NEWS ITEMS ON CAG /AUDIT REPORTS

1. Archaeological Survey of India will 'delist' some 'lost' monuments. What's happening, and why? *(indianexpress.com)*

March 26, 2024

Some of India's protected monuments, part of the country's rich historical heritage, have disappeared — they have been lost to development, encroachment, or neglect. Which monuments are these, and when did the ASI find out?

The Archaeological Survey of India (ASI) has decided to delist 18 "centrally protected monuments" because it has assessed that they do not have national importance. These 18 monuments are part of an earlier list of monuments that the ASI had said were "untraceable".

Among the monuments that face delisting now are a medieval highway milestone recorded as Kos Minar No.13 at Mujessar village in Haryana, Barakhamba Cemetery in Delhi, Gunner Burkill's tomb in Jhansi district, a cemetery at Gaughat in Lucknow, and the Telia Nala Buddhist ruins in Varanasi. The precise location of these monuments, or their current physical state, is not known.

So what exactly does the "delisting" of monuments mean?

The ASI, which works under the Union Ministry of Culture, is responsible for protecting and maintaining certain specific monuments and archaeological sites that have been declared to be of national importance under the relevant provisions of The Ancient Monuments Preservation Act, 1904 and The Ancient Monuments and Archaeological Sites and Remains Act, 1958 (AMASR Act).

Delisting of a monument effectively means it will no longer be conserved, protected, and maintained by the ASI. Under the AMASR Act, any kind of construction-related activity is not allowed around a protected site. Once the monument is delisted, activities related to construction and urbanisation in the area can be carried out in a regular manner.

The list of protected monuments can grow longer or shorter with new listings and delistings. ASI currently has 3,693 monuments under its purview, which will fall to 3,675 once the current delisting exercise is completed in the next few weeks. This is the first such large-scale delisting exercise in several decades.

Section 35 of the AMASR Act says that "If the Central Government is of opinion that any ancient and historical monument or archaeological site and remains declared to be of national importance…has ceased to be of national importance, it may, by notification in the Official Gazette, declare that the ancient and historical monument or archaeological site and remains, as the case may be, has ceased to be of national importance for the purposes of [the AMASR] Act.

The gazette notification for the 18 monuments in question was issued on March 8. There is a two-month window for the public to send in "objections or suggestions".

And what does it mean when the ASI says a monument is "untraceable"?
The AMASR Act protects monuments and sites that are more than 100 years old, including temples, cemeteries, inscriptions, tombs, forts, palaces, step-wells, rock-cut caves, and even objects like cannons and mile pillars ("kos minars") that may be of historical significance.

These sites are scattered across the length and breadth of the country and, over the decades, some, especially the smaller or lesser known ones, have been lost to activities such as urbanisation, encroachments, the construction of dams and reservoirs, or sheer neglect, which has resulted in their falling apart. In some cases, there is no surviving public memory of these monuments, making it difficult to ascertain their physical location.

Under the AMASR Act, the ASI should regularly inspect protected monuments to assess their condition, and to conserve and preserve them. In cases of encroachment, the ASI can file a police complaint, issue a show-cause notice for the removal of the encroachment, and communicate to the local administration the need for demolition of encroachments.

This, however, has not happened with uniform effectiveness. The ASI, which was founded in 1861 after the need for a permanent body to oversee archaeological excavations and conservation was realised, remained largely dysfunctional in the decades that followed.

The bulk of the currently protected monuments were taken under the ASI's wings from the 1920s to the 1950s, but in the decades after Independence, the government chose to spend its meagre resources more on health, education, and infrastructure, rather than focusing on protecting heritage, officials said. The ASI also concentrated more on uncovering new monuments and sites, instead of conserving and protecting existing ones.

How many historical monuments have been lost in this way?
In December 2022, the Ministry of Culture submitted to the Parliamentary Standing Committee on Transport, Tourism and Culture, that 50 of India's 3,693 centrally protected monuments were missing. Fourteen of these monuments had been lost to rapid urbanisation, 12 were submerged by reservoirs/ dams, and the remaining 24 were untraceable, the Ministry told the Committee.

The Committee was informed that security guards were posted at only 248 of the 3,693 protected monuments. In its report on 'Issues relating to Untraceable Monuments and Protection of Monuments in India', the Committee "noted with dismay that out of the total requirement of 7,000 personnel for the protection of monuments, the government could provide only 2,578 security personnel at 248 locations due to budgetary constraints".

The Parliamentary panel said it was perturbed to find that the Barakhamba Cemetery in the very heart of Delhi was among the untraceable monuments. "If even monuments in the Capital cannot be maintained properly, it does not bode well for monuments in remote places in the country," it said.

Officials had told The Indian Express at the time that the cemetery may have been lost to the "redevelopment of the New Delhi Railway Station". The cemetery is now set for delisting.

Was 2022 the first time that the disappearance of these monuments was noticed?

ASI officials had told The Indian Express then that no comprehensive physical survey of all monuments had ever been conducted after Independence. However, in 2013, a report by the Comptroller and Auditor General (CAG) of India had said that at least 92 centrally protected monuments across the country had gone missing.

The CAG report said that the ASI did not have reliable information on the exact number of monuments under its protection. It recommended that periodic inspection of each protected monument be carried out by a suitably ranked officer. The Culture ministry accepted the proposal.

The Parliamentary panel noted that "out of the 92 monuments declared as missing by the CAG, 42 have been identified due to efforts made by the ASI". Of the remaining 50, 26 were accounted for, as mentioned earlier, while the other 24 remained untraceable.

The Ministry said, "Such monuments which could not be traced on ground for a considerable time because of multiple factors, despite the strenuous efforts of ASI through its field offices, were referred as Untraceable monuments."

Eleven of these monuments are in Uttar Pradesh, two each in Delhi and Haryana, and others in states like Assam, West Bengal, Arunachal Pradesh, and Uttarakhand. An official had told The Indian Express at the time the Parliamentary panel's report came out that, "Many such cases pertain to inscriptions, batteries and tablets, which don't have a fixed address. They could have been moved or damaged and it may be difficult to locate them." https://indianexpress.com/article/explained/asi-delist-lost-monuments-protected-9233382/

2. ASI plans to do away with central protection for 18 'untraceable' monuments *(scroll.in)* March 25, 2024

The structures were chosen from a list of 24 such sites that the Union culture ministry had submitted to a parliamentary standing committee in December.

The Archaeological Survey of India has shortlisted 18 "untraceable" monuments that it plans to remove from its list of 3,693 centrally protected monuments, on grounds that they no longer hold national importance, The Indian Express reported.

The 18 monuments have been chosen from a list of 24 "untraceable monuments" that the Union Ministry of Culture submitted to the Parliamentary Standing Committee on Transport, Tourism and Culture in December.

The monuments "have become untraceable over the years due to rapid urbanisation, [being] submerged by reservoirs [and] dams, difficulties in tracing in remote locations [and] dense forests, non-availability of their proper location etc.," the Centre noted.

The ones earmarked for delisting include Minar number 13 at Mujessar village in Haryana, Bara Khamba cemetery in Delhi, Gunner Burkill's tomb at Rangoon in Jhansi, a cemetery at Gaughat in Lucknow and the Telia Nala Buddhist ruins, which are part of a deserted village in Varanasi, Uttar Pradesh.

The Ancient Monuments and Archaeological Sites and Remains Act, 1958, mandates the Archaeological Survey of India to preserve monuments of national importance as sites of cultural and historical significance. Construction activities are prohibited in and around such sites.

However, Section 35 of the Act empowers the archaeological body to delist those monuments that "have ceased to be of national importance".

On March 8, the Centre issued a gazette notification declaring its intention to delist the 18 monuments and invited "objections or suggestions" from the public within two months.

