NEWS ITEMS ON CAG/ AUDIT REPORTS

1. Why the Indian Railways is on the brink (scroll.in) Nov 21, 2023

Violence and stampedes at railway stations during the festive season point to the underlying stress in the network that serves as India's lifeline.

On June 3, Prime Minister Narendra Modi was to virtually flag off a Goa-Mumbai Vande Bharat Express train. The event was postponed after one of the worst train accidents in India's history took place the previous night. More than 290 persons were killed and over 900 injured as three trains collided with each other in Odisha's Balasore city.

The Goa-Mumbai train was eventually flagged off towards the end of June with fanfare on official social media handles, which has been a regular feature for Vande Bharat trains, much touted by the government for their high speed. However, social media users pointed out that tickets for flights on the same route were available for cheaper prices.

The horrific accident in Balasore and the unaffordability of Vande Bharat trains are examples of misplaced priorities in the railways under the Modi government. Initiatives like the Vande Bharat trains have been promoted to make a case for modernisation of the railways. But this has happened at the cost of ignoring matters of fundamental importance like safety, punctuality, availability of seats and revenue generation.

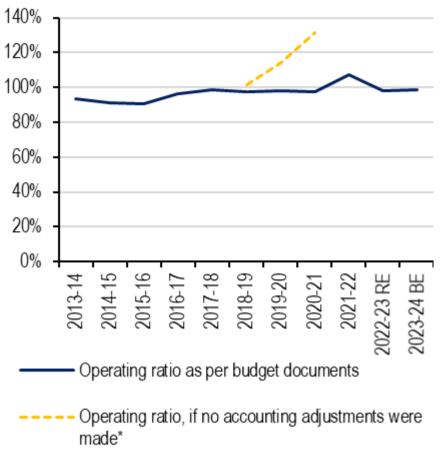
The concerns came to the fore over the last week as many headed back to their homes during the festive season. There were reports of violence due to trains being cancelled and several passengers complained of overcrowding. One person died and three were injured in a stampede while boarding a train at the Surat station.

Finances in poor shape

In a report tabled in Parliament in August, the Comptroller and Auditor General flagged that finances of the Indian Railways had slipped into "concern zone" in 2021-'22 as its operating ratio stood at 107.39% – the worst ever. This means that during that year, the Railways spent more than Rs 107 to earn Rs 100.

The government said that poor revenues due to the Covid-19 pandemic had an adverse impact on the operating ratio. However, data shows that the ratio worsened sharply in 2016-'17 and has consistently stayed close to 100% since then.

In fact, the national auditor's report said that if accounting adjustments like considering advances for the next financial year as receipts are ignored, the ratio has stayed above 100% since 2018-'19.

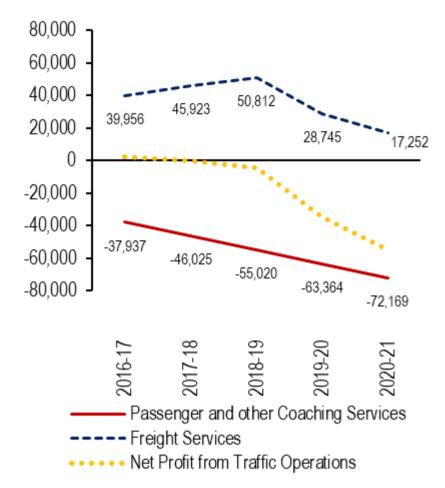


Operating Ratio of the railways since 2013-'14. Graph: PRS Legislative Research

A closer look at the railways books shows that the failure to generate enough revenue surplus is the reason behind the poor shape of its financials.

Earnings from passenger and freight services are the primary source of the railways' income. In 2023-'24, the railways expects to earn 94% of its revenue receipts from these services, according to the Union Budget.

However, an analysis by the PRS Legislative Research shows that profits from earnings in freight services have sharply declined between 2016-'17 and 2020-'21 and losses from passenger services have consistently worsened during the period. The Railways uses its profits from the freight services to subsidise passenger services. The two simultaneous trends have widened the deficit it needs to bridge.



Profits and losses in passenger and freight services of trains (Photo: PRS Legislative Research)

The impact of poor finances

The failure to generate revenue surplus has translated in the Indian Railways being unable to make crucial investments.

Take for example, the Rashtriya Rail Sanraksha Kosh, a corpus fund dedicated to railway safety, set up in 2017-'18. The aim was to allocate Rs 20,000 crore annually to the fund for five years, of which Rs 15,000 crore would come as budgetary support from the government and Rs 5,000 crore from the internal resources of the railways – freight and passenger revenues. But the target could not be achieved as the Railways failed to provide its share. Between 2017-'18 and 2022-'23, the Railways provided only Rs 4,225 crore, shows data collated by PRS Legislative Research.

Moreover, according to a Comptroller and Auditor General report from 2022, the scrutiny of vouchers showed that Rs 48.21 crore from the fund was used to buy foot massagers, crockery, electrical appliances, furniture, winter jackets, computers and escalators, develop gardens, build toilets, pay salaries and bonuses and erect a flag.

Like the Rashtriya Rail Sanraksha Kosh, the Depreciation Reserve Fund used for replacement and renewal of assets has also borne the brunt of poor revenues. Between 2017-'18 and 2022-'23, the fund received Rs 3,440 crore from internal resources of the Railways, which is less than half of the Rs 7,900 crore allocated in 2013-'14 alone.

Allocation of funds from internal sources of the Indian Railways

(In Rs crore)

Year	Depreciation Reserve Fund	Rashtriya Rail Sanraksha Kosh
2013-'14	7,900	-
2014-'15	7,775	-
2015-'16	5,600	-
2016-'17	5,200	-
2017-'18	1,540	0
2018-'19	300	3,024
2019-'20	400	201
2020-'21	200	1,000
2021-'22	0	0
2022-'23 Revised Estimate	1,000	0
2023-24 Budget Estimate	1,000	1,000

Source: Union Budget, PRS Legislative Research - Get the data - Created with Datawrapper

In another report released in 2022, the national auditor said that at the end of 2020-'21, the Railways needed to replace old assets worth Rs 94,873 crore from the Depreciation Reserve Fund. Of this, Rs 58,459 crore was to be spent on renewal of tracks, but only Rs 671.92 crore was taken from the fund, the report said.

The auditor also noted that Rs 13,523 crore from the Rashtriya Rail Sanraksha Kosh was spent on track renewals, but the amount was insufficient.

To be sure, a 2015 white paper by the government said that 4,500 km of track should be renewed annually. Since then, this has not happened in a single year till at least 2021-'22. Not meeting the target for track renewals is significant because derailments comprised 70% of all train accidents, the railway ministry's 2019-'20 safety report showed. More than a quarter of the 1,129 derailments that took place between 2017-'18 and 2020-'21 were linked to track renewals, according to the Comptroller and Auditor General.

Non-AC coaches reduced to meet revenue deficit?

Over the last week, as several social media users complained about overcrowding in trains and unavailability of seats, one of them claimed that the Indian Railways had reduced the number of sleeper and unreserved coaches and added air-conditioned coaches to increase its revenues.

On Thursday, Railway Minister Ashwini Vaishnaw refuted the claims, saying that there existed a standard composition of coaches in trains. However, over at least the last couple of years, there have been many news reports about the Railways slashing the

number of non-AC coaches. Passengers having to shell out more money for seats in AC coaches even took up the matter with Union minister Nitin Gadkari and other leaders of the Bharatiya Janata Party, The Times of India reported in June. The social media user who tweeted about the reduction in non-AC coaches also posted specific details about 12 such trains.

Even if Vaishnaw's claim was accurate, overcrowding in trains remains a matter of concern for the railways. In August, the Indian Railways had asked zonal authorities to convert reserved sleeper coaches with low occupancy into unreserved bogies to meet the rush in general compartments. In July, senior officials of the railways told The Hindu that besides the reduction in non-AC coaches, another reason for overcrowding was because the fully unreserved Jan Sadharan trains were discontinued after the pandemic as they were considered to be loss making.

The officials also said that the Railways had converted many passenger trains into express trains despite being aware that it would be difficult to run them at higher speeds and maintain punctuality on routes that were already clogged.

The Comptroller and Auditor General also found timeliness to be an ailment in the Indian Railways as its audit placed in Parliament in April last year found that the number of mail and express trains that were punctual declined from 79% in 2012-'13 to 69.23% in 2018-'19. This was even though a train in India is considered to be running late after a 15-minute delay at the terminating station – a more relaxed threshold than what prevails in countries like the United Kingdom, Germany, Russia and Japan, the auditor noted.

More recently, The Times of India reported that the average speed of passenger trains in India had declined by more than 5 km per hour as compared to last year. For freight trains, the average speed fell by almost 6 km per hour.

Even the government's flagship Vande Bharat trains, designed to run at speeds of 110 km per hour to 130 km per hour, have failed to touch the average speed of even 100 km per hour. Officials told The Hindu that it was not safe for trains to run beyond a particular speed if the tracks were not in proper condition.

The Indian Railways seems to be learning the hard way that it is easier to build high-speed trains than run them, particularly if they have come at the cost of the rest of the network. https://scroll.in/article/1059269/why-the-indian-railways-is-on-the-brink

2. Parliament panel raps Shipping Ministry for delaying construction work of ship repair in Guwahati's Pandu (etvbharat.com) 21 Nov 2023

A Parliamentary Committee has vehemently criticized the Ministry of Ports Shipping and Waterways (MoPSW) for its failure to complete the construction work for the much-needed ship repair facility at Pandu in Guwahati on time.

