made in the PLI schemes till November 2023, which led to production/sales of ₹8.61 lakh crore and employment generation (direct & indirect) of over 6.78 lakh, the DPIIT noted.

PLI Schemes have led to exports surpassing ₹3.20 lakh crore, with significant contributions from sectors such as large-scale electronics manufacturing, pharmaceuticals, food processing, and telecom & networking products.

The government has so far approved 746 applications in the 14 sectors under the scheme with expected investment of over ₹3 lakh crore. As many as 176 MSMEs are among the PLI beneficiaries in sectors such as bulk drugs, medical devices, pharma, telecom, white goods, food processing, textiles & drones, per a statement.

The PLI scheme was launched with an outlay of ₹1.97 lakh crore to enhance India's manufacturing capabilities and exports.

“PLI scheme across these key specific sectors has started to make Indian manufacturers globally competitive, attract investment in the areas of core



competency and cutting-edge technology; ensure efficiencies; create economies of scale; enhance exports and make India an integral part of the global value chain,” the statement added. <https://www.thehindubusinessline.com/economy/incentives-worth-4415-crore-disbursed-in-8-sectors-under-qli-scheme/article67749429.ece>

## **10. Study reveals surge in monsoon rain across India amid climate crisis (*indiatoday.in*) UPDATED: Jan 17, 2024**

The CEEW study analysed 40 years of rainfall data (1982-2022) across more than 4,500 tehsils. It points to a rapid shift in monsoon behaviour, with erratic patterns emerging due to the accelerating pace of climate change.

A comprehensive study by the Council on Energy, Environment and Water (CEEW) has revealed a significant increase in southwest monsoon rainfall across India, with 55% of tehsils or sub-districts experiencing over a 10% rise in the last decade (2012-2022).

The findings highlight the impact of climate change on monsoon patterns, particularly in traditionally drier regions such as Rajasthan, Gujarat, central Maharashtra, and parts of Tamil Nadu. Remarkably, nearly a quarter of these tehsils have seen a pronounced increase in rainfall exceeding 30% during the June to September period.

The CEEW study analysed 40 years of rainfall data (1982-2022) across more than 4,500 tehsils. It points to a rapid shift in monsoon behaviour, with erratic patterns emerging due to the accelerating pace of climate change.

The study also notes that increased rainfall often comes in the form of short-duration, heavy downpours, leading to flash floods. For instance, 31% of tehsils reported an increase of four or more days of heavy rainfall annually during the southwest monsoons over the past decade compared to the previous 30 years.

The monsoons are vital for India's agriculture-dependent economy, yet the study found that 11% of tehsils, particularly those in the Indo-Gangetic plain, northeast India, and the upper Himalayan region, have experienced a decrease in southwest monsoon rainfall.

### Climate change rain

These areas are critical for agricultural output and house ecosystems that are highly sensitive to climate extremes.

Dr. Vishwas Chitale, Senior Programme Lead at CEEW, emphasised the importance of preparing for erratic rainfall patterns, especially with the upcoming 2024 Union Budget. He stressed that monsoons affect essential aspects of daily life, including food, water, and energy.

CEEW's study provides detailed tehsil-level rainfall data to help policymakers assess local risks and develop hyper-local climate risk assessments and action plans, which are essential for leading climate action and disaster risk reduction.

The study also discovered that rainfall increases are unevenly distributed throughout the seasons. While some tehsils saw a decline in rainfall during the crucial sowing months of June and July, others observed a rise in October rainfall by more than 10%, possibly due to the delayed retreat of the southwest monsoon. This shift has implications for the sowing of rabi crops.

Additionally, the northeast monsoon, critical for peninsular India from October to December, has seen more than a 10% increase in rainfall in the last decade in many tehsils across Tamil Nadu, Telangana, Andhra Pradesh, as well as Odisha, West Bengal, Maharashtra, and Goa.