Once delisted, the body will no longer be bound to protect these monuments from urbanisation or other violations of the Act.

In December, the Union culture ministry had informed Parliament that 50 protected monuments in the country have gone missing, including 11 in Uttar Pradesh.

The ministry report, "Issues relating to Untraceable Monuments and Protection of Monuments in India", submitted to the Parliamentary Standing Committee on Transport, Tourism and Culture said that out of 50 monuments, 26 had been lost to urbanisation or been submerged by reservoirs, while 24 were "untraceable".

In 2013, the Comptroller and Auditor General had declared 92 monuments "missing" in its Performance Audit of Preservation and Conservation of Monuments and Antiquities of Union Government report.

Later, the Archaeological Survey of India said it had been able to identify 42 of the monuments and recommended that they be "rationalised and categorised" on the basis of their national significance, unique architectural value and specific heritage content.
https://scroll.in/latest/1065762/asi-plans-to-do-away-with-central-protections-for-18-untraceable-monuments

3. ASI plans to declassify 18 monuments from protected status citing diminished national significance *(financialexpress.com)*

March 25, 2024

Among the monuments slated for delisting are Kos Minar No.13 in Haryana, BaraKhamba Cemetery in Delhi, Gunner Burkill's Tomb in Jhansi, Cemetery at Gaughat in Lucknow, and Telia Nala Buddhist ruins in Varanasi, Uttar Pradesh

In a move marking the first large-scale exercise in decades, the Archaeological Survey of India (ASI) has unveiled plans to remove 18 centrally protected monuments from its roster, citing their diminished national significance. This initiative stems from a list of 24 "untraceable" monuments identified by the Union Ministry of Culture, which was submitted to a parliamentary committee last year.

Among the monuments slated for delisting are notable sites such as Kos Minar No.13 in Haryana, BaraKhamba Cemetery in Delhi, Gunner Burkill's Tomb in Jhansi, Cemetery at Gaughat in Lucknow, and Telia Nala Buddhist ruins in Varanasi, Uttar Pradesh. Delisting these monuments effectively absolves the central agency from the responsibility of their protection, allowing for regular construction and urban development activities in their vicinity.

Presently, the ASI oversees 3,693 monuments, a number set to decrease to 3,675 after the completion of the delisting process in the coming weeks. According to an official gazette notification dated March 8, published recently, the ASI has invoked Section 35 of the Ancient Monuments and Archaeological Sites and Remains Act, 1958 (AMASR Act) to initiate the delisting procedure, asserting that these monuments "have ceased to be of national importance." The notification invites objections or suggestions from the public within two months, as per the provisions of the AMASR Act. Monuments of national importance, as stipulated by the act, are meant to be conserved and maintained by the ASI as crucial historical and cultural sites, with construction activities prohibited in their vicinity.

Last year, the Ministry of Culture informed Parliament that 50 out of India's 3,693 centrally protected monuments were missing. This disclosure was part of a report submitted to the Parliamentary Standing Committee on Transport, Tourism, and Culture, titled 'Issues relating to Untraceable Monuments and Protection of Monuments in India.' Among the missing monuments were 11 in Uttar Pradesh, two each in Delhi and Haryana, as well as others in Assam, West Bengal, Arunachal Pradesh, and Uttarakhand. According to the ASI, 14 of these missing monuments fell victim to rapid urbanization, 12 were submerged due to reservoirs or dams, while 24 remain untraceable. The 18 monuments earmarked for delisting are drawn from the latter category of untraceable monuments.

This decision follows the Comptroller and Auditor General's declaration in 2013 that 92 monuments were "missing" after a comprehensive physical verification exercise. Out of these, 42 were subsequently identified, leaving 50 still unaccounted for, with reasons ranging from urbanization to submersion by reservoirs. The move to delist these 18 monuments comes after the parliamentary panel's recommendation to rationalize and categorize ASI-protected sites based on their national significance, unique architectural value, and specific heritage content. This underscores ongoing efforts to streamline the management and preservation of India's rich cultural heritage. https://www.financialexpress.com/india-news/asi-plans-to-declassify-18-monuments-from-protected-status-citing-diminished-national-significance/3436292/

4. ASI to remove 18 'untraceable' monuments from its list of protected sites *(indianexpress.com)* Updated: March 25, 2024

Currently, the ASI has 3,693 monuments under its purview, which will fall to 3,675 once the delisting exercise is completed in the next few weeks.

IN THE first such largescale exercise in decades, the Archaeological Survey of India (ASI) has put out a list of 18 centrally protected monuments which it wants to delist as, according to the central agency, they no longer hold national importance.

Incidentally, the list has been drawn up from a list of 24 "untraceable" monuments, which the Union Ministry of Culture submitted to a parliamentary committee last year.

The monuments facing delisting include Kos Minar No.13 at Mujessar village in Haryana; Bara Khamba Cemetery in Delhi; Gunner Burkill's Tomb at Rangoon in Jhansi; Cemetery at Gaughat in Lucknow; and Telia Nala Buddhist ruins, which form part of a deserted village in Varanasi, Uttar Pradesh.

Delisting of the monuments effectively means the central agency won't have any onus to protect them, and activities related to construction and urbanisation in the area can be carried out in a regular manner.

Currently, the ASI has 3,693 monuments under its purview, which will fall to 3,675 once the delisting exercise is completed in the next few weeks.

According to an official gazette notification dated March 8, published last week, the ASI has invoked Section 35 of the Ancient Monuments and Archaeological Sites and Remains Act, 1958 (AMASR Act) to delist the 18 monuments, stating that these "have ceased to be of national importance".

"In exercise of the powers conferred by section 35 of AMASR Act, the Central Government hereby gives notice of its intention to declare that the monuments specified in the Schedule to this notification have ceased to be of national importance for the purposes of said Act," the notification said, inviting "objections or suggestions" from the public within two months.

Under the AMASR Act, monuments of national importance are to be conserved and maintained by the ASI as an important site pertaining to history and culture, and any kind of construction-related activity is not allowed around the protected site.

On December 8 last year, the Ministry of Culture had told Parliament that 50 of India's 3,693 centrally protected monuments have gone missing. This submission was made as part of a report titled 'Issues relating to Untraceable Monuments and Protection of Monuments in India' submitted to the Parliamentary Standing Committee on Transport, Tourism and Culture.

The missing monuments included 11 in Uttar Pradesh, as well as two each in Delhi and Haryana. It also included monuments in Assam, West Bengal, Arunachal Pradesh and Uttarakhand.

According to the ASI, which is under the Ministry of Culture, 14 of these 50 monuments were lost to rapid urbanisation, 12 submerged by reservoirs or dams, and 24 remain untraceable.

The 18 monuments to be delisted come from the list of 24 monuments that remain untraceable.

It was in 2013 that the Comptroller and Auditor General (CAG) had declared 92 monuments as "missing" after a first-of-its-kind physical verification exercise undertaken after Independence. Out of these 92 "missing" monuments, the ASI said, 42 were later identified, while giving the break-up of the remaining 50 monuments under those affected by urbanisation, reservoirs/dams and those which remain untraceable.

The House panel had come down heavily on the distinction regarding the lost monuments as "an academic distinction since monuments lost to urbanisation/reservoirs are also irrecoverable".

The move to delist the 18 monuments comes nearly five months after the parliamentary panel observed that the list of ASI-protected sites includes a large number of "minor monuments" and recommended that it should be "rationalised and categorised" on the basis of their national significance, unique architectural value and specific heritage content. https://indianexpress.com/article/india/asi-to-remove-18-untraceable-monuments-from-its-list-of-protected-sites-9232337/

5. AI empowering auditors in informed decision-making & creating valuex *(thehansindia.com)* 22 March 2024

New Delhi: CAG institution and IIT Delhi signed an MoU for a partnership in four key areas for use of AI in audit, audit of AI systems, capacity building and knowledge sharing.