The announcement of the ship repair project at Pandu was made in August 2021 and the construction was to commence in May 2022 to be completed by 2024. However, the ministry has extended the deadline to complete the project by 2025.

The ship repair facility at Pandu will enable the repair of inland vessels with dry docking in the North-Eastern Region (NER) itself instead of having to go to Kolkata, which will result in less cost and shorter repair time.

Noting that some delay is understandably due to the Covid pandemic, the Parliamentary Committee on Transport Tourism and Culture has said that as proposals for the construction of a ship repair facilities at Guwahati were under consideration for many years before the finalization of this project, the Inland Waterways Authority of India (IWAI) should take every measure to ensure that the project is completed as per schedule.

The committee noted that the ship repair facility at Pandu Port has completed only 2. The river Brahmaputra, having a length of 891 km between the Bangladesh Border and Sadiya (Assam), was declared NW-2 in 1988. NW-2 provides alternate connectivity to NER through 1,700 km Indo-Bangladesh protocol routes.

The committee chaired by Rajya Sabha MP V Vijayasai Reddy has been informed that the proposal for the development of NW-2 in Assam has been approved at a revised Standing Finance Committee (SFC) cost of Rs 474.00 crore during 2020-21 to 2024-25.

The committee notes that presently 80 MTPA cargo moves into and within the North Eastern Region and is handled by either rail or road. The landlocked NER is connected with the mainland by only the narrow 22-km-long Siliguri corridor which along with the challenging geography and topography of the region creates road and rail congestion and hampers connectivity of the northeastern states.

"Development of NW-2 as a Multi-Modal Terminal, is therefore, important to augment the logistics infrastructure of the North-Eastern Region, hitherto largely dependent on rail and road," the committee said in its latest report.

It has been noted that Jogighopa in Assam, due to its geographical location, holds immense potential to serve the hinterlands of Upper Assam, Arunachal Pradesh, Meghalaya, and Nagaland. The committee appreciates the initiative of IWAI and the Ministry as the proposed Jogighopa terminal proposal would prove to be a game changer for the entire North Eastern Region as well as the neighbouring countries of Bhutan, Nepal and Bangladesh.

The committee also noted that an alternative road to Pandu port had been proposed since 2011 at a then-estimated cost of Rs 12.32 crores but due to various reasons, could not be constructed.

"CAG in its earlier report had commented adversely that due to the lack of this alternate CAG road, the available infrastructure at Pandu port was lying largely unutilised. The committee observes that the proposal has been deferred for nearly more than a decade

despite CAG observations, and the alternate road is now proposed to be built at a cost of Rs 186 crores by 2026," the committee said in its report.

The committee feels that this indicates apathy on the part of the Ministry and IWAI that an important infrastructure project which would have benefitted the region should have been allowed to be delayed for such a long time and recommends that the IWAI may ensure that there is no further delay in this project. https://www.etvbharat.com/english/state/delhi/parl-panel-raps-shipping-ministry-for-delaying-construction-work-of-ship-repair-in-guwahats-pandu/na20231120223058224224585

3. बर्बादी का दूसरा नाम है मुफ्तखोरी (divyahimachal.com) November 21, 2023

नवंबर 7 से शुरू होकर 30 नवंबर 2023 तक देश के पांच महत्वपूर्ण राज्यों में चुनाव होने जा रहे हैं। चनाव हमारे लोकतंत्र के उत्सव के रूप में जाने जाते हैं। आजादी के बाद चनावों की सतत प्रक्रिया के चलते भारत दुनिया के सबसे बड़े लोकतंत्रीय देश के रूप में उभरा हैं। यह समय है राजनीतिक दलों द्वारा अपने-अपने चुनाव घोषणापत्रों के माध्यम से मतदाताओं को अपने दलों की नीतियों और प्रस्तावित कार्यक्रमों से अवगत करवाने का। इतिहास में सभी राजनीतिक दल मतदाताओं को अपने वादों से लुभाने का प्रयत्न करते ही रहे हैं, लेकिन पिछले लगभग डेढ़ दशक में चुनावी वादों का प्रकार बदला है। इन वादों में नीतियों और कार्यक्रमों की बजाय नकद राशि हस्तांतरण और मुफ्त की स्कीमों की घोषणाएं प्रमुखता से होने लगी हैं। महिलाओं, किसानों, विद्यार्थियों और कई बार अल्पसंख्यकों और अन्य कमजोर वर्गों को नकद हस्तांतरण, समस्त जनता को मुफ्त बिजली, मुफ्त पानी, मुफ्त यात्रा समेत कई मुफ्तखोरी की स्कीमों की घोषणाएं अब एक आम बात हो गई है। मध्य प्रदेश में कांग्रेस पार्टी ने किसानों के कर्ज माफ करने के अलावा मुफ्त बिजली, गैस सिलेंडर की सब्सिडी, महिलाओं को 1500 रुपए प्रति माह, युवाओं को 3000 रुपए बेरोजगारी भत्ते के अलावा कई अन्य मुफ्त की स्कीमों की घोषणा की है। इसी प्रकार की घोषणाएं अलग-अलग राजनीतिक दलों द्वारा की गई हैं। मतदाताओं को रिझाने का हरसंभव प्रयास किया जा रहा है। ऐसे में विचार करने का विषय है कि क्या यह हमारे लोकतंत्र की स्वस्थ परंपरा है। क्या हमारी सरकारें इन मुफ्त स्कीमों के लिए धन जुटा पाएंगी? कहीं राज्य सरकारों पर कर्ज का बोझ तो नहीं बढ जाएगा? इन मुफ्त की योजनाओं का सरकारी योजनाओं, सामाजिक क्षेत्रों पर खर्च और उनके स्तर पर इनका क्या प्रभाव पडेगा? इन सभी प्रश्नों पर विचार करना जरूरी हो गया है।

अन्य देशों के उदाहरण: दुनिया के कई देशों में मुफ्तखोरी के कारण सरकारी कर्ज के बढऩे और कई देशों के तो उसके कारण बर्बाद होने के भी कई उदाहरण मिलते हैं। वेनेजुएला और श्रीलंका इत्यादि के उदाहरणों से पता चलता है कि उन जैसे धनाढ़य देश भी मुफ्तखोरी की गलत आर्थिक नीतियों के चलते गरीब देशों से भी बदतर हालत में पहुंच सकते हैं, तो पाकिस्तान सरीखे विकासशील देशों की बिसात ही क्या है। वर्तमान में कल्याणकारी राज्य के नाम पर मुफ्त की स्कीमों के कारण कई अमीर देशों की भी एक लंबी सूची है, जो आज भारी कर्ज में डूबे हुए हैं और अब वे इन स्कीमों को चलाने में सक्षम नहीं हैं।

राज्यों पर बढ़ता कर्ज : लेकिन मुफ्तखोरी की यह बीमारी अब भारत के कई राज्यों में फैलती जा रही है। इस माह होने वाले चुनावों में तो राजनीतिक दलों ने मुफ्तखोरी की योजनाओं की घोषणाओं की झड़ी लगा दी है। मुफ्त बिजली, मुफ्त यातायात, मिहलाओं को अनुदान रािश, युवाओं को बेरोजगारी भत्ता इत्यादि के साथ-साथ मुफ्त वाहन और कई अन्य मुफ्तखोरी की स्कीमों के बारे में हम रोज सुन रहे हैं। कुछ समय पहले भारतीय रिजर्व बैंक और भारत के महालेखाकार एवं अंकेक्षक (कैग) ने अपनी-अपनी रिपोर्टों में मुफ्तखोरी के कारण राज्यों पर बढ़ते कर्ज के बारे में आंकड़े प्रकाशित किए हैं और यह चिंता व्यक्त की है कि जहां-जहां मुफ्तखोरी की स्कीमें ज्यादा चल रही हैं, वहीं-वहीं पर राज्यों पर कर्ज भी बढ़ता जा रहा है। गौरतलब है कि एफ आरबीएम अधिनियम के अनुसार किसी भी राज्य में ऋण-जीएसडीपी (राज्य का सकल घरेलू उत्पाद) का लिक्षत अनुपात

20 प्रतिशत से अधिक नहीं होना चाहिए। लेकिन कैग का कहना है कि देश के अधिकांश राज्यों में यह अनपात इस लक्षित अनुपात से कहीं ज्यादा है। पंजाब में यह ४८.९८ प्रतिशत, राजस्थान में ४२.३७ प्रतिशत, पश्चिम बंगाल में 37.39 प्रतिशत, बिहार में 36.73 प्रतिशत, आंध्र प्रदेश में 35.30 प्रतिशत, मध्य प्रदेश में 31.53 प्रतिशत, तेलंगाना में २७.८० प्रतिशत, तमिलनाडु में २७.२७ प्रतिशत और छत्तीसगढ़ में २६.४७ प्रतिशत तक पहुंच गया है। और यदि राज्य के सरकारी उद्यमों और राज्य सरकार द्वारा दी गई गारंटियों को भी शामिल कर लिया जाए तो 2020-21 तक राजस्थान में ऋण जीएसडीपी अनुपात 54.94 प्रतिशत और पंजाब में तो यह 58.21 प्रतिशत तक पहंच चका था। आंध्र प्रदेश में भी यह 53.77 प्रतिशत आकृलित किया गया है। इसके बाद तेलंगाना में यह 47.89 प्रतिशत, मध्यप्रदेश में 47.13 प्रतिशत तक पहुंच चुका है। पश्चिम बंगाल और बिहार में भी यह क्रमश: 40.35 प्रतिशत और 40.51 प्रतिशत है और तमिलनाड़ में यह 39.94 प्रतिशत है। कैग का यह भी कहना है कि राज्यों का कर्ज लक्षित अनुपात की तलना में लगातार बढ़ता जा रहा है। यह राज्यों के लिए ही नहीं, देश के लिए भी चिंता का विषय है। आंध्र प्रदेश के बारे में रिजर्व बैंक का कहना है कि पंजाब के बाद आंध्र प्रदेश मुफ्त की योजनाओं पर खर्च करने वाला देश का दूसरा ऐसा राज्य है। गौरतलब है कि पंजाब में कुल कर राजस्व का 45.5 प्रतिशत मफ्त की योजनाओं पर खर्च होता है और आंध्र प्रदेश में 30.3 प्रतिशत। राज्य के सकल घरेल उत्पाद की बात करें तो पंजाब में राज्य सकल घरेल उत्पाद का 2.7 प्रतिशत मुफ्त की योजनाओं में खर्च होता है तो आंध्र प्रदेश में 2.1 प्रतिशत। इसके अलावा मध्य प्रदेश में सब्सिडी पर खर्च कर राजस्व का 28.8 प्रतिशत, झारखंड में यह 26.7 प्रतिशत है। गौरतलब है कि कैग के आकलन के अनुसार उन राज्यों पर कर्ज ज्यादा है, जहां मुफ्त की स्कीमों पर ज्यादा खर्च किया जा रहा है। इसमें सबसे ऊपर पंजाब और आंध्र प्रदेश हैं जहां कुल राजस्व का भारी हिस्सा मुफ्त की योजनाओं पर खर्च होता है। आंध्र प्रदेश के अलावा दक्षिण का एक अन्य प्रांत तमिलनाड़ है जो मुफ्त की योजनाओं पर खर्च करता है।