Shravan Prabhu, Research Analyst at CEEW, highlighted the link between extreme weather events and Indian monsoons. The research indicates that monsoon variability has intensified over the past decade, necessitating the integration of its impacts into climate action plans at all administrative levels. <https://www.indiatoday.in/environment/story/study-reveals-surge-in-monsoon-rain-across-india-amid-climate-crisis-2489947-2024-01-17>

## **11. Before Deciding on Next Steps for the Kaleshwaram Project, a Detailed Review Is in Order (*thewire.in*) 17 January 2024**

The new Congress government in Telangana has inherited the massive Kaleshwaram Lift Irrigation Project in bad shape. But any hasty decision to close the entire project or to rush to alternative locations will lead to a further waste of money.

After nearly ten years in power in Telangana, the Bharat Rashtra Samithi (BRS; earlier known as the Telangana Rashtra Samithi or TRS) has lost elections to the Congress party.

One of the reasons for the BRS's defeat, experts say, is the problems related to the Kaleshwaram Lift Irrigation project (KLIP).

This was the pet project of the BRS and its chief minister, K. Chandrashekar Rao (KCR). This mega project is reported to have cost Rs 1,20,000 crores, most of it on commercial loans from banks.

Though the project is supposed to have been completed, its benefits are minuscule. It became a major election issue and was termed as an 'ATM' for KCR's family by the Congress, while the BJP described it as a hallmark of corruption.

On top of this, a part of the main structure of this mega project literally sank into the Godavari River on the night of October 21. Forty days later, the BRS government itself sunk and lost the assembly election.

Now, the new government has inherited this massive project in bad shape.

This article is an attempt to provide a framework for the new government to address the KLIP's issues and retrieve the situation in the larger interests of Telangana.

The KLIP became a major political issue ahead of the 2023 Telangana assembly election. Photo: X/@MirzaSiraj\_INC.

## Telangana and the KLIP

For those who are not familiar with the KLIP and Telangana, this brief description might help.

After a prolonged agitation, Telangana was established in 2014 by dividing Andhra Pradesh. Water was one of the three main reasons for this more than half-century-long agitation for separate statehood.

The Telangana region, which is mostly located in the Deccan plateau at higher elevations, was not getting its fair share of water allocated to the combined state of Andhra Pradesh. This is in spite of the fact that the region contains large parts of the Godavari and Krishna basins.

The Krishna River, which flows through the south of Telangana, does not have much water left due to various projects upstream in Karnataka and downstream in the coastal region. The Godavari, which is in the north of Telangana, does have plenty of water.

Water is needed in the uplands located higher than 400 metres above sea level, whereas the Godavari in Telangana has plenty of water along its course located less than 100 metres above sea level. Therefore, the only solution for getting water to the uplands is lift irrigation.

Lift irrigation is inherently expensive. As mentioned above, water is a very emotional issue in Telangana; as a result, lift irrigation got wider political and public acceptance.

In the combined state of Andhra Pradesh, several lift irrigation projects were announced for the Telangana region, mostly to pacify the agitation for a separate state. One such attempt was made by the then-Congress government in 2007 by initiating the Pranahita-Chevella lift irrigation project, which was later renamed as the Dr B.R. Ambedkar lift irrigation project.

The basic concept of the project is to divert water from the Pranahita, which is a tributary of the Godavari, to Yellampalli, which is on the main Godavari River. From here, the water is lifted several times and transported through tunnels and canals to provide water for irrigation and drinking water to Hyderabad.

The water is then transported further south till a town named Chevella (hence the name of the project).

This was the beginning of the KLIP.

The BRS government came to power in 2014 and significantly modified the Pranahita-Chevella project in 2016 and renamed it as the KLIP.

Kaleshwaram is a small town on the right bank of the Godavari. This remote and sleepy pilgrimage place has now become a household name for this rather controversial lift irrigation project.

The basic concept and strategy of the KLIP remained the same as that of the earlier project, which is to lift water to a height of about 500 metres from the Godavari and transport it 400 km to Medak, to Hyderabad city and further west into Rangareddy district.

The BRS government made three major changes to the project and increased its size and scope, thus making it very expensive.

The project was implemented through the engineering, procurement and construction (EPC) system of contracting introduced earlier. EPC contracting is opaque, and the resulting difficulty in tracking component and construction costs makes it easy for others to allege corruption.