The MoU between the two institutions was signed by Anand Mohan Bajaj, Chief Technology Officer & Additional Deputy CAG and Prof. Rangan Banerjee, Director, IIT Delhi in the presence of the CAG of India Girish Chandra Murmu.

Speaking at the signing ceremony, Murmu said, "Whether it be detecting fraudulent activities, or optimising compliance processes, AI-driven solutions empower auditors to adapt to an ever-changing environment and deliver actionable insights that drive informed decision-making." "By harnessing AI-driven algorithms and predictive analytics, auditors can analyse vast volumes of data with unparalleled speed and precision, enabling them to uncover patterns, anomalies, and potential risks with greater accuracy," he explained.

Murmu said that AI-powered tools have the potential to automate routine tasks, liberating auditors to focus on strategic analysis and value-added activities, thereby elevating the quality and relevance of audit outcomes.

Stating that Government of India has made huge strides in adopting AI for Governance and is on track to become the Global Hub for AI Innovation as the chair of Global Partnership on Artificial Intelligence (GPAI) in 2024, Murmu said, "AI has emerged as a catalyst for change in the field of audit, offering a plethora of opportunities to enhance efficiency, effectiveness, and insight."

Murmu also said, "As signatories to this MoU, we are well-positioned to contribute to the objectives of the India AI Mission, leveraging our collective expertise and resources to advance the frontiers of AI research, education, and application in the domain of audit." https://www.thehansindia.com/hans/young-hans/ai-empowering-auditors-in-informed-decision-making-creating-value-866980

SELECTED NEWS ITEMS/ARTICLES FOR READING

6. Interesting shift in tax contribution *(thehindubusinessline.com)*

Updated - March 25, 2024

The falling trend in corporate tax collections is confounding in the face of rate cut in FY20

The recently released direct tax collection numbers up to March 17 indicate that direct tax revenue is continuing to grow at a healthy rate, led by fiscal measures and improved compliance. Net direct tax collection, at ₹18.9-lakh crore, was 20 per cent higher compared to ₹15.77-lakh crore collected in the same period in FY23. The strong growth in direct taxes will help buttress the gross tax revenue this year given the sluggish growth in indirect taxes — 4 per cent decline in excise duty collection and just 2 per cent increase in custom duties, according to revised estimate for FY24. Within the direct tax collections, personal income tax is doing the heavy lifting, with growth of 23 per cent, compared with 12 per cent growth in corporate tax collections in the revised estimates for FY24.

Personal income tax revenue has been registering a very strong growth trajectory, above 20 per cent, since FY22. This has been led by initiatives such as pre-filling of returns with data captured from various sources including salary, interest, dividend and brought forward losses and the annual information statement, which captures all the income which is likely to be missed by the taxpayer. These initiatives are helping increase the tax paid by existing taxpayers. More transactions being subject to tax collection at source, while increasing the compliance burden for honest taxpayers, could be aiding in checking evasion. While the growth in personal income tax collections is laudable, it needs to be noted that the tax base is not increasing at the same rate. Number of individuals filing tax returns has grown at a much slower pace, at 4.5 per cent between FY20 and FY23. This implies that the existing tax base, comprising primarily of the salaried taxpayer cohort, is facing the higher tax incidence.

The increase in personal income tax collections has been accompanied by tepid corporate tax collections. Since FY21, revenue from personal income tax has been higher than that from corporate tax. If the time series of direct tax collections is seen, corporate tax collections have always been higher than income tax collections from 2000-01 to 2019-20, with the difference ranging between 60 and 80 per cent in most years. This trend has changed since FY21, and the personal tax collections are now estimated to be 10 per cent higher than corporate tax in FY24 and FY25.

The falling trend in corporate tax collections confounds even if one factors in the sharp reduction in corporate tax rate in FY20. Companies have displayed resilience to domestic and global growth challenges and have reported healthy growth in profits the last few years. This is something for the Centre to examine. Meanwhile, personal income tax payers cannot be faulted if they have a grouse over coughing up more taxes every year, with high rates being a clear red rag. While latest data is not available for gauging conversion to the new tax regime, the fact is that more needs to be done to make the new regime attractive. The next government at the Centre has a job at hand in reforming personal income tax.

https://www.thehindubusinessline.com/opinion/editorial/interesting-shift-in-tax-contribution/article67991347.ece

7. Need to brace for high cost of public debt *(thehindubusinessline.com)* 24 March 2024

The post-pandemic period of low economic growth and high interest rates will make it difficult for both advanced and emerging economies to move towards debt sustainability

High government debt and resultant diversion of high portion of revenue into interest payment will result in less of resource availability for more productive expenditure High government debt and resultant diversion of high portion of revenue into interest payment will result in less of resource availability for more productive expenditure

Global public debt has shot up sharply post the pandemic. Per IMF, for advanced economies, the public debt to GDP is estimated to have risen to 112 per cent and for emerging and developing economies (EMDEs) to 67 per cent by 2023. While debt levels persist at elevated levels, global growth has slowed down over the past few years, due to disruptions in the supply chain and escalating geopolitical conflicts. Rising interest rates have further dampened the global growth outlook. This backdrop of high public debt, high interest rates and low growth is making debt sustainability challenging for advanced and emerging economies. For advanced economies, public debt to GDP is projected to rise further to 116 per cent and for EMDEs to 75 per cent by 2028 (IMF).

The high public debt scenario has resulted in increased concerns around sovereign defaults. The total sovereign debt in default as a per cent of world GDP was 0.6 per cent in 2022, the highest since 2014 (Bank of Canada-Bank of England database on sovereign defaults). While it is critical to assess the threat of sovereign defaults by smaller developing economies, it is also important to be watchful of the vulnerabilities of the advanced economies.

Low interest rates

Many of advanced economies like the US, Japan, Italy, France and the UK have very high general government debt levels at more than 100 per cent of GDP. Advanced economies have the benefit of lower interest rates compared to emerging economies. This, coupled with better government revenue collection, enables advanced economies to enjoy healthy debt affordability (interest/revenue), even with high debt.

For instance, for UK, while the general government debt is at a high of 104 per cent, interest to revenue is at a low of 11 per cent. In contrast, some of the emerging economies, even with relatively lower debt levels have very high interest to revenue ratio. For instance, for India, the general government debt to GDP ratio is at 81 per cent but the interest to revenue is much higher at 27 per cent. Similarly, for Brazil with a general government debt of 88 per cent, it has interest to revenue of 26 per cent.

In most advanced economies, the implementation of ultra loose monetary policy post the 2008 global financial crisis resulted in very low interest rates for a long period of time. However, in the post Covid period interest rates have risen sharply in a bid to tame inflation. Even though a policy easing cycle is anticipated in the second half of the year, interest rates are likely to remain above pre-pandemic levels, specifically in advanced economies. Higher interest costs coupled with very high debt levels, will have a bearing on the debt affordability of the advanced economies. For instance, for US Federal Government, the net interest payment is projected to cross 20 per cent of revenue by 2032 from 9.7 per cent in 2022, as per US Congressional Budget Office. Similarly, for UK, the government's interest expenses (per cent of revenue) has already doubled from 5.4 per cent in 2020 to 11 per cent in 2022.

Many of the advanced economies have the advantage of reserve currency status, hence external funding of debt is not a serious challenge for them. Moreover, they enjoy better sovereign risk ratings enabling them easier access to external funding. Nevertheless, we cannot ignore the fact that high government debt and resultant diversion of high portion of revenue into interest payment will result in less of resource availability for more productive expenditure for these economies.