जरूरी मदों पर खर्च में कटौती : जब कोई प्रांत मुफ्त की स्कीमों पर अपने कर राजस्व का इतना बड़ा हिस्सा खर्च कर देता है तो स्वाभाविक रूप से आवश्यक सेवाओं और इंफ्रास्ट्रक्चर पर उसका पूंजीगत खर्च कम हो जाता है। राज्य सरकार पर कर्ज बढ़ता चला जाता है, जिसके चलते भविष्य में भी सामाजिक सेवाओं जैसे शिक्षा और स्वास्थ्य के साथ-साथ यातायात और अन्य आवश्यक सेवाएं भी प्रभावित होती हैं। किसी भी राज्य के विकास के लिए जरूरी है कि उसमें निवेश बढ़े। इन्फ्रास्ट्रक्चर के अभाव में निवेश प्रभावित होता है और उसके कारण राज्य का विकास भी। जरूरी है कि राज्यों द्वारा दी जा रही मुफ्त की स्कीमों पर अंकुश लगाकर देश के विकास को गित दी जाए।

रेटिंग पर भी असर : हमें समझना होगा कि भारत राज्यों का एक संघ है, इसिलए केन्द्र सरकार और राज्य सरकार दोनों के ऋण मिलाकर संपूर्ण सरकार के ऋण माने जाते हैं। जहां एक तरफ केन्द्र सरकार कोरोना काल में अपने ऋण जो सकल घरेलू उत्पाद या जीडीपी के 61 प्रतिशत तक पहुंच गया था, को 56 प्रतिशत तक घटाने में सफल हो चुकी है, लेकिन विभिन्न राज्य सरकारों के ऋण राज्य सकल घरेलू उत्पाद के अनुपात में लगातार बढ़ते जा रहे हैं। ऐसे में संपूर्ण सरकार पर कर्ज बढऩे के कारण देश की आर्थिक रेटिंग घटती जा रही है। यदि इसी प्रकार चलता रहा तो हमारे देश को निवेश मिलने में तो कठिनाई होगी ही, हमारी कंपनियों और सरकार के द्वारा जो विदेशों से ऋण लिया जाता है उस पर भी ज्यादा ब्याज चुकाना पड़ेगा। यानी बढ़ते कर्ज न केवल राजकोषीय असंतुलन पैदा कर रहे हैं, बल्कि राज्य सरकारों की कल्याणकारी योजनाएं चलाने की क्षमता को भी प्रभावित कर रहे हैं और देश व उद्योग के विकास के लिए भी मार्ग अवरुद्ध कर रहे हैं। राजनीतिक दल अपने राजनीतिक स्वार्थों के चलते देश को मुश्किल में न डाल सकें, इसके लिए तुरंत कदम उठाने की जरूरत है। राजनीतिक कारणों से विधायिका और सरकारी तंत्र शायद इस काम में सफल न हो सके, लेकिन हमारे लोकतंत्र के अन्य स्तंभों जैसे न्यायपालिका और मीडिया को इस हेतु आगे आना होगा। https://www.divyahimachal.com/2023/11/another-name-for-waste-is-freebies/

STATES NEWS ITEMS

4. Work diligently for welfare of poor: Himachal Governor Shiv Pratap Shukla exhorts audit trainees (tribuneindia.com) November 21, 2023

Urges them to keep pace with evolving tech

Governor Shiv Pratap Shukla today exhorted trainee audit officers to adopt a humane approach in life while practising truthfulness as public servants. He was speaking at the inaugural ceremony of the officers' training programme of the Indian Audit and Accounts Services batch of 2023 and the celebration of Audit Week at the Gaiety Theatre here.

The Governor said, "As public servants, you are expected to take fiscal measures for the welfare of the nation and also be accountable for strengthening the economy." He added, "The resources invested, often considered borrowed from our future generations, demand utmost diligence and effective utilisation for the welfare of the less fortunate. In this pursuit, the role of the Comptroller and Auditor General (CAG) becomes more pivotal."

The Governor said, "Each audit engagement provides a unique opportunity to gain profound insights into systems, positioning you to suggest enhancements that will earnestly be considered by the governments. Your role contributes directly to elevating our public service delivery standards." He encouraged them to actively engage with state governments, consult them in addressing issues related to financial reporting and accountability frameworks at the grass-roots level.

The Governor also advised them to keep pace with the evolving technologies and expressed confidence that the CAG was fully committed to this pursuit. He said that as a public servant, the greatest satisfaction was derived from serving the poorest and bringing smiles on their faces. "Your constitutional duty must always be accompanied by a prudential approach laden with mutual empathy," he added. https://www.tribuneindia.com/news/himachal/work-diligently-for-welfare-of-poor-himachal-governor-shiv-pratap-shukla-exhorts-audit-trainees-564299

5. Governor Shukla inaugurates induction training programme of IA&AS officers (himachalheadlines.com) November 20, 2023

Governor Shiv Pratap Shukla exhorted to adopt the humane approach in life while practising truthfulness as public servants. He was speaking at the inaugural ceremony of the officer's trainee programme of the Indian Audit and Accounts Services batch of 2023 and the celebration of Audit Week at Gaiety Theatre, here today.

"As public servants, you are expected to take fiscal measures for the welfare of the Nation and also accountable for strengthening the economy," said the governor. He said that the resources invested, often considered borrowed from our future generations, demand the utmost diligence and effective utilization for the welfare of the less

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"Each audit engagement provides a unique opportunity to gain profound insights into systems, positioning you to suggest enhancements that will earnestly be considered by the governments. Your role contributes directly to elevating our public service delivery standards," said Sh. Shukla.

The Governor encouraged them to actively engage with state governments, consulting them in addressing issues related to financial reporting and accountability frameworks at the grassroots level. He also advised them to keep pace with the evolving technology and expressed confidence that the CAG is fully committed to this pursuit. He said that in the present context knowledge and information were invaluable commodities. "The acquisition of knowledge will determine your wealth, and as public servants, this holds even more relevance," he added.

He said that as a public servant, the greatest satisfaction is derived from serving the poorest and bringing smiles on their faces. "Your constitutional duty must always be accompanied by a prudential approach laden with mutual empathy," he added. He said that the independence enshrined in our Constitution was a treasure to be cherished, and your role as young officers was to add greater value to it through professionalism. He encouraged them to be constant learners, adapting to the evolving knowledge landscape.

Manish Kumar, Director General of the National Academy of Audit & Accounts (NAA&A), welcomed and honoured the Governor on the occasion.

The Governor also honoured the students who won the essay competition organized during the Audit Week and released the Coffee Table Book of NAA&A, Shimla.

Trainee officers also shared their experiences on the occasion.

Ms. Chanda Pandit, Principal Accountant General (Audit) and Kandarp V Patel, Director, Training, also detailed about the course training for the officers and other activities.

Sameer Mehta, Director, NAA&A proposed a vote of thanks.