While making these structural changes, the BRS projected this approach as far better and far more suitable than that of the earlier Pranahita-Chevella project. The KLIP was also marketed as the saviour of farming in Telangana, not only by the then-government but even by Union government agencies such as NABARD and the Central Water Commission (CWC).

The following are the three changes made by the BRS government:

- Shifting the primary intake point from the Pranahita at Thummidihatti village (close to the Maharashtra border) to Medigadda, just downstream from Kaleshwaram on the main Godavari River after its confluence with the Pranahita.

This change of intake points means using the main Godavari River as a storage reservoir, requiring the pumping of water upstream with three barrages and several dozens of high-capacity, high-speed pumps.

- Increasing the pumping capacity to 215 tmc, which required large storage reservoirs. A consequence of this was the creation of the Mallannasagar Reservoir, which has a capacity of 50 tmc, is located in the middle of nowhere and required the uprooting of 22 villages.

- Massive increase in cost: This increased the cost of the project from Rs 40,000 crore to almost Rs 1,27,872 crore.

This reengineered, re-branded project had the following three stated objectives:

1. New irrigation for 19.63 lakh acres and stabilisation for another 18.82 lakh acres
2. Providing thirty tmc drinking water for Hyderabad and ten tmc for villages en route
3. Providing sixteen tmc water for industry.

With three barrages, 15 storage facilities, 1531 km of gravity canals, 203 km of tunnels and 21 pump houses, the project became massive and complex. The estimated power demand is 4,959 MW and 19 sub-stations were to be built for this purpose.

It is not a simple irrigation project, as was the case with most other irrigation projects. This level of complexity in construction and the speed at which these works were taken up have almost become a national spectacle.

The purpose and cost of operating this system all became secondary. At one stage, the project became a must-visit destination for whoever visited Hyderabad.

Even before it started, civil society critically analysed the project and presented its findings to the Telangana government.

Their constructive advice and later critical reports all were ignored. Any attempt to scrutinise the cost of water delivery was met with ridicule and even termed as ‘anti-Telangana’ and ‘anti-national’.

Later, the project’s key infrastructure was flooded and any criticism of the project even at this stage was largely ignored by both the state and Union governments.

It is important to mention three key points which reflect the thinking of the political establishment in India, particularly related to agriculture and large water-infrastructure investments.

Often, these projects are presented as a national good based on these outdated and outlived concepts:

(a) Water is wasted when it goes to sea, so all river water must be used to the last drop, (b) more irrigation is good for the country and (c) irrigation must occur at any cost, including without any analysis of the operation and maintenance costs of lift irrigation schemes.

These concepts were to some extent relevant then when India was deeply concerned about food security for its growing population. Also, most of those investments then were on gravity-based irrigation projects with little annual operation and maintenance costs.

The political establishment has continued endorsing these concepts and invested in complex lift irrigation projects, which require huge capital costs as well as operation and maintenance costs, which exceed even the total value of crops cultivated by farmers.

On top of this, most of these irrigation projects are being built by taking loans with commercial levels of interest.

Now, irrigation projects are not about farmers or food security; they are driven largely by a desire to keep construction contracts running.

These mega projects are being built due to lack of clear guidelines on (a) the cost of water delivery, (b) limits on state governments to create special purpose vehicles (SPVs) for any unproductive projects, (c) technical and quality oversight of project designs and construction, and (d) restrictions on commercial banks' lending to such projects, which have no benefits to the country, all played a role in conceiving and constructing projects such as the KLIP.

In the prevailing situation, any state government can create an SPV and borrow money to construct any irrigation project with no economic logic, creating long-term economic consequences for future generations.

Unless clear policy framework and guidelines are in place, projects such as the KLIP will continue to be constructed in many parts of the country.