Debt in India

If we look specifically at India, the general government debt to GDP has risen sharply to 81 per cent in FY23 from 70 per cent in FY19 (pre-pandemic). However, this ratio is projected to reduce gradually in the coming years, touching a marginally lower 78 per cent in FY31, according to the IMF. While India has high government debt, it is mainly financed from domestic borrowing, this reduces vulnerability of the economy to external parameters. However, as discussed earlier, the country has high interest expenses (at 27 per cent of revenue), that eats into more productive expenditure. This makes it critical for the economy to move swiftly towards fiscal consolidation and reduce the government debt more meaningfully.

This post-pandemic period of low economic growth and high interest rates will make it difficult for both advanced and emerging economies to move towards debt sustainability. In fact, each debt cycle comes with its own challenges. In the current cycle, it is critical to remain vigilant of the vulnerabilities of not just emerging economies, but also of the advanced economies. https://www.thehindubusinessline.com/opinion/need-to-brace-for-high-cost-of-public-debt/article67980319.ece

8. Defence Ministry Signs Over Rs. 200 Crore Deal with Big Bang Boom for Indigenous Anti-Drone Technology *(theprint.in)* 23 March, 2024

Big Bang Boom Solutions Pvt. Ltd. (BBBS), India's fastest-growing defense sector start-up, has secured a significant order worth more than Rs. 200 Crores from the Indian Air Force and the Indian Army, for its cutting-edge anti-drone technology earlier this month. This historic contract, the largest under the Indian Defence Exhibition (IDEX) initiative, and one of the largest signed by the Indian MOD with an Indian startup is a testament to BBBS's unmatched expertise in deeptech products especially, anti-drone solutions.

The Indian Defence Ministry's decision to place this order underscores the country's commitment to strengthening its security infrastructure and investing in Atmanirbhar cutting-edge defense technology. Specifically, the anti-drone technology provides a game-changing response to the mounting threat posed by drones and unmanned aircraft systems (UAS).

“The focus of the iDEX programme is to foster an ecosystem of innovation and technology development in defense. It is our constant endeavour to engage with young innovators who can bring technologically advanced solutions for modernizing Indian Military. This order contracted to Big Bang Boom Solutions is a step in that direction and we are happy have young companies support the nations growth,” Vivek Virmani, COO, iDex MOD.

“We are immensely proud of this milestone in our start-up journey and are grateful for the trust placed in our capabilities by the Indian Air Force and Indian Army through the aegis of iDex the MOD’s flagship innovation platform,” said Dr. R. Shivaraman, Director and CTO, BBBS. “Big Bang Boom is committed to serving our nation with the highest level of innovation and technology. The BBBS Anti-Drone Defense System is a testament to our commitment to innovation, and we are proud to contribute to the security and self-reliance of our armed forces,” he further added.

BBBS’s Vajra Sentinel System is a state-of-the-art solution designed to detect, track, and neutralize drones at extraordinary ranges. It utilizes passive RF sensor technology to eliminate false alarms, and its sensor and jammer combination meets stringent mil standard specifications for durability and reliability. It has a number of state-of-the-art tech improvements such as AESA radar and kamikaze drones which can be upgraded on demand by the user.

The system’s core sensor built around artificial intelligence (AI) and computer vision algorithms enables precise identification, classification and location identification of drones. Additionally, its sophisticated decision making matrix enables autonomous decision-making for countermeasures such as signal jamming and other counter measures.

“This is a significant milestone for us. Our product pipeline and mix for the next 10 years are robust and the team is rearing to go. We have already started discussions on repeat orders and export opportunities. We will now reopen our doors to financial players who can come along in this next leg of nation building,” said, Praveen Dwarakanath, CEO, BBBS.

BBBS will commence execution of the order immediately, with a focus on timely delivery, comprehensive training, and unwavering support to the Indian Air Force and Indian Army to ensure seamless integration of this vital technology into their defense strategies.

The contract was handed over to Dr. R. Shivaraman, Director and CTO, BBBS in the presence of Rajnath Singh, Defence Minister, SAjay Bhatt, (Minister of State for Defence), Giridhar Aramane (Defence Secretary), Anurag Bajpai (Additional Secretary of Defence Production and CEO DIO), Chief of the Defence Staff (General Anil Chauhan) and the Chief of the Air Staff (Air Chief Marshal VR Chaudhari) by AVM George Thomas, ACAS Plans, on behalf of Indian Airforce and Col. Mahesh, Col CD – 7, on behalf of Indian Army.

Big Bang Boom Solutions is India’s fastest growing Startup in the Defence Sector. Founded by Dr.Shiva and Praveen Dwarakanath, serial entrepreneurs in Deep Tech, it aims to co-create intellectual property that can be used by Indian Armed forces to counter asymmetric emerging threats. The founders have great network in the research space which helps them develop technology faster and more frugally that by anyone else.

In addition to anti drone system, the company has won 5 iDex challenges announced by the Ministry of Defence and has successfully completed 3 of them in diverse field of drones, advanced chemical engineering, computer vision and cyber security.

The company has also managed to setup channels for sales to friendly foreign nations through the Export Promotion Cell, DDP, MOD and is expecting their first export order in next few months. https://theprint.in/ani-press-releases/defence-ministry-signs-over-rs-200-crore-deal-with-big-bang-boom-for-indigenous-anti-drone-technology/2012590/

9. Doubts shroud delivery of first LCA Mk-1A jet to IAF *(hindustantimes.com)* Mar 25, 2024

A question mark hangs over the delivery of the first light combat aircraft (LCA) Mk-1A jet to the Indian Air Force by state-run plane maker Hindustan Aeronautics Limited by the approaching deadline of March 31 as it is yet to make its maiden flight and some key certifications are still not done, officials aware of the matter said on Sunday.

"HAL is trying its level best to carry out the first flight as early as possible. But there are some software iterations that need to get cleared. Sticking to the March 31 deadline seems a bit difficult right now, though efforts are still on," said one of the officials cited above, asking not to be named.

LCA Mk-1A is an advanced variant of the LCA Mk-1, which has already been inducted by IAF. The Mk-1A will come with digital radar warning receivers, external self-protection jammer pods, superior radar, advanced beyond-visual-range (BVR) air-to-air missiles and significantly improved maintainability.

"The Mk-1A is a totally new aircraft with new systems, software and weapons. Some key certifications are going on right now, with different agencies involved including the Aeronautical Development Agency, Centre for Military Airworthiness and Certification, and foreign OEMs (original equipment manufacturers). All this must fall in place before the first aircraft can be delivered," said a second official, who also asked not to be named.

The aircraft is in good shape, he said. The delivery of the 83 jets already ordered is expected to be completed by 2028.

LCA is set to emerge as the cornerstone of IAF's combat power in the coming decade and beyond. IAF, the world's fourth largest air force, is expected to operate around 350 LCAs (Mk-1, Mk-1A and Mk-2 versions), with a third of those already ordered, some inducted, and the rest figuring prominently on the air force's modernisation roadmap and expected to be contracted in the coming years.

In October 2023, HAL handed over the first trainer version of LCA Mk-1 to IAF chief Air Chief Marshal VR Chaudhari in Bengaluru, with the twin seater set to fill a key training role and double as a fighter if needed.

The aircraft was part of an earlier order for 40 Mk-1 jets in the initial operational clearance (IOC) and the more advanced final operational clearance (FOC) configurations --- the first variants of LCA. Of the 40 Mk-1s, IAF inducted 32 single seater jets and raised two LCA squadrons. The remaining eight aircraft are trainers and all of them will be delivered to IAF soon.

One of the 32 LCA Mk-1s inducted crashed near Jaisalmer on March 12, minutes after taking part in a tri-services exercise that sought to demonstrate the strides India has made towards self-reliance in the defence manufacturing sector. That was the first LCA crash.