Sushil Kumar, Principal Accountant General (Accounts & Entitlement) and other senior officers of the Academy were also present on the occasion. https://www.himachalheadlines.com/news/governor-shukla-inaugurates-induction-training-programme-of-iaas-officers/

6. Governor inaugurates induction training programme of IA&AS officers (indianewscalling.com) November 20, 2023

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7. भारतीय लेखा परीक्षा लेखा सेवा प्रशिक्षु कार्यक्रम शुरू (divyahimachal.com) November 21, 2023

शिमला: राज्यपाल शिव प्रताप शुक्ल ने सोमवार को गेयटी थियेटर शिमला में भारतीय लेखा परीक्षा और लेखा सेवा के बैच के प्रशिक्षु अधिकारियों के प्रशिक्षण कार्यक्रम और लेखा परीक्षा सप्ताह समारोह का शुभारंभ किया। इस अवसर पर उन्होंने प्रशिक्षु अधिकारियों से जीवन में मानवीय संवेदनाओं को ध्यान में रखते हुए लोक सेवक के रूप में कन्नव्यनिष्ठता के साथ कार्य करने का आह्वान किया। उन्होंने कहा कि लोक सेवकों के रूप में वह लोगों के कल्याण व उनके उत्थान के लिए कार्य करने के साथ-साथ देश की अर्थव्यवस्था को सुदृद्ध करने में उल्लेखनीय भूमिका निभा सकते हैं। समाज के वंचित लोगों की भलाई की दिशा में संसाधनों का सदुपयोग किया जाना चाहिए। इस प्रयास में नियंत्रक-महालेखापरीक्षक (कैग) की भूमिका महत्त्वपूर्ण रहती है। प्रत्येक ऑडिट कार्य महत्त्वपूर्ण जानकारी प्राप्त करने का एक अवसर प्रदान करता है। इसके माध्यम से महत्त्वपूर्ण सुधारों के लिए सुझाव तैयार किए जाते हैं, जिस पर सरकार गंभीरता से विचार करती है। उन्होंने कहा कि कैग सार्वजनिक सेवा वितरण मानकों में सुधार करने में भी महत्त्वपूर्ण भूमिका निभाता है।

राज्यपाल ने प्रशिक्षु अधिकारियों को राज्य सरकारों के साथ सक्रिय रूप से तालमेल रख कर वित्तीय रिपोर्ट तैयार करने के लिए प्रोत्साहित किया। राज्यपाल ने प्रशिक्षु अधिकारियों को निरंतर नई सोच के साथ कार्य करने के लिए प्रेरित किया। इस अवसर पर राष्ट्रीय लेखापरीक्षा तथा लेखा अकादमी के महानिदेशक मनीष कुमार ने राज्यपाल का स्वागत किया। राज्यपाल ने ऑडिट सप्ताह के दौरान आयोजित निबंध प्रतियोगिता के विजेताओं को भी सम्मानित किया। उन्होंने राष्ट्रीय लेखापरीक्षा तथा लेखा अकादमी शिमला की कॉफी टेबल बुक का भी विमोचन किया। इस अवसर पर प्रशिक्षु अधिकारियों ने अपने अनुभव साझा किये। प्रधान महालेखाकार (लेखापरीक्षा) हिमाचल प्रदेश चंदा पंडित ने राष्ट्रीय लेखापरीक्षा तथा लेखा अकादमी द्वारा आयोजित की जा रही गतिविधियों के बारे में विस्तारपूर्वक बताया। प्रशिक्षण निदेशक कंदर्प वी. पटेल ने भी अधिकारियों के पाठ्यक्रम प्रशिक्षण के बारे में जानकारी दी। एनएए एंड ए के निदेशक समीर मेहता ने धन्यवाद प्रस्ताव प्रस्तुत किया। इस अवसर पर प्रधान महालेखाकार (अकांउट्स एंड एंटाइटलमेंट) सुशील कुमार, और अकादमी के अन्य विरिष्ठ अधिकारी भी उपस्थित थे। https://www.divyahimachal.com/2023/11/indian-audit-accounts-service-trainee-program-launched/

8. Audit Week inaugurated at AG Office Srinagar (takeonedigitalnetwork.com) November 21, 2023

SRINAGAR, November 20: The Principal Accountant General (PAG) Pramod Kumar and DAG Inabat Khaliq today inaugurated Audit Week at the AG office, here.

The day commenced with a dignified ceremony, setting the tone for a week of engaging activities.

A notable event followed—the Blood Donation Camp, graced by Dr. Masood Tanvir, Principal of GMC, Srinagar, and Dr. Muzaffar Hussain Sherwani, Medical Superintendent of LD Hospital. The response was overwhelming, with a substantial number of donors participating generously.

The festivities continued with a burst of creativity as the AG Office premises hosted a Rangoli Competition, featuring seven teams showcasing their artistic prowess.

Throughout Audit Week, a diverse array of activities unfolded, from an Audit Marathon cum Cleanliness Drive on November 19 to a stimulating University Students Interaction Programme at SKAUST-K on November 21.

The schedule includes sports events on November 22-23, a Quiz and Painting Competition on November 24, and culmination in a vibrant Cultural Evening on November 25. The weeklong celebration not only marks the foundation day of CAG India but also fosters a sense of camaraderie and community engagement. Participants and attendees alike contributed to the success of this multifaceted celebration, creating lasting memories within the AG Office community and beyond. https://www.takeonedigitalnetwork.com/audit-week-inaugurated-at-ag-office-srinagar/

9. Audit Diwas Week: PAG Office organises Blood Donation Camp in Jammu (thekashmirhorizon.com) November 21, 2023

Jammu: As part of ongoing week-long Programme of Audit Diwas (19-24 Nov. 2023), a Blood Donation Camp was organised in the Office premises of Principal Accountant General, Jammu and Kashmir, Jammu here on Monday.

The Blood Donation Camp was inaugurated by the Principal Govt. Medical College Jammu Dr. Ashutosh Gupta, along with HOD Blood Bank, Govt. Medical College Jammu Dr Meena Sidhu, Administrative Officer GMC Ashwani Khajuria, in presence of Ravinder Singh, Sr. Dy. Accountant General, Jagbir Singh, Dy. Accountant General, Sukhdarshan Singh, Dy. Accountant General, Surinder Kumar, Assistant Accountant General, Ashok Kaul, Sr. Accounts Officer and Nodal Officer Blood Donation Camp, V.K.Bhat, Sr. Audit Officer, Nodal Officer Media & Publicity Wing, Ravi Thakur, Sr. Administrative Officer, Jyotsna Durani, AAO, Sunil Kumar, AAO, Atun Khargal (Incharges Blood Donation Camp) and Baljit Singh, Welfare Assistant.

The Chief Guests among other dignitaries were welcomed by presenting a bouquet.

The blood was donated by around 75 donors of the Offices of audit, A&E and RTI, civil Society and defence forces. It was a good gesture to provide Blood support to the GMC which is providing medical facilities throughout the region particularly to the patients of Cancer, Thalassemia and Traumas.

Principal GMC, Dr. Gupta, in his inaugural address, thanked the CAG organization for such a wonderful philanthropic act. He also appreciated the office for voluntarily organizing this donation camp and described the importance of donation of blood. He requested that such camps should be organized by other departments as well.

Dr. Meena, HOD Blood Bank, JMC Jammu described the importance of blood donation and reiterated that a single point of blood can save 4 lives. Ravinder Singh, Sr. DAG appreciated the Move of CAG to establish a direct connection with the civil society by organizing the different events of the week. He also informed the participants that a parallel donation camp is being organized by our head office at Srinagar. Singh also thanked the Principal Govt. Medical College Jammu, HOD Blood Bank for providing Blood donation bus and Van along with Medical and Para Medical staff

without which it was not possible to run the show so magnificently. Some of the blood donors viz Sanjana Kachroo and Narinder Gupta, both Sr. Audit Officers of the Organization reiterated that they were proud to be part of the donation camp and would voluntarily participate in such camps in future also. Light refreshments were distributed among the donors and other staff members. During this camp a fully equipped Blood mobile van donated to the Government Medical College, Jammu by INTAS foundation was also inaugurated by Dr Ashutosh Gupta and Ravinder Singh.

The blood donation camp was followed by a painting competition in which children of employees of the organization participated in large numbers. https://thekashmirhorizon.com/2023/11/21/audit-diwas-week-pag-office-organises-blood-donation-camp-in-jammu/

10. At audit week, promoting good governance in focus (timesofindia.indiatimes.com) November 21, 2023

Jaipur: Principal Accountant General K Subramaniam on Monday urged the officials of the CAG to keep in mind the readers, beneficiaries and other stakeholders while preparing audit reports. Speaking at the audit week, which was inaugurated by Rajasthan Lakayukta Justice Pratap Krishna Lora, Subramaniam deliberated on the role of audit in promoting good governance.

He said that during the process of auditing, the officials gather vast amounts of data and insights but while preparing thereports it is important to identify what is relevant and how effectively they can be presented with focus on clarity. Subramaniam said that the audit reports should be written in an active voice to impart emphasis and the most important findings should come at the beginning. The event was attended by ADG AntiCorruption Bureau Hemant Priyadarshi and DIG of CBI Ashok Kumar.

While Justice Lora quoted examples of neighbouring countries and emphasised the need to strengthen Indian economy, Priyadarshi highlighted the important role of CAG in ensuring honesty as well as timely completion of all rationalised works in the departments. https://timesofindia.indiatimes.com/city/jaipur/at-audit-week-promoting-good-governance-in-focus/articleshow/105370844.cms

11. India's Global Reputation in Audit Applauded by Governor (ibcworldnews.com) November 20, 2023

Bengaluru: The Governor Thaawarchand Gehlot, has commended the international recognition achieved by India in the realm of audit. Speaking as the chief guest at the Audit Diwas-2023 celebration organised by the Indian Audit and Accounts Department, Governor Gehlot acknowledged the pivotal role played by the Government Audit Community, led by the Comptroller and Auditor General of India, in advancing accountability, transparency, and good governance.

Highlighting the significance of November 16 as Audit Day in the country, Governor Gehlot underscored its commemoration of the historic formation of CAG as an institution and its enduring contributions to good governance, transparency, and

accountability. He praised the commendable role played by India's CAG organization on the international stage.

Governor Gehlot underscored CAG's vital role in safeguarding public funds and regulating the entire financial system of India at both central and state levels. He attributed the country's growing economic strength to CAG's diligence, emphasizing the importance of all organizations and communities, including CAG, in India's journey towards becoming the world's third-largest economy by 2047.