The current situation of the KLIP

- So far, Rs 93,782 crore has been spent on the project since 2016. (The earlier amounts were not included.) Of this, the Telangana government spent Rs 32,203 crore and Rs 61,665 crore has been borrowed from commercial banks. Data also indicate that the state government has already started paying loans and interest.
- The Telangana government has already spent a total of Rs 22,700 crore as part of its debt service. Of that, Rs 17,700 crore is towards interest. The major loan repayment started in 2023-24 with annual instalments of Rs 13,000 crore. This will go on for the next 13 years or so.
- In addition to money, this project required close to 1,00,000 acres of land; of that, 66,000 acres were acquired for infrastructure purposes, displacing many farmers and rural people. As mentioned above, Mallannasagar single-handedly displaced more than 22 villages.
- So far, just 98,000 acres of ayacut were created. This is just 5% of the total (19.6 lakh acres) expected to be created. No additional water for industry or drinking was provided.
- The project's key infrastructure is crumbling at an alarming rate.

In 2022, two of the three major pumping stations on the Godavari were submerged due to floods, and in 2023, the first intake point (from where all the water is supposed to be pumped) experienced a major structural problem. The barrage across the main Godavari River started sinking. After that, two more barrages upstream are supposed to have developed similar problems.

- The Mallannasagar reservoir, which is supposed to be storing 50 tmc of water, is not being filled out of safety-related fears. The reservoir has been built on a geological fault line. After filling just 15 tmc (less than one-third of its capacity), some leakages have been reported. If this structure fails, it would be a major catastrophe for the nearby villages.

- Based on recently released data on electricity consumption for pumping water to various locations, the cost of electricity for providing water for irrigating each acre of land will be around Rs 80,000 to even Rs 1,00,000 per season. This far exceeds the total value of the crop. This cost is not considering the capital cost; it is just the yearly cost of providing water to farmers.

In a single sentence, this mega project is in utter and total disarray.

The project will be a major burden on the new government, whose prospects will be negatively impacted if it does not understand the project and put together systems to deal with it.

The way forward

Soon after the new government came to power, the KLIP figured prominently in its press conferences, and the chief minister is reported to have expressed his intention to 'expose' the project's irregularities and order an investigation headed by a sitting high court judge.

Also, the new irrigation minister is negotiating with the company that constructed the Medigadda barrage to repair the damages.

Before the new government makes any attempt to repair the KLIP's crumbling infrastructure, it needs to have clarity on the following three questions:

- Is the infrastructure safe and secure?
- How much it will cost annually to provide water for each acre of irrigation?
- What institutional mechanism is needed to manage the project?

The most effective and rational way of getting clarity on these questions is to commission a review of the project.

We suggest the following process in order to get a comprehensive view of the project. Until such a process is complete, the new government may have to avoid any new construction or repairs.

1. Review of existing infrastructure: The state government may approach the National Dam Safety Authority to constitute a committee with experts from the CWC as well as international experts to review the safety, security and reliability of all the structures constructed as part of the KLIP. The Union government should be able to help the state government in this process, including by providing financial support.

2. Cost-benefit analysis: An independent international agency, such as the ADB, must be hired to review the operation and maintenance cost of the project, which includes the costs of electricity and other costs in delivering water to farmers at each elevation. Such a review will significantly help in taking policy decisions on which parts of the KLIP are most useful and which parts need re-orientation or a relook.

3. Re-structuring loans: The Kaleshwaram Lift Irrigation Corporation, a state government SPV has been created to borrow loans for the project.

Now, the state government, which has guaranteed the loans, must pay them back. The annual payment from 2024 is about Rs 13,000 crore a year. Several public sector banks, the Rural Electrification Corporation and NABARD have given loans without going through any technical and financial review. On top of the project's crumbling infrastructure, the SPV is almost bankrupt and has no income.

The Telangana government should ask these banks to re-structure their loans and re-negotiate the interest. This is most important in order to avoid undue burden on state finances. The Union finance minister has herself publicly stated that the Telangana government borrowed at high interest rates for this project and therefore the Union government might help in the process of restructuring the loan.

4. Institutional mechanism: A separate institutional mechanism to deal with this project, and the process of review and loan negotiations, must be established.

## Conclusion

The KLIP is one of the costliest irrigation projects in India and the world. Even ignoring its massive capital cost and structural failures, the project requires at least Rs 10,000 crore to Rs 12,000 crore for annual maintenance towards electricity and other costs. This project will also pose a major policy challenge to Telangana's government for several decades.