The aircraft had flown during the tri-services Bharat Shakti exercise at the Pokhran firing range near Jaisalmer along with another LCA jet before it went down. Prime Minister Narendra Modi witnessed the integrated tri-services 'live fire and manoeuvre' exercise, which sought to display how the Indian military plans to leverage its indigenous capabilities for dominating the battlefield and crushing any threat to the country's security.

In November 2023, Modi flew in the LCA in Bengaluru and described the experience as "incredibly enriching" while also heaping praise on the country's indigenous military capabilities. His sortie in an LCA Mk-1 fighter jet was seen as a significant endorsement of the LCA programme, and turned the spotlight on the locally produced fighter jet that IAF is looking at inducting in big numbers and India is also seeking to export.

The newer variants, Mk-1A and Mk-2, will come with significantly improved features and technologies over the current Mk-1 aircraft. IAF will deploy some LCAs at forward air bases in the western sector to bolster its combat readiness against Pakistan and fill the gap left by the gradual phasing out of the Soviet-era MiG-21 fighter jets.

Timely delivery is a top priority for IAF, which is grappling with a shortage of fighter squadrons.

IAF's leadership firmly backs the LCA programme. In a review last year, Chaudhari described the fighter aircraft as the flag-bearer of IAF's efforts towards the indigenisation of its combat fleet.

IAF could order more than 100 Mk-2s, and the aircraft will be ready for production in five years. The world's leading aircraft engine maker GE Aerospace and HAL signed a memorandum of understanding in Washington in June 2023 to produce F-414 engines in the country for LCA Mk-2, during Prime Minister Narendra Modi's first state visit to the US.

F-414 has evolved from the F-404 engine that powers the existing LCA variants.

The production of the engines in India will result in the new fighter jet having an indigenous content of around 75% compared to 55%-60% in LCA Mk-1A and 50% in the existing Mk-1 variant.

The LCA project was sanctioned in 1983 as a replacement for MiG-21s. IAF raised its first LCA squadron in Sulur with two aircraft in July 2016. While the existing Mk-1 and Mk-1A variants will replace MiG-21 fighters, the Mk-2 aircraft is planned as a replacement for the air force's MiG-29s, Mirage-2000s and Jaguar fighters that will start retiring in the coming decade.

The LCA Mk-2 fighter will be equipped with the more powerful GE-414 engine, better avionics and electronics, and will be capable of carrying a higher weapons payload. It will have improved range, enhanced survivability, better situational awareness for pilots, network centric capabilities, and the ability to quickly switch from one role to another.

The 17.5-tonne Mk-2 fighter will have a maximum speed of 1.8 Mach, compared to the 13.5-tonne Mk-1A that has a top speed of 1.6 Mach. The new aircraft will come with a payload capacity of 6.5 tonne (compared to 3.5 tonne for the Mk-1A) and it will carry a mix of weapons including BVR air-to-air missiles, air-to-ground missiles, heavy precision guided weapons and conventional bombs.

The other features of the LCA Mk-2 include enhanced fuel capacity, unified electronic warfare suite, indigenous flight control actuators, improved digital flight control computer, better cockpit displays, infrared search and track capability to detect threats at long ranges, missile approach warning systems and countermeasure dispensing systems for self-protection. https://www.hindustantimes.com/india-news/doubts-shroud-delivery-of-first-lca-mk-1a-jet-to-iaf-101711307896401.html

10. Banning electoral bonds won't cure corporate capture of politics. Bigger reforms are needed *(theprint.in)* 25 March, 2024

Ensuring free and fair elections, democratic governance, and limiting quid pro quo demands political funding regulations that go beyond the age-old methods

On 15 February 2024, a five-judge Constitution bench of the Supreme Court struck down the electoral bonds scheme as unconstitutional for being violative of the fundamental right to freedom of speech and expression under Article 19 (1)(a). Specifically, the bench held that the scheme infringes upon the right to information of citizens concerning potential quid pro quo arrangements between donors and the political parties receiving their contributions.

At the heart of the matter are two competing rights—the right to information of voters and the right to privacy of donors. The decision has stirred up a hornet's nest around the issue of political funding in India, especially corporate donations.

We critically examine the changes introduced by the scheme to relevant laws, the government's rationale for supporting the electoral bonds scheme, and the central arguments of the Supreme Court. We also highlight the general concern over unlimited individual and corporate funding, as well as the potential for a state-corporate nexus that could hijack transparent and democratic governance and policymaking in India. Finally, we offer suggestions to tackle these problems.

Political funding in India before 2017

Political parties receive money through various channels, including individual funding via membership subscriptions, donations from trade unions and companies, as well as sales of assets and publications. Rules for transparency vary across countries. The UK, for instance, mandates declaration of donations worth over £7,500 to national parties. Additionally, it provides state funding to opposition parties to cover administrative costs (which they cannot use for campaigns), so as to prevent the ruling party from having an unfair advantage.

In India, this approach has been slightly different. During elections, all major parties get limited state funding only in the form of free airtime on state-owned electronic media. In terms of private funding, there is no limit on individual contributions while corporate donations are capped.

Before 2017, any contribution—individual or corporate—of less than Rs 20,000 to any political party in a single tranche did not require disclosure to the Election Commission of India (ECI). Such contributions were classified as unknown income. Donations exceeding Rs 20,000 were to be disclosed and classified as known income.

However, it is public knowledge that political parties have exploited this system by breaking down mega cash donations, especially black money, into smaller amounts to evade disclosure requirements. These smaller amounts are then declared as public/crowd funding generated from meetings, thereby turning it into white money. This practice obfuscates the sources of political funding and makes it difficult to trace the audit trail of cash.

Initial attempts to reform and bring transparency to political funding were made by Arun Jaitley during his tenure as law minister in Atal Bihari Vajpayee’s government. He passed a bill legitimising donations made by cheque, on the condition that they were declared to both the income tax department and the ECI. Following this, in 2010, then finance minister Pranab Mukherjee proposed electoral trusts to facilitate donations. This scheme was subsequently introduced in 2013, allowing companies to donate money through a trust. The trusts are required to submit annual reports to the ECI detailing both the contributions they receive and the donations they make to political parties.

Enter the electoral bonds scheme

Dissatisfied with previous reforms, Arun Jaitley, as finance minister in the first term of the Modi government, introduced several legal changes in 2017. These measures aimed to dispel donors’ fears about their identities being linked with the political parties they donated to. Introducing electoral bonds, he claimed that the objective was to “cleanse the system of political funding in India” and bring transparency by curbing black money and creating an alternative to cash donations.

However, the electoral bonds scheme, brought into effect through the Finance Act 2017 on 2 January 2018, further shrouded political funding in secrecy by introducing a series of amendments:

-The RBI Act was amended to allow the central government to authorise any scheduled bank to issue electoral bonds without any prior RBI approval.

-Previously, the Company Act barred political contributions fromgovernment companies as well as those that had existed for less than three financial years. The Act also imposed a cap on how much a company could donate to a political party, with a limit set at 7.5 per cent of its average net profit in the previous three financial years. Further, donations had to be disclosed in their profit and loss account. The Finance Act 2017 removed this cap on corporate funding and the disclosure provision for contributions made through electoral bonds. The only safeguard was that the contribution must be made only through a cheque, bank draft, or electronic clearing system.

-The taxation law previously required political parties to keep audited accountsand maintain a record of voluntary contributions exceeding Rs 20,000 from individuals or corporates. The law also made income of political parties through contributions and investments non-taxable, and voluntary contributions to political parties as tax deductible under the Income Tax Act. The Finance Act 2017 removed the requirement of political parties to maintain a record of contributions made through electoral bonds. It also mandated any contribution of more than Rs 2,000 to be received only by a cheque, bank draft, electronic clearing system, or electoral bond—thereby limiting cash donations to Rs 2,000 from one entity.