Former Director of National e-Governance Services Nivedita, Principal Accountant General (Audit-11) Vimalendra Anand Patwardhan, Accountant General Smitha Gopal, Deepna Gokulram, Principal Director of Audit Rajesh Ranjan and Principal Director of Commercial Audit participated. https://ibcworldnews.com/?p=122104

12. KSIDC incurs loss of Rs 40 crore due to unauthorised loan to pharma firm: CAG (onmanorama.com) November 21, 2023

Thiruvananthapuram: In a damning report, the Comptroller and Auditor General (CAG) has revealed that the Kerala State Industrial Development Corporation Limited (KSIDC) incurred a loss of Rs 40 crore due to an unauthorised loan granted to a private pharmaceutical company during the first term of the Pinarayi Vijayan government.

The CAG report stated that in August 2019, the then Industries Minister intervened illegally, to grant Rs 3 crore as loan to a pharmaceutical company when the firm already owed an outstanding due of Rs 72 crore to the KSIDC. The preliminary report was prepared by the auditing group in the office of the Principal Accountant General (Audit 2 Kerala) on October 9. The present LDF Convenor EP Jayarajan was the Industries Minister at the time. The CAG has not named Jayarajan in its report.

The loan was granted to Kochi-based Vysali Pharmaceutical Ltd owned by Dr AD Krishnan.

Key findings from the CAG report

- * The intervention by Industries Minister influenced decisions at every stage of the loan approval process.
- * The pharmaceutical company had outstanding dues of Rs 72 crore as of June 30, 2019, while the value of the pledged land that was offered as security was only Rs 30 crore.
- * Due to a lack of effort in recovering the loan, the KSIDC incurred a loss of Rs 40 crore.
- * Attempts to attach the pledged land were halted after intervention from the office of the Industries Minister.
- * Despite the pharmaceutical company accumulating substantial dues, an interest-free loan of Rs 3 crore was sanctioned.

* The loan was approved on the directive of the Industries Minister, even though the outstanding dues exceeded the value of the land provided as security.

The report was prepared after a special audit conducted by the CAG, which is scrutinising the KSIDC's functioning over the past five years. Although the report was handed over to the KSIDC in October, no response was received. The CAG will prepare a detailed report once a response is received, and the government's view on the issue will be sought.

Meanwhile, EP Jayarajan has claimed that there was no irregularity in the process. "Dr. Krishnan had come to meet me. I heard his grievances. But I adopted only appropriate steps. I have not done anything out of the way. I can comment on the issue only after going through the file concerned. I need to examine what the CAG has said," he said.

"KSIDC made losses and brought the company to the present situation. The then Industries Minister EP Jayarajan tried to help us, but he has not done anything in an irregular manner. I cannot comment on the issue without seeing the CAG report," Dr AD Krishnan, Chairman and Managing director of Vysali Pharmaceuticals said. https://www.onmanorama.com/news/kerala/2023/11/21/ksidc-loan-pharma-firm-cag-ep-jayarajan.html

13. Vizhinjam project shall be reviewed by a Finance Standards Committee, suggests study report (thehindu.com) November 21, 2023

An expert committee report on impact of Vizhinjam International Seaport project on beaches, coastal sea, biodiversity, and the livelihoods of fishing communities has called for a review of the Vizhinjam International Sea Port project by a government-appointed Finance Standards Committee.

The review shall be carried out in the wake of the Comptroller and Auditor General (CAG) reporting the unfair advantage to the concessionaire of the project and the potential loss to public revenues, suggested the report prepared by a Janakeeya Padana Samithi headed K.V. Thomas, former dean of the Kerala University of Fisheries and Ocean Studies.

To ensure transparency

The implementation and decision-making process of the project shall be thoroughly reviewed to ensure transparency, fairness, and accountability in the wake of the CAG report. The coastal development projects in Kerala shall be reviewed considering the dynamic nature of the marine ecosystem, and its socio-economic and cultural importance. The governments should prioritise comprehensive environmental assessments for large coastal development projects, such as the Vizhinjam project by adhering to coastal regulations, it said.

Sustainable practices

Any future development in the Vizhinjam area should consider sustainable practices that allow the fishing communities to continue their traditional livelihoods while ensuring the protection of the region's historical and ecological assets.

The consent of local self-governing institutions and grama sabhas must be obtained before any new plans for any infrastructure development are implemented considering the tension between the push for port development and the preservation of Vizhinjam's historical and natural heritage, it said.

The panel, which felt that the process leading to the grant of the Vizhinjam port contract to Adani Vizhinjam Port Private Limited (AVPPL) lacked transparency, suggested steps to prioritise transparency, competitive bidding, and reliable, technically and socially sound Environmental Impact Assessments (EIA). A comprehensive, honest, and transparent environmental assessment shall be carried out for projects like the Vizhinjam port. The EIA notification must be amended to bring in accountability for those who prepare the EIA. The government shall take steps to address the deficiencies in the EIA.

Strategies to combat erosion and steps to offer support to affected residents must be developed. As the project posed a significant threat to the region's biodiversity and ecosystems, studies to assess biodiversity loss and improve fish stocks shall be taken. An inter-departmental committee shall be appointed to oversee the speedy and correct implementation of all resettlement and compensation matters promised by both the government and the AVPPL to the affected fishing communities, it suggested.

The report will be released on Tuesday. https://www.thehindu.com/news/cities/Kochi/vizhinjam-project-shall-be-reviewed-by-a-finance-standards-committee-suggests-study-report/article67555354.ece

14. Telangana scorecard: Spending beyond means strains the fisc (thehindubusinessline.com) Updated - November 21, 2023

The Telangana government has been focusing more on welfarism and agri-led growth in the last five years

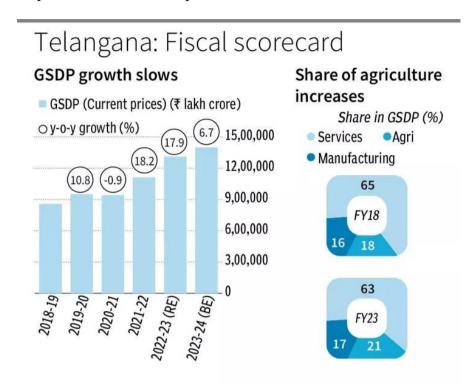
As the Southern State of Telangana goes to poll towards the end of this month, the electorate will be taking stock of the performance of the K Chandrasekhar Rao-led government's performance over the last five years.

The government has been focusing more on welfarism and agri-led growth in the last five years, which has been pegging back growth. With revenue not sufficient to meet the welfare expenses, the debt of the State has been piling high.

GSDP trots along

The State's GSDP is led by the thriving IT and other services sector in the Hyderabad area, which contributes over 60 per cent to the economy. Growing digitisation has helped the State recover well from the Covid-19 pandemic, recording around 18 per cent growth in GSDP in nominal terms in FY22 and FY23. However, growth would be be pulled back to 6.7 per cent in FY24 on overall slowdown in IT sector and drop in inflation.

In the last five years, the government has focused more on agri and allied sectors with its pro-farmer schemes, resulting in agriculture's contribution to GSDP increasing from 18 per cent in FY18 to 21 per cent in FY23.



Services sector, on the other hand, has seen its share decline from 65 per cent to 63 per cent in the same period.

A greater focus on services could have helped higher growth.

Income levels improve GSDP per capita (in ₹) 9.4% FY18 1,75,534 CAGR 2,75,44 FY23 Fiscal deficit as % But State's debt GSDP under control is growing fast Outstanding (₹ cr) Fiscal deficit (₹ crore) ○% of GSDP y-o-y growth (%) 50,000 2018-19 1,60,296 2.7 40,000 2019-20 3.3 1,90,203 30,000 2020-21 20,000 2,25,418 2021-22 10,000 2,71,259 2022-23 (RE) 3,14,136 2023-24 (BE)

The residents of the State are, however, fairly wealthy with GSDP per capita clocking annual growth of 9.4 per cent in the last five years.

3,66,306

Fiscal burden is masked

The State budget numbers are showing that the fiscal deficit has been brought under control at 2.7 per cent of GSDP in FY24, below the FRBM mandate. The deficit had widened sharply to 5.06 per cent of GSDP in FY21.

But the States' revenue is insufficient to cover the various welfare schemes unrolled by the government. This is leading to high off-Budget borrowing. Two of its flagship welfare schemes are Rythu Bandhu, which provides farmers ₹5,000 per acre per season to help farm investment and is paid directly to over 55 lakh farmers, and Dalit Bandhu scheme, which provides one-time grant of ₹10 lakh each to Dalit families. The State is hard-pressed to sustain these schemes.

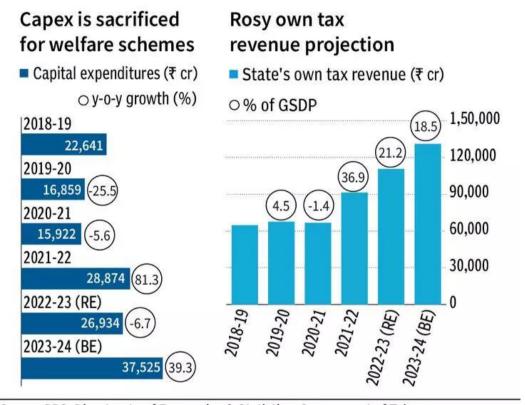
The CAG in its State finance report pointed out that if the off-Budget borrowing of the State were considered, it would lead to debt to GSDP ratio of 38.1 per cent in FY22, which is far higher that the 30 per cent limit mandated by the 15th finance commission.

Outstanding State guarantees stood at R₹1.35-lakh crore in FY23, while outstanding debt was ₹3.66-lakh crore.

Other freebies announced in the election year such as loan waiver and interest-free loans to farmers could stress the fisc further.

Numbers too rosy

The State has projected capital expenditure of ₹37,525 crore for FY24, though the revised capital investments in FY23 was 7 per cent lower compared with FY21. The higher revenue expenditure on welfarism is leading to reduction in capital investments.