Telangana's people are expecting rational decisions by this government. Based on reports, it appears that the new government is contemplating certain options, which include (a) closing the entire project, (b) spending large sums to repair damaged structures and (c) building structures to bring water from other locations.

Such options should emerge from a comprehensive review process. Without such a process, any decision could certainly lead to even more financial and operational problems and pose even greater risk.

Well-structured reviews with national and international experts on the safety and stability of the project's structures, and on its cost benefits, will surely come out as the best possible solution to this project.

Already, massive public money amounting to more than Rs 1,20,000 crore has been spent. Any additional money on this project should be based on the recommendations of a credible and independent review process.

It is in the interest of Telangana's people to take wise and informed decisions. Any hasty decision to close the entire project or to rush to alternative locations will lead to a further waste of money. Therefore, the only clear and wise option in front of this government is to commission these reviews at the earliest without any further delay.

If the new government wants to ascertain the extent of the misappropriation of funds and other administrative lapses related to the KLIP, that should be a separate process,



in addition to technical reviews suggested above. There is a window of opportunity for the new government to do the right thing for Telangana and for its farmers.

Telangana's people and farmers have waited for a long time – they can wait for a few more months until the completion of these review processes.  
<https://thewire.in/government/before-deciding-on-next-steps-for-the-kaleshwaram-project-a-detailed-review-is-in-order>

## **12. Battling funds crisis, Madhya Pradesh govt hits pause on 370 schemes** (*timesofindia.indiatimes.com*) Jan 18, 2024

The cash-strapped Madhya Pradesh government has put at least 370 schemes on hold this fiscal, including those concerning schools, IT industry, farm loans, metro rail and

BHOPAL: The cash-strapped Madhya Pradesh government has put at least 370 schemes on hold this fiscal, including those concerning schools, IT industry, farm loans, metro rail and even Pradhan Mantri Sadak Yojana.

## IN WAIT MODE

**Some of the schemes named in Dec 8 order where funds are in cold storage**



- Mukhya Mantri Rin Samadhan Yojana
- Metro Railway
- Model schools
- Tantya Bhil temple
- Setting up IT parks
- Job fairs & career counselling
- Teerth Yatra Yojana
- Khelo India MP
- Ek Jila Ek Utpad
- Development of air strips
- Road renovation under PM Sadak Yojana



Officially, the stand is that none of the projects has been shut down, but the fact is that the money is under lock and key. Three government orders have been issued in the last 10 months (March 31, June 30 and Dec 8), making it very clear that funds for schemes should not be withdrawn without permission from the finance department.

No department has been left untouched. As many as 22 schemes and heads, where the funds are in cold storage, are under the school education department.

The new BJP government is having a tough time managing finances.

It inherited a debt of Rs 3.5 lakh crore, and in less than a month, it has taken a fresh loan of Rs 2,000 crore.

Expenditure may go up by 10% due to pre-poll promises

Sources say the paperwork is on for a second loan soon. The fiscal pressure on the state can be gauged from the fact that it took a loan of Rs 5,000 crore to meet the expenses when the model code of conduct was in force for the assembly polls.

The government's prepoll announcements and schemes in the run-up to the elections were estimated to increase expenditure by at least 10%, say sources. The effect was evident.

On December 8, just five days after the assembly poll results gave BJP a massive victory, more schemes were put in the pause basket. These included Teerth Yatra, Khelo India MP, One District One Produce Scheme management, farm loan settlement scheme, metro rail, establishment of model schools, laptops for meritorious students, Tantya Bhil temple, Raja Sangram Singh Puraskar Yojana, development of college libraries, setting up IT parks, job fairs and career counselling, developing air strips, and renovation and upgrade of roads under Pradhan Mantri Sadak Yojana.

In the first supplementary budget of Rs 26,816.6 crore passed in the assembly in July last year, Rs 762 crore was set aside to pay the interest of the new market loans taken by the government. The second supplementary budget will be passed in the assembly before the vote on account next month.