-The Representation of Peoples Act mandated disclosure of contributionsexceeding Rs 20,000 to the ECI. However, the Finance Act 2017 exempted contributions made through electoral bonds from disclosure to the ECI.

Since the scheme's implementation, contributions received through electoral bonds have been categorised as 'unknown sources of income', irrespective of the bond's value. The electoral bonds scheme also lacks procedural safeguards, as reflected in the data disclosed by the State Bank of India (SBI). The issues include:

-In certain cases, contributions to political parties far exceed the company's net profits.
-Many corporate donors have a track record of raids by central agencies.

-Subsidiary companies of big corporate groups are sometimes used for political funding.

-Funding by companies registered in India but controlled by foreign entities.

What did the Supreme Court say?

In its judgment, the Supreme Court attempted to strike a balance between two competing principles—voters' right to information and donors' right to informational privacy. However, it did not shy away from pointing out the nexus between money and electoral democracy in India.

The court also elaborated on an underlying dichotomy in the legal regime. On one hand, the law governs contributions to political parties, but not individual candidates.

On the other hand, while the law regulates candidates' campaign expenditures, there's no cap on political party spending.

Previously, in 1974, the Supreme Court attempted to bridge this gap in Kanwar Lal Gupta v. Amar Nath Chawla & Ors by ruling that a candidate's election expenses should include any spending by their party on their behalf. However, this was nullified by a legal amendment in 1975.

According to reports, the upcoming 2024 Lok Sabha elections will be the world's most expensive polls yet, with an expected cost of more than Rs 1.2 trillion ($14.4 billion). This is equivalent to the combined cost of the US presidential and congressional races in 2020. It's unsurprising given how the legal structure has been systematically abused to institutionalise opacity in political funding.

The way forward
In a democratic system, where political parties are integral and make parliamentary government possible, it is important to create a comprehensive system for controlling party finances and expenditures. This is essential for building public trust and confidence in the role of political parties in the political process. Although the recent Supreme Court judgment is a step forward, it's not a panacea for achieving transparency in political funding.

We also should not fool ourselves. Corporate funding won't be eliminated so easily, and these entities will continue to seek policy advantages. Ensuring free and fair elections, democratic governance, and limiting quid pro quo demands political funding regulations that go beyond the age-old methods of record keeping and reporting.

We propose taking three steps. First, introduce electoral bonds without anonymity to enable an audit trail. Second, implement reasonable limits on expenditures by candidates and parties, as well as on donations from individuals and organisations in lieu of providing state funding akin to the UK. Lastly, mandate that individual and corporate donors specify the reasons for their contributions to a particular party, referencing the party manifesto. This might help make a party more accountable if it comes to power. https://theprint.in/opinion/banning-electoral-bonds-wont-cure-corporate-capture-of-politics-bigger-reforms-are-needed/2013452/

11. 'AI, data analytics improve efficiency, accuracy in audits' *(timesofindia.indiatimes.com)* Mar 24, 2024

Indore: The use of technology and advanced information technology platforms has cut down time to spot errors and improved efficiency and accuracy of audits and track NonPerforming Assets, said tax experts and chartered accountants.

Artificial intelligence, data analytics and advanced technology tools have replaced manual book keeping and planning from commercial establishments to small scale industries and public sector undertakings.

Chartered accountant and past president of ICAI, Indore Branch Abhay Sharma said, "AI has changed the way audits or accounting was done. The technology platforms have helped in improving the efficiency and accuracy in audits. Tracking a NPA is much easier these days through technology and various tools offered due to advancement in data."

Chartered accountants from across the country shared their views on bank audits and changing patterns at the two-day national conference organized by the ICAI, Indore branch.

Chartered accountant Atishay Khasgiwala, president, ICAI, Indore said, "In view of the increasing NPA in the bank, it is the responsibility of the banker as well as the auditor to thoroughly analyze each file and consider it from every angle. Due to competition among banks, mistakes in paperwork are made in haste, it is very important to complete all the documents on time."

Experts said, with the new financial year starting April 2024, experts have adopted AI tools for drafting efficient and impactful financial planning, income assessment and other future financial details.

CA Anil Saxena from Kanpur said, "Collection of all the documents at the time of audit is very important. In case of fraud, documents collected during an audit play a key role and are very useful." https://timesofindia.indiatimes.com/city/indore/ai-data-analytics-improve-efficiency-accuracy-in-audits/articleshow/108741109.cms

12. India's coal & lignite production at 'historical' one billion tonnes *(thehindubusinessline.com)* 23 March 2024

The country's monthly coal production exceeded 100 mt for the first time in March 2023

India, the world's second largest coal consumer, on Friday surpassed the milestone of producing one billion tonnes of coal and lignite.

The world's second largest producer, after China, also surpassed FY23's coal and lignite production of 937.22 million tonnes (mt) — twenty-five days in advance.

Terming it as a "historical high", Coal Minister Pralhad Joshi said the achievement of 1 billion tonnes in coal and lignite production will ensure that lights are on in citizens' houses even as the coal sector continues to power up the economy.

"Mission 1 billion tonne was a milestone we had put in action a few years ago considering the burgeoning electricity requirements of our nation. This is a historic milestone in India's quest for energy security under the leadership of Prime Minister Narendra Modi. The achievement of 1 billion tonne in coal and lignite production will ensure the lights are on in citizens' houses even as the coal sector continues to power up the economy," he added.,

Increasing output

On March 6, India's coal production not just surged past the milestone 900 mt, but also surpassed the FY23 output of 893.19 mt — twenty-seven days in advance. Besides, it also achieved the output of 700 mt, on February 6 — 30 days in advance compared to last fiscal year.

The country's monthly coal production exceeded 100 mt for the first time in March 2023, totalling 107 mt. In January 2024, the monthly output hit 99.73 mt.

The Ministry's focus on increasing production, particularly from captive and commercial mines, is to meet the growing demand for coal from the power and industrial sectors. India's power demand is expected to grow at 6-7 per cent per annum and the dry fuel accounts for around 70 per cent of the electricity generated in the country.

International Energy Agency (IEA) in its December 2023 coal report said that demand in India, which accounted for 14 per cent of global demand, is expected to rise by 3.5 per cent annually till 2026 topping 1,397 mt. It estimates a moderate increase in coal for power generation of 69 mt to 2026, the total reaching 1,006 mt.

India becomes the driving force behind the upward pressure on global coal demand through to 2026, even if the global trend is decided in China, the agency noted.

Suffiient stocks

India currently boasts a substantial coal stockpile, with around 96 mt available with coal companies. Besides, domestic coal-based (DCB) thermal power plants (TPPs) maintain coal stocks of 46.25 mt as of March 20, 2024.

The coal stocks on March 21 at TPPs stood at 49.2 mt, which is sufficient for 21 days. The stocks at Coal India (CIL), on March 22, was 82.3 mt.

The Ministry has assured that it has made ample preparations to supply coal to power plants for the peak summer season.

Speaking to businessline on February 27, Coal Secretary Amrit Lal Meena said, "As on February 25, the total stock is 127.30 mt. So, we have already crossed the closing stock of April 2023. If you look at the stocks at TPP end, last year (April 2023) was 34.57 mt, while this year it is 41.01 mt. So, this is a significant increase. About 30 per cent extra stock is likely to happen. This 127.30 mt will go up to somewhere around 150 mt. The stocks at TPP end will go up to 43-44 mt." https://www.thehindubusinessline.com/economy/indias-coal-lignite-production-at-historical-1-billion-tonnes/article67984832.ece

13. Analysing the claim of SBI Research Department of decline in inequality in India in recent years *(timesofindia.indiatimes.com)*

March 25, 2024

A study by SBI Research Department has claimed decline in Income Inequality in India in recent years. The claim of the Department is based on the observed upward migration through increased incomes and, the ascent of the Indian middle class.