Source:PRS, Directorate of Economics & Statistics, Government of Telangana

The 2023-24 Budget has also projected an extremely high own tax revenue growth of 18.48 per cent, which appears unattainable given the GSDP growth projected for this fiscal. https://www.thehindubusinessline.com/data-stories/telangana-scorecard-spending-beyond-means-strains-the-fisc/article67554202.ece

15. मारवा पुल की दूसरी लागत वृद्धि को उचित प्रक्रिया के बिना मंजूरी दे दी गई (metromumbailive.com) 20 NOVEMBER 2023

बृहन्मुंबई नगर निगम (BMC) ने साकीनाका में मारवा पुल के काम की लागत में वृद्धि को मंजूरी देने का फैसला किया है, इसके बावजूद कि भारत के नियंत्रक और महालेखा परीक्षक (सीएजी) ने निविदा के बिना काम देने के लिए नागरिक निकाय की खिंचाई की है। काम की प्रतिस्पर्धा के लिए 3.37 करोड़ रुपये की लागत वृद्धि प्रस्ताव को हाल ही में बीएमसी द्वारा मंजूरी दी गई थी।

नागरिक निकाय ने दिसंबर 2023 से मई 2024 तक काम के लिए एक विस्तार समयरेखा को भी मंजूरी दे दी। मारवा सड़क पूल के निर्माण की लागत अब 29.44 करोड़ रुपये है।

लागत वृद्धि का कारण बताते हुए, नागरिक सड़क विभाग ने प्रस्ताव में कहा कि खुदाई के दौरान यह पाया गया कि मारवा पुल के पास भूमिगत तानसा पाइपलाइन की स्थिति असंगत है। इसलिए पुल की लंबाई 3.10 मीटर बढ़ा दी गई। इसके अलावा, पुल के पश्चिमी किनारे पर पहुंच मार्ग के साथ, उक्त नियोजित स्थल पर जल विभाग की जल लाइनों और टाटा और अदानी की उच्च दबाव वाली विद्युत लाइनों का एक बड़ा नेटवर्क है। इसलिए, साइट पर खुली खुदाई संभव नहीं है और रिटेनिंग दीवार की नींव के लिए ढेर नींव का प्रस्ताव किया गया है।

प्रस्ताव के मुताबिक, बीएमसी ने अक्टूबर 2018 में पुल के विस्तार पर विचार करना शुरू किया था और 11 जून, 2021 को मरम्मत के दौरान पुल की दीवार का एक हिस्सा ढह गया और पुल में दरारें आ गईं। घटना के बाद बीएमसी ने पुल का पुनर्निर्माण करने का फैसला किया। यह भी तय हुआ कि बिना टेंडर के उसी ठेकेदार से काम कराया जायेगा. पुल के विस्तार की शुरुआती लागत करीब 14.22 करोड़ रुपये थी. जब बीएमसी ने पुल के पुनर्निर्माण के लिए उसी ठेकेदार का उपयोग करने का निर्णय लिया तो भुगतान की जाने वाली राशि को संशोधित कर 26.07 करोड़ रुपये कर दिया गया।

बीएमसी (BMC) द्वारा निविदा प्रक्रिया के बिना ठेके देने का मामला सीएजी ने 2022 में उठाया था। मिड-डे ने अपने 24 दिसंबर, 2022 संस्करण में इस मुद्दे पर रिपोर्ट दी थी। बीएमसी के प्रस्ताव के मुताबिक, ठेका बिना किसी टेंडर के दिया गया क्योंकि पुल एक बहुत ही महत्वपूर्ण कनेक्टर है। यह साकी विहार रोड और मरोल मोराशी रोड को जोड़ता है। सेवनहिल्स अस्पताल तक पहुंचने के लिए यह एक बहुत ही महत्वपूर्ण कड़ी है। अब चूंकि पुल यातायात के लिए बंद है, मोटर चालकों को साकी विहार रोड से सेवनहिल्स तक पहुंचने के लिए लगभग 4-5 किमी अधिक यात्रा करनी होगी।

नागरिक कार्यकर्ता अनिल गलगली ने कहा कि यह परियोजना बीएमसी (BMC) की शून्य योजना का एक और उदाहरण है। "योजना और अध्ययन के बिना, परियोजना को क्रियान्वित किया जाता है। फिर लागत और समय बढ़ जाता है. पिछले कुछ वर्षों में सभी परियोजनाओं के साथ ऐसा हो रहा है," उन्होंने कहा। कुर्ला निवासी गलगली, जो नियमित रूप से इस सड़क का उपयोग करते हैं, ने कहा कि इस काम में देरी के कारण लोगों, मुख्य रूप से मोटर चालकों को परेशानी हो रही है। उन्होंने कहा, "उन्हें 3-4 किलोमीटर लंबी दूरी तय करनी होगी जो पहले साकी विहार रोड से कृष्णाराव मारवा रोड के बीच कुछ मीटर की दूरी थी।" "यह अंधेरी पूर्व से पवई तक का सबसे छोटा मार्ग है। हालाँकि, अब किसी को यातायात की भीड़ के कारण अंधेरी घाटकोपर जंक्शन रोड से यात्रा करनी पड़ती है, "कार्यकर्ता गॉडफ्रे पिमेंटा, जो किलना के निवासी हैं, ने कहा, बीएमसी हमेशा परियोजना लागत में वृद्धि के लिए ऐसे कारण बताती है। https://metromumbailive.com/second-cost-increase-of-marwa-bridge-approved-without-due-process/

SELECTED NEWS ITEMS/ARTICLES FOR READING

16. Bharatmala Pariyojana project cost soars to Rs 10.64 lakh crore, more than doubles, reports ICRA (financialexpress.com)

November 21, 2023

The Bharatmala Pariyojana (BMP) programme's project cost has surged to Rs 10.64 lakh crore, more than doubling due to a sharp increase in input costs and rising land acquisition expenses, according to the rating agency ICRA. The Bharatmala Pariyojana,

India's largest highway infrastructure initiative, aims to develop 34,800 kilometers of national highway corridors with an investment of Rs 5.35 lakh crore.

ICRA noted that pending cabinet approval for the revised cost of Bharatmala Phase-I has negatively impacted project awarding activity, which declined by 48 per cent YoY to 2,595 km during the first seven months of FY2024, compared to 5,007 km in the same period of FY2023.

Hybrid annuity mode

The rating agency anticipates a contraction of over 30 per cent YoY in project awarding activity for FY2024. Ashish Modani, ICRA VP & Co-Group Head, highlighted that almost 95 per cent of road awards by the Ministry of Roads and Transport and Highways (MoRTH) in the last five years utilised the hybrid annuity mode (HAM) and engineering, procurement, and construction (EPC) route, placing the entire funding burden on the ministry.

Modani added that the burden on MoRTH for BOT (Toll) projects is lower, prompting a shift in focus toward such projects due to substantial cost escalation in BMP and increased funding requirements. ICRA pointed out that the average number of bidders for EPC and HAM projects was 15 and 8, respectively, while for BOT (Toll) projects, it remained below 5. https://www.financialexpress.com/business/roadways-bharatmala-pariyojana-project-cost-soars-to-rs-10-64-lakh-crore-more-than-doubles-reports-icra-3312399/

17. GST collections: Signifying economic resilience (financialexpress.com) November 21, 2023

Persistent improvement in tax collections bodes well for the fiscal position, and indicates economic resilience along with greater formalization in the economy in an environment of global macroeconomic and geopolitical concerns.

India reported gross GST collections at Rs 1.72 Lakh crore for the month of Oct'23, an increase of 13.4 per cent over the last year. Six years since its introduction, the GST system has resulted in increased tax buoyancy, eased logistics, better tax administration, and increased formalization, among others. Persistent improvement in tax collections bodes well for the fiscal position, and indicates economic resilience along with greater formalization in the economy in an environment of global macroeconomic and geopolitical concerns.

Gross GST collections for the fiscal year so far have been at the rate of Rs 1.66 Lakh crore, which is 11.4 per cent higher than Rs 1.49 Lakh crore between Apr-October last year. Growth has moderated vs the past 2 years, which showed recovery from the Covid-19 pandemic shock. In fact, overall GST growth has clocked a CAGR of ~11 per cent over FY19, higher than the nominal GDP growth seen in the period of about ~9.5 per cent (which had the Covid-19 pandemic impact). Since tax rates have not seen any meaningful increase during the period, it signifies the growing level of formalization into the economy. Pre-GST, India had several indirect taxes, which posed a challenge in the tax administration. Hence, the Government wanted to unify and centralize the tax on both goods and services in order to reduce the compliance burden on taxpayers and ease the tax administration.

By launching GST, the Government envisioned to achieve the objective of "One Nation, One Tax". Implementation of GST has helped in formalization of the economy and increased transparency as the ecosystem disincentives entities that are outside the tax net. The GST Council that governs and implements the GST is a unique federal structure. Reasons behind the success of GST in improving tax compliance and incentivizing formalization use of newer technologies. The extensive use of technology and reporting requirements under GST have resulted in higher tax compliance, while also widening the overall tax base. There has also been work on the integration of newer technological tools using Data analytics, Artificial Intelligence, and use of technologies like Radio Frequency Identification (RFID) Tags along with the e-way bill system.