Finance department officials failed to explain why all the departments have been told to seek its approval, or the nod of the competent authority, before withdrawing funds for a whopping 370 schemes. "Funds are utilized as per availability of resources and priority of the government," an official said.

"Having to take finance permission before withdrawal of funds does not mean the scheme is closed. But, yes, it does get put on hold due to the rider," said another. Also, it would discourage many departments from approaching the finance department for funds for the schemes.

Among the major financial responsibilities of the government is the Ladli Behna scheme, which needs nearly Rs 1,600 crore every month. This scheme was started last year ahead of the assembly polls and was branded as a game changer for the BJP. There is no constraint on funds for this scheme so far. <https://timesofindia.indiatimes.com/city/bhopal/battling-funds-crisis-madhya-pradesh-govt-hits-pause-on-370-schemes/articleshow/106941665.cms>

### **13. Curious case of forest conservation in Kerala: Fund misappropriation, malpractices and more** (*english.mathrubhumi.com*) 18 Jan 2024

Thrissur: As per the reports, crores of money are being misappropriated in the name of forest protection councils and eco-development committees. As per the findings of the police vigilance, over Rs 3,000 crores has been spent over the last two decades under

the pretext of implementing various projects, but several of them have just remained on paper.

An estimated fraud of Rs 300 crores has been done in the last two decades. In Kerala, there are 1,500 forest protection councils and 500 eco-development committees in total. A council receives almost Rs 1 crore from the government per year. There is no further monitoring of the disbursed funds, making things easier for the miscreants.

An average of Rs 4-5 lakhs is expected to remain in each of the accounts, but that's not the case always.

A lot of discrepancies have been identified in the vigilance inspection named 'Jungle Safari'. For example, in the Periyar Tiger Conservation Foundation, parking fees are being collected via Google Pay. But the money is being sent to the personal account of the employee. In the inspection, it was also found that details of the generated tickets were being erased from the ticket vending machine and the integrated computer. This allows the employee to siphon off the entire money. <https://english.mathrubhumi.com/news/kerala/crores-of-money-being-swindled-in-the-name-of-forest-conservation-in-kerala-1.9249791>

#### **14. Why Maharashtra is nudging the well-off to give up subsidies** (*indiatoday.in*) Jan 17, 2024

##### **The government's aim is to rationalise allocations under 65 welfare schemes for the socially and economically weaker sections**

To rationalise allocations to welfare schemes for the socially and economically weaker sections, the Maharashtra government is giving citizens the option of voluntarily giving up these subsidies. The move is on the lines of the 'Give It Up' scheme for cooking gas consumers launched by the Union government in 2015, and motivates the well-off to surrender their subsidy benefits in favour of the economically disadvantaged.

The general administration department (GAD) issued a government resolution (GR) earlier this month to provide beneficiaries the option of foregoing subsidies and benefits. For now, it will cover 65 welfare schemes under various departments in the state administrative headquarters of the Mantralaya.

Last August, deputy chief minister and finance minister Ajit Pawar had held a meeting in this regard and directed the launch of a citizens' initiative to weed out those ineligible or affluent. "The give-it-up option will apply for individual benefit schemes and programmes," said a senior state official.

This can be done on the MahaDBT portal, the direct benefit transfer (DBT) portal of the government of Maharashtra that allows beneficiaries to apply for benefits under various schemes. The cash benefit is transferred to their Aadhaar-seeded bank accounts. Those who want to opt out of subsidy can do so now through an OTP-based system.

The Maharashtra budget put the total subsidies at Rs 30,452 crore in 2023-24. The state government has various welfare and benefit schemes for sections like farmers,

entrepreneurs, widows, the flood-affected and earthquake-affected. The give-it-up option will also cover benefits provided through schemes launched in the future. These schemes include post-matric scholarships, educational concessions for children of ex-servicemen, assistance for meritorious students, subsidies for micro-irrigation, farm mechanisation, horticulture, pension schemes, and schemes for informal labour and special assistance. <https://www.indiatoday.in/india-today-insight/story/why-maharashtra-is-nudging-the-well-off-to-give-up-subsidies-2490015-2024-01-17>