The report, quoting Central Board of Direct Taxes (CBDT) data, has stated that:

The Income Tax base is widening with the number of persons filing Income Tax Return, increasing from 70 million in AY 2021-22 to 74 million in Assessment Year 2022-23 & with 82 million Income Tax Returns having been filed till 31 December 2023 for the Assessment Year 2023-24.

The SBI Report has observed that:

ITRs filed by individual taxpayers earning between Rs 5 lakh and Rs 10 lakh has increased by 295% between the Assessment year 2013–14 and the Assessment Year 2021–22,

The number of ITRs filed by people earning between Rs 10 lakh and Rs 25 lakh has increased by nearly 3 times or by 291% during the same period.
According to the Report, this shows a positive trend of migration to a higher range of gross total income.

Use of Gini Coefficient by SBI to reach the conclusion

Gini Coefficient is considered one of the most widely used measures of Income Inequality, whose score lies between "0" and "1".

Complete equality would result in a Gini Coefficient score of "0" and complete inequality would result in the score of "1".

On using Gini Coefficient, SBI Research found that the Gini Coefficient on Taxable Income had declined from 0.472 during the Assessment Year 2014-15 to 0.402 for Assessment Year 2022-23. On the basis of this, it concluded that Income Inequality in India has declined.

Table 1: Gini Coefficient on Taxable Income

Year	Gini Coefficient
AY13	0.489
AY14	0.473
AY 15	0.472
AY16	0.435
AY17	0.435
AY18	0.441
AY19	0.444
AY20	0.460
AY21	0.439
AY22	0.435
AY23	0.402

Fall in share of Income of Top Taxpayers over total income (%)

The share of Top 2.5% taxpayers with income more than Rs 10 Crores has declined from 2.81% during the FY2014 to 2.28% during FY2021.
The share of Top 1% taxpayers with income more than Rs 100 Crores has fallen from 1.64% to 0.77% during the same period.

Table 2: Fall in share of Income of the Top Taxpayers over total income (%)

Top Taxpayers	FY14	FY21	Reduction in Income Share
Top 2.5 % (Taxpayers with Income more than 10 Crores)	2.81	2.28	0.53
Top 2.5 % (Taxpayers with Income more than 10 Crores)	1.64	0.77	0.87

Source: SBI Research

The Report has attributed the decline in Income Inequality to increased migration at the bottom of the pyramid. It observes that:

36.3 % of individual ITR filers belonging to the lowest income in FY14 have left the lowest income bracket and shifted upwards with 21.1 % more income accruing to such individuals during the period FY14 to FY21.

SBI Research Report has highlighted:

-Rising female labour force participation,

-An increase in income levels of MSMEs, and;

-Changing consumption pattern, noticed post-Covid pandemic, reflected in:

a)Rural Income growth spurring people to substitute two-wheelers with four wheelers;

b)Increased sale of tractors.

-15 per % of taxpayers in India are women, presumably hinting at their increased ability to spend;
-2 Crore family members from semi-urban areas availing themselves of food services through Zomato.

On the basis of its study, the SBI Research Department underscores India's Robust Economic Recovery, busting the myth of the 'K' shaped growth argument, where some select sectors perform well, while others keep declining.

The Report also emphasises positive shifts, such as:

-19.5 % of small firms transitioning into larger entities through integration of MSMEs, and;

A noteworthy increase in consumption among the bottom 90 % of the population following the pandemic.

-The analysis, based on Publicly available Income Tax data, brings to light the migration of taxpayers to higher income categories. Data shows a surge in individual taxpayers earning between Rs 5 lakh and Rs 25 lakh, signalling a positive trend in income mobility.

Epilogue

It is obvious from Table:1 that, while the Gini Coefficient on Taxable Income was 0.489 in AY2013 when the country was ruled by UPA, in AY2015, when NDA led by Narendra Modi was ruling, the Gini Coefficient on Taxable Income, which was 0.472 came down to 0.402 in AY2023.

Similarly, it is obvious from Table: 2 that, the share of Top 2.5 % taxpayers earning more than Rs. 10 Crores has fallen from 2.81% during FY2014 to 2.28% during FY2021, the share of Top 1% taxpayers earning more than Rs. 100 crores has fallen from 1.64% to 0.77% during the same period.

On the basis of these observations, the SBI Research Department has concluded that Income Inequality has declined in India.

A focus on pointers to Government efforts to reduce inequality

-Enhancing people's living standards across indicators like sanitation, water, electrification, and household wealth.

-Targeted efforts towards providing safe drinking water and sanitation facilities providing a dignified living to the most marginalised.

-Initiatives like Jal Jeevan Mission and Swacch Bharat Mission-Gramin ensure that households are not forced to make consumption choices at the cost of their self-respect.

-Significant improvement in the position of women in terms of access, usage, and ownership.

-Technological integration, financial independence and increasing disposable incomes, the bedrock of overall empowerment across sections of the society.

-leveraging the power of JAM Trinity to ensure maximum coverage and fundamental behavioural changes in the direction of financial literacy.

-Bottom-up interventions right at the household level to ensure that the worldly and structural causes of inequality and inequity are taken care of.

The Report of the SBI Research Department underscores the role of the measures taken by the government in reducing the Inequality in the country. https://timesofindia.indiatimes.com/blogs/truth-lies-and-politics/analysing-the-claim-of-sbi-research-department-of-decline-in-inequality-in-india-in-recent-years/

14. 48% of "entitled" MPLAD funds in Gujarat remained unutilised between 2019-24, says ADR *(thehindubusinessline.com)* March 25, 2024

The 26 BJP MPs incurred an expenditure of ₹230 crore (including interest) which is about 52 per cent of the entitled amount of ₹442 crore

About 48 per cent of the total ₹442 crore that were to be spent as MPLAD funds in Gujarat between 2019 and 2024, remained "unutilised", stated Association for Democratic Reforms (ADR).

"The Member of Parliament Local Area Development (MPLAD) Scheme was started in December 1993. Between 2019 and 2024, the Covid pandemic had caused the scheme to be frozen for 1.5 years. Each MP was entitled to spend ₹17 crore instead of ₹25 crore in their respective constituencies. Thus the total entitled amount was ₹442 crore for the 26 MPs in Gujarat," Pankti Jog, the state coordinator for Gujarat told businessline. All the 26 seats in the State belong to the BJP.

"However, the 26 MPs together recommended works worth ₹354 crore, of which ₹269 crore worth of works were sanctioned and ₹220 crore funds were released by the Government of India. This allocated amount of ₹220 crore is just 49.77 per cent of the total entitled amount of the MPs. If MPs do not recommend work, then the government will not allocate more funds. The onus of recommending works within their constituency lies with the MP," she said.

The 26 BJP MPs incurred an expenditure of ₹230 crore (including interest) which is about 52 per cent of the entitled amount of ₹442 crore.

Despite just ₹220 crore being released, the MPs failed to spend ₹31 crore which is about 13.5 per cent of the funds released by the government. According to the data shared by ADR, Union home minister Amit Shah's constituency of Gandhinagar had the highest unspent balance of ₹3.54 crore, followed by Vinod Chavda of Kutch (₹2.35 crore of unspent balance), Devusinh Chauhan of Kheda (₹2.35 crore) Poonamben Madam of Jamnagar (₹2.19 crore) and Bharattsinji Dabhi of Patan (₹2.01 crore).