Efficiently tackling fake GST Invoices is a reason that has led to the rise in revenues. It was decided that a regime would be put in place to enable the identification of suspected entities at the initial stage itself, and in other cases, the detection of GST frauds at the earliest. One of the key reasons behind higher tax collections in October 2023 are seemingly the high number of notices, anti-evasion drives and investigations by the tax administration. Some of the other reasons are the GST Council has continuously assessed data and corrected for inverted structures and tax loopholes. With standardized rates, businesses find it more beneficial to join the tax net. Persistent efforts to improve the GST system via reforms has helped in increasing the number of GST assesses, and improved the tax filing rates.

Over the last few years, GST has evolved in terms of policy, tax rates, and procedural and technological overhauls. Persistent efforts to curb tax leakage in the system have borne fruits, and bode well for the economy. Despite global headwinds, India's growth has shown remarkable resilience with high frequency indicators largely growing at steady pace. GST collections should also therefore continue to be robust. The collective will to tackle challenges in the system in a federal manner bode well for the structural resilience of the economy. https://www.financialexpress.com/policy/economy-gst-collections-signifying-economic-resilience-3312786/

18. Loss and damage funding blues: Unanswered questions and unattended concerns (or fonline.org) Nov 21, 2023

Establishing the Loss and Damage (L&D) Fund is a significant milestone reached at the COP27. This is the culmination of years of relentless advocacy by developing and less developed nations severely impacted by the forces of global warming and climate change. The primary objective of this fund is to extend financial assistance to nations facing adverse impacts from the consequences of climate change. This witnessed the establishment of a Transitional Committee, comprising 24 members from various geographies, for overall supervision of the fund's operations. The Committee's terms of reference entail providing recommendations to be tabled at COP28, in Dubai, the United Arab Emirates (UAE), in December 2023.

The primary objective of this fund is to extend financial assistance to nations facing adverse impacts from the consequences of climate change.

As the climate crisis worsens, its impacts like rising sea levels, persistent heatwaves, desertification, ocean acidification, and changing frequency of floods, droughts, cyclones, and bushfires will result in losses and damages for human society that are long-term and often permanent. The framework of the United Nations Framework on Climate Change Convention (UNFCCC) acknowledges that climate change has led to some "irreversible impacts" that cannot be reduced by adaptation. In most cases, these losses and damages are borne by those who are the least emitters. As an example, the African continent, despite its least contribution to global climate change, remains one of the most climatically vulnerable landmasses, whereas the G20 nations are responsible for around 75 percent of global greenhouse emissions. Therefore, from the perspective of climate justice, distributive justice, and equity, the affected need to be compensated.

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According to the United Nations Environment Programme's 2023 Adaptation Gap Report, the financial requirements for adaptation in developing countries exceed the international public finance flows by a factor of 10 to 18, representing an increase of over 50 percent compared to earlier estimates. Current models project that the cost of adaptation in these countries will amount to approximately US \$215 billion annually throughout this decade. Moreover, to address domestic adaptation priorities effectively, these nations will require an estimated US \$387 billion each year. As such, loss and damage financing needs to be closely linked with adaptation and mitigation financing.

In 2013, the UNFCCC established the Warsaw International Mechanism (WIM) to address L&D issues. However, its primary focus remained skewed towards risk management, with inadequate efforts in stimulating global financial action. The critical limitation of this strategy is closely mirroring the approaches used for mitigation and adaptation. The very purpose of WIM's creation was to address the impacts of climate change that are beyond the scope of mitigation and adaptation. Therefore, relying on these strategies for L&D is fundamentally flawed. The Intergovernmental Panel on Climate Change has pointed out that despite robust adaptation and mitigation measures, the inevitable consequences of climate change in terms of loss and damage will persist.

Therefore, the importance of the L&D fund hardly needs a reiteration. But the question that arises is how to address it? That will be the prime concern that will plague the flow of funds in the L&D kitty. This "how" question arises from four heads, as we classify in this essay.

Definitional issues

The first and foremost concern is with the very delineation of L&D. The scope of 'loss and damage' lacks a precise definition, leaving room for interpretation. Boyd and coauthors discuss a spectrum of perspectives on L&D which can range from adaptation and mitigation to existential, which is how to address the harm done to vulnerable countries. UNFCCC's approach has not specified which perspective it takes. The Sharm el-Sheikh Implementation Plan discusses the devastating economic and non-economic losses of L&D, including forced displacement and impacts on cultural heritage, human

mobility, and the lives and livelihoods of local communities. On the other hand, damages are classified as losses to infrastructure and property that significantly impair a country's economic, environmental, and social state. Economic loss and damage, for instance, occur when natural disasters destroy infrastructure like homes, schools, and roads—they are monetarily quantifiable. Non-economic losses like culture are unquantifiable.

The Sharm el-Sheikh Implementation Plan discusses the devastating economic and non-economic losses of L&D, including forced displacement and impacts on cultural heritage, human mobility, and the lives and livelihoods of local communities.

Further, these definitions are overarching and broad. Until an accepted definition and classification of L&D is reached, the problem with financing remains. On the other hand, literature adequately acknowledges ex-ante (before an event entailing L&D has occurred) and ex-post (when an event entailing L&D has already occurred). While the ex-ante classification aims to address and prevent L&D which could occur in the future (even WIM talks of that), the bigger problem lies with how to distinguish them from adaptation finance. This is a crucial issue.

The problems of attribution

The problem of attribution arises from various sources. The first is with respect to which aspect of loss and damage can be attributed to climate change. As an example, the Indian Sundarbans in the Ganges-Brahmaputra-Meghna delta are shrinking not only due to sea-level rise but also due to a decline in sediment flows from the mainstream Ganges to its distributaries. The decline in the sediment flow is largely due to sediment getting arrested in upstream of a barrage on the Ganges at the town of Farakka in West Bengal. Therefore, attributing the shrinkage of the Indian Sundarbans entirely to sealevel rise in the Bay of Bengal is not correct.

Further, the question is: who pays? In the whirlwind of COP27 talks, the European Union gave a nod to the Loss and Damage Fund, with a twist: only 'major economies' as tagged by the UNFCCC should chip in. Here's the catch: nations like China, notorious for their hefty greenhouse gas contributions but still tagged as 'developing' under UNFCCC rules, blur the lines. It's a climate conundrum that begs the question – how do we define a donor country in a warming world?

Valuation problems

Flashback to COP26, where developed countries vowed to pool US\$100 billion each year to fight climate change in the developing world – a promise still hanging in the air. Fast forward to 2025, and the price tag could soar to a staggering US\$1 trillion annually, rocketing to US\$1.7 trillion by 2030. And guess what? Even these eye-watering figures might just be the tip of the iceberg.

The problem of valuation of L&D has hardly been talked about so far. If "loss and damage" financing is a compensation mechanism, what should be the normative principles on which this financing can be based? There are two questions here. First of all, if a bridge, embankment, or property is lost and/ or damaged, are we going for an annual stock valuation of the loss? Or do we consider the associated opportunities lost through the losses in public goods? In that case, if a livelihood-enabling infrastructure is lost, and it takes 10 years to revive that, the loss needs to be expressed in terms of the

Net Present Value (NPV) of the flow of the benefit or income loss for the next 10 years with an appropriate rate of discount. This is one element.

Further, climate change also causes losses in ecosystem services and especially provisioning services with which livelihoods are linked. The Observer Research Foundation's research shows that the ecosystem dependency ratio which is the ratio of the values of the ecosystem services and the incomes of the community, is greater than one in many poverty-stricken regions. So, when climate change causes damages to the ecosystem structure and function thereby causing losses in ecosystem services, the poor community suffers substantially from such irreversible losses. This may take years to create an alternate system or ecosystem that can provide the community with the same benefits. Hence, future decades of losses need to be compensated by considering the NPV criterion.

Financing avenues and instruments

Then comes the concern of the financing instruments and avenues. This needs to work as grants and not loans. Grant-based funding, free from political or trade-related biases, should be made available to Least Developed Countries (LDCs) and Small Island Developing States (SIDS). This specialised financing can leverage a range of financial mechanisms. For instance, a proposal by the Secretary-General suggests taxing windfall profits from fossil fuels as a viable option. An alternative approach involves debt swaps, where existing debts are forgiven to redirect funds toward climate responses. Further, to bring the private sector into this game, innovative products like L&D credit trading, L&D bonds, etc. need to be thought of. Regulation can also play an important role. If governments pass acts for the profit-making corporations to park 50 percent (or any specific number) of their CSR fund to L&D and adaptation, that will help the cause of overall climate finance in domains where the money is essential but lacking. This specific type of financing can be utilized to bridge the current shortcomings in climate finance organisations, such as the Green Climate Fund.

Where do we go from here?

Unanswered questions are emerging from knowledge gaps. There is no doubt that L&D financing needs global consensus on definitions, collaborative efforts, and innovative financing. Yet, the institutional questions loom large: who pays? Who receives? How do we identify victims? How do we channel these funds? These questions are fundamental. https://www.orfonline.org/expert-speak/loss-and-damage-funding-blues-unanswered-questions-and-unattended-concerns/

19. The Logic and Compassion behind the Rajasthan Government's Many Schemes (thewire.in) Nov 21, 2023

The state government has attracted criticism for doling out so-called freebies or revdi, as PM Modi calls it. However, this is a country where over 70 crore people depend on PDS rations to survive.

Over the last couple of years, the Ashok Gehlot-led government in Rajasthan has passed a slew of progressive welfare policies. With the assembly elections in the state due later this month, the opposition has accused the state government of using welfare policies merely as a means to remain in power. On the other hand, some economists, particularly those working with the NDA government at the Union government, have raised

questions about the need and importance of such policies. However, such concerns appear to be misplaced.

In July, the Rajasthan government passed the Minimum Guaranteed Income Act (MGIA), which guarantees all families in rural and urban areas 125 days of work in a year. The act combines Mahatma Gandhi National Rural Employment Guarantee Act (a central government Act) with a State Act, the Indira Gandhi Urban Employment Scheme (IGUES), launched last year. While MGNREGA targets rural households, IGUES is for urban residents. With the IGUES, Rajasthan became only the sixth state in the country to have an urban employment guarantee scheme.

However, what differentiates Rajasthan is that the scheme is a legal guarantee in Rajasthan, unlike other states. Economists, for long, have been urging the central government for the same as ecological degradation, mediocre infrastructure, relatively thinner social safety net, high unemployment rates, and poor quality low wage jobs in urban areas make it a necessity.

MGIA also guarantees a pension of Rs 1,000 to the elderly, disabled, widows, and divorced women, which will be increased by 15% every year. This amount is double the previous pension amount of Rs 500 and covers almost 1 crore beneficiaries, i.e., nearly one in every eight people in the state. This increase takes the state share of pension expenditure in Rajasthan to 97%, with the central government contributing Rs 367 crores for its measly Rs 200 national pension – an amount that hasn't increased since 2006 despite repeated advice by economists and other experts.

Elsewhere, the Rajasthan government launched the Chief Minister Folk Artist Promotion Scheme on 11th August, which guarantees 100 days of employment at government events to all folk artists in the state and a one-time transfer of Rs 5,000 to buy music equipment. This initiative will work wonders in preserving or even reviving the shrinking world of Rajasthani folk art and uplifting historically neglected nomadic tribes like Kalbeliyas, Langas, and Manganiyars, which form the bulk of the folk artists in the state.

As per estimates based on NSSO surveys by Brookings India, nearly 7% of the country's population is pushed into poverty every year due to unbearable healthcare costs. The Infant Mortality Rate in Rajasthan, according to the latest Sample Registration System data, is 32 per thousand live births, whereas the Maternal Mortality Rate stands at 113 per 100,000 live births – both significantly higher than the national average. Alarmingly, anaemia also witnessed a rise in Rajasthan between the 4th (2015-16) and the 5th (2019-20) rounds of the National Family Health Survey. For children up to five years of age, anaemia rose from 60.3% to 71.5%.

Moreover, according to NITI Aayog's latest health index, which is a composite score of overall health performance based on 24 indicators, Rajasthan ranked 16th among 19 large states. In this light, Rajasthan's Right to Health Care Act, passed in March this year, which guarantees free emergency treatment to everyone, is historic. However, it must be noted that the bill's final version was diluted by weakening grievance redressal mechanisms and eliminating civil society participation in the oversight committee due to incessant lobbying by primarily private doctor bodies. Over 90% of private hospitals in the state will now not be under the bill's ambit, leaving only 47 private hospitals

across the state eligible for the Act. Additionally, the government also increased its universal insurance coverage under Chiranjeevi Scheme from Rs 10 lakhs to Rs 25 lakhs. Since the scheme's inception in 2021, over 1.35 crore families have enrolled, and more than 15 lakh people have already availed of its benefits.

Earlier this year, the Gehlot government also passed the Indira Gandhi gas subsidy scheme, which provides LPG cylinders to over 76 Lakh poorest households at a flat rate of Rs 500, resulting in a subsidy of Rs 450 at current prices. To understand the scheme's importance, consider this: in 2021-22, out of about 9.6 crore Pradhan Mantri Ujjawala Yojana (PMUY) beneficiaries, 10% took no refill, 11% took only one while 57% took 4 or fewer refills according to government data whereas non-PMUY consumers refilled their cylinders 7 times on average in the year. The reason behind this is the skyrocketing price of LPG, which went from Rs 574 in August 2019 to Rs 949 in March'22 in Delhi. Furthermore, prices of necessities such as pulses, oils, sugar, and spices have also increased rapidly in the past few years. Hence, the Annapurna scheme, launched earlier this year, which provides one kg of dal, sugar, salt, edible oil, and spices for free to families covered by the National Food Security Act (NFSA), was a major relief. The inclusion of oils and pulses in PDS entitlements had been a long-standing demand of food security activists and economists alike to help meet the nutritional needs of the people.

Furthermore, in 2020, the Gehlot government launched Indira Rasois to ensure that no person has to sleep hungry. Indira rasois are community kitchens that provide a warm, nutritious meal at just ₹8 per thali. To date, 1000 urban kitchens have served more than 15 crore meals, according to the government, with 1000 additional kitchens in rural areas opening soon in the state. With the gas subsidy, Indira Rasois, and the Annapurna scheme, Rajasthan has perhaps taken the boldest steps in the country to reduce hunger and provide relief from inflation.

On July 24, Rajasthan became the first state in the country to pass a social security act for its over 3 lakh gig workers. The Act will establish a welfare board for gig workers where registered gig workers will have the opportunity to be heard for grievances and participate in decision-making in addition to being eligible for general and specific social security schemes. Over the past few years, issues such as long working hours, meagre pay, lack of insurance and social security have led to strikes by thousands of workers from all major platforms. While the bill is a welcome first step, it should be noted that it leaves much to be desired. Most notably, the act does not address the informal nature of gig work – perhaps the root of most gig workers' grievances. Moreover, the act does not define what it means by social security, thus leaving details of actual benefits and implementation shrouded in ambiguity.

Over the last two years, Rajasthan has enacted an impressive set of progressive policies for which it deserves credit. However, it is essential to note that the actual success lies in the implementation of these schemes, which remains to be seen. While the intent is laudable, it wouldn't amount to much if the implementation is lacklustre. The Gehlot administration, elsewhere, has also been accused of using welfare only as a means to remain in power in the upcoming Assembly elections in the state. Regardless of Gehlot's political intentions, it should be noted that responding to public demand and needs is supposed to be a fundamental tenet of any democratic society. Thus, if

anything, pressurising governments to respond to people's needs should be seen as a successful example of democracy in action.

The state government has also attracted criticism for doling out so-called freebies or revdi, as Prime Minister Modi calls it. However, in a country where over 70 crore people depend on PDS rations to survive, calling welfare schemes 'freebies' or 'revdi' displays a surprising lack of touch with the socio-economic reality of the masses. Critics of welfare schemes often point out the assumed unsustainable nature of social security expenditure. While it is true that certain fiscal constraints bind governments, critics often weaponise these constraints only to advocate for cuts in social spending. In Rajasthan's case, however, the fiscal deficit has fallen faster than the average of other states since 2020-21. It fell by 2.2% of GSDP between 2020-21 and 2023-24 in Rajasthan, whereas it fell by less than 1% of GSDP for other states on average. Moreover, the state's tax revenue is estimated to increase from 6.6% of GSDP in 2022-23 to 7.2% of GSDP this year. The state seems to be doing well both in terms of expected tax revenue and fiscal deficit.

Many economists believe that a demand-side push through welfare policies that increase the disposable income of low-income households is a proven method of reviving demand in the economy. Simply put, welfare expenditure allows families to save more money which could then, in turn, be used to demand other goods and services, thus increasing aggregate demand in the economy. Therefore, critics' concerns appear to be founded less in facts and more in prejudice towards welfare. Opposing 'freebies' while giving out corporate subsidies worth lakhs of crores is not only bad policymaking but also obstructs people from exercising their right to live with human dignity, as enshrined in Article 21 of the Indian Constitution. https://thewire.in/economy/the-logic-and-compassion-behind-the-rajasthan-governments-many-schemes

20. Illegal crushers along Beas basin caused up to 100cr loss: Sukhu (timesofindia.indiatimes.com) Nov 21, 2023

Shimla: Chief Minister Sukhvinder Singh Sukhu on Monday said the high-powered committee constituted by the government had found that 63 out of the total 131 stone crushers in Beas Basin were running without a valid lease.

He said these were being run through generator sets. In the last five years, the estimated revenue loss to the government is around Rs 50 to Rs 100 crore, the CM added.

Targeting the previous BJP government in the state, Sukhu said a mining scam took place during the tenure of the previous BJP government.

While interacting with the mediapersons in Shimla, the CM said due to illegal operation of stone crushers in Beas Basin, the state government could not get the mining royalty, due to which the government suffered a loss of crores of rupees.

He said the industries department would see when their lease ended and how these crushers were running without the lease. Its detailed report has been sought, said the CM.

Sukhu said the government would also check the stone crushers in other parts of the state to find out how many of these were running legally. He said a provision was also being made to impose heavy penalties on those who operate crushers from generator sets. Such stone crusher operators would not be spared in future, he added.

The previous BJP government under Jai Ram Thakur kept a blind eye for five years and this led to mining scam in the state, Sukhu alleged.

He said this report was only related to Beas Basin and he had asked the industry minister to also investigate the stone crushers installed in other areas of the state. This scam can be worth several crores, he claimed.

The multi-sector committee, in its interim report to the government, has submitted that along with the climatic change, the unscientific and illegal mining along the river beds was responsible for the natural calamity in the state, causing huge damage to life and property.

The committee was constituted after the disaster that wreaked havoc in the state during the monsoons, triggering flash floods and massive landslides. The report mentions that out of 131 stone crushers set up in the Beas river basin, 68 did not have the necessary permission and only 50 operators were found to have the valid permits. Apart from this, seven crushers were affected by the floods and few anomalies were found in the remaining six.

Due to excessive muck dumping in the Beas river and on its banks, the flash floods caused enormous damage to life and both the public and the private property. The report mentioned that the environmental balance of the Beas river basin was under great pressure, which needed to be studied scientifically. It also stressed on suggesting short, medium and long-term measures for the operation of stone crushers. https://timesofindia.indiatimes.com/city/shimla/illegal-crushers-along-beas-basin-caused-up-to-100cr-loss-sukhu/articleshow/105371127.cms