"Each MP could have easily used ₹17 crore during these five years. However, they have spent less than this amount," Jog said. Of the total sanctioned works in Gujarat, the highest –₹114.81 crore – has been spent on railways, roads, pathways and bridges. And ₹71.32 crore on "other public facilities." https://www.thehindubusinessline.com/economy/48-of-entitled-mplad-funds-in-gujarat-remained-unutilised-between-2019-24-says-adr/article67991301.ece

15. How smart is the Centre's smart meter plan and why Kerala's move to opt out underscores some of the scheme's inadequacies *(indianexpress.com)* March 26, 2024

The move by Kerala late last year to opt out of the Centre's scheme comes at a time when this growing frenzy across states to push the smart metering of electricity connections is almost entirely predicated on the assumption that this technology will solve the problems besetting the country's electricity distribution sector

Kerala’s move towards an alternate model for the rollout of smart electricity meters, effectively jettisoning the Centre’s Rs 3 lakh crore smart meters project, comes as a spanner in the works for the Union Government scheme that aims to replace 250 million conventional meters with smart meters across all households by March 2025.

The move by Kerala late last year to opt out of the Centre’s scheme comes at a time when this growing frenzy across states to push the smart metering of electricity connections is almost entirely predicated on the assumption that this technology will solve the problems besetting the country’s electricity distribution sector, which multiple rounds to interventions have failed to resurrect in the past. The logic being that these smart meters enable “bi-directional communication” to acquire user data and replay this information, and also control supply.

As a result, multiple distribution utilities across states have called tenders for the installation of smart meters and it is estimated that well over 50 million meters are at different stages of procurement across states. While the promise of technology infusion does make theoretical sense, analysts have been pointing to problems with the basic assumption behind the scheme. This was even before Kerala’s decision to break away, which was triggered primarily by the opposition to the scheme from trade unions on the grounds that it would lead to private control of the state’s power sector.

The functional effectiveness of smart metering depends on several assumptions: one, that the smart meter’s telemetry is always synchronised to the grid and it reliably delivers information round-the-clock; two, the smart meter is not tampered with or even bypassed at the consumer level; three, even if the data is acquired and processed to make available actionable decision support, the discoms (power distribution companies) have the capabilities to undertake rigorous energy audits and monitor and enforce them; and most importantly, that the utilities are able to disconnect errant connections. In India, there may not be clear answers to these, especially on the last point, which have been the reason for failure of multiple interventions launched earlier.

The intention

Globally, wherever smart meters have been installed by power distribution utilities, the aim has been to improve the effectiveness of the Time of Day (ToD) pricing of electricity, for which smart meters are essential. ToD pricing essentially refers to differential electricity pricing at the consumer end across peak and non-peak hours. In contrast, in India, smart metering is being driven primarily by the desire to lower distribution losses and accordingly the smart meters incorporate remote disconnection features. But there are question marks over the willingness or ability of most state-owned discoms to disconnect errant connections.

The second issue is the recovery of the costs. The meters, according to a person directly involved in the implementation of the scheme at the state level, have three cost components – the fixed cost comprising the cost of the meter, installations, including the meter reading software, and the recurring billing cost. The meters are to be procured by the discoms on a hybrid totex model, where a part of the fixed cost is paid upfront and the rest is paid out along with the monthly billing. It is unclear how viable the cost recovery of these new meters would happen given the precarious financial position of most public monopoly distribution companies. Analysts say given the challenges, a more appropriate strategy would have been to limit smart metering to higher-value consumers, which would make cost recovery amortisation more feasible.

The Union Ministry of Power is learnt to have "reviewed" Kerala's proposal for an alternate model of implementation of smart meters seeking financial aid and the state has been asked to submit a "detailed proposal" and "the implementation and roll out plan" for further examination.

The Centre's scheme is being pushed on a Design-Build-Finance-Own-Operate-Transfer (DBFOOT) model by private operators across states through totex (capex plus opex) contracts, which offer a part of the meter cost in the form of upfront payment while the rest is to be amortised in the monthly bills. Energy Efficiency Services Ltd (EESL) has been designated the nodal bulk procurement agency for smart meters and the programme is being funded as part of the Centre's Revamped Distribution Sector Scheme (RDSS), with an incentive grant of Rs 900-1350 per meter.

Before the Centre's nationwide metering push, the Central Electricity Authority — the central planning body in the power sector — had amended its metering regulations to define an electricity consumer meter itself as a "smart meter with prepayment mode" instead of the generic "meter used for accounting and billing of electricity supplied to the consumer". The electricity meter thereby becomes a bi-directional smart meter that both relays consumption data and allows for disconnection of service.

The players

The discoms in Maharashtra are reported to have awarded tenders for the installation of 17 million smart meters, in addition to an earlier tender awarded by BEST for Mumbai consumers. This is part of the state government's plan to install 23.6 million smart meters in the first phase. These meters are to be installed over a period of 30 months and maintained over the following 90 months.

Adani Transmission is estimated to have won a third of all smart meter tenders finalised nationwide to date, led by Maharashtra. France's EDF is another player deploying smart meters. In 2018, the company won a tender to install 50 lakh smart meters. Last year, Reliance Industries (RIL) arm Jio Platforms announced that it was partnering EDF in deploying 10 lakh smart meters in Bihar. Jaipur-based Genus Power Infrastructures has also won several contracts for smart meters through its wholly-owned subsidiary. Its most recent smart meter award win—an order of over Rs 1,000 crore for around 10 lakh maters—was announced in December. Incidentally, Genus Power bought electoral bonds worth Rs 38.50 crore, of which, bonds worth Rs 25.50 crore were redeemed by the Bharatiya Janata Party (BJP), and Rs 13 crore worth by the Congress, as per data made public recently by the Election Commission of India.

Recovering project costs

With regard to the cost aspect, in Europe for instance, the smart meter cost is amortised over a long period and added to the monthly consumer bills and the meters are owned by metering companies, who lease out the meter operation and maintenance to distribution supply companies. The metering contracts are backed by a regulatory mandate that requires the meter cost to be billed and paid to the metering company by the consumer's supply company.

In India, given the absence of private distribution utilities across most states, the bulk of the cost of the meters has to be borne by the public monopoly distribution companies. The discoms, through the totex DBFOOT model, have sought to off-load maintenance to private companies. "Given the complex political economy of India's electricity sector and the poor state of discom finances, these companies may be assuming insurmountable risks through such contracts…The biggest problem with amortisation of the meter cost into consumer bills is the maths behind the meter cost and monthly electricity bills. In the UK, for example, with an average monthly electricity bill of 250 British Pounds per household, the fixed cost of less than 1500 Pounds is recovered in affordable instalments. But in India, where over 80 per cent of consumers pay less than Rs 500 as the monthly bill, and fixed cost is over Rs 12,000, affordable and acceptable amortisation becomes difficult," a person involved in the scheme at the state level said.

Neither the discoms nor the state governments are in any position to bear the cost as a subsidy for what is an already stressed sector. Analysts say given the challenges, a more appropriate strategy would be to confine smart metering to higher-value consumers, perhaps those using more than 500 units per month or those with a monthly bill of more than Rs 2000. This would make cost recovery amortisation realistic. Besides, these higher-value consumers can be offered useful value-added services that utilise the smart meter's features. This would help enhance the effectiveness of grid management. It can also help address the regulator's concerns about amortisation of meter costs in monthly billing.

A more nuanced strategy for the phased installation of smart meters would be to target metering of all 11 kV feeders on priority and to monitor feeder-wise supply on a real-time and uninterrupted basis, with an aim to use this information as a decision support to both improve quality of supply and undertake energy audits to detect losses.

This, according to an expert, is important since in practice, the intermittent telemetry synchronisation troubles ensure a large portion of feeder data is unavailable at any time, thereby making effective monitoring impractical. The poor quality of telecommunications connectivity means that smart meters with their need for always-on synchronisation will struggle to operate with any degree of efficacy.

The next step could be to focus on smart metering of high-value consumers, who are fewer in numbers and are also more likely to be typically residing in areas with better telecommunications coverage quality. This could be supplemented with smart metering of distribution transformers that do not have consumer-level smart meters. If these two are wrapped up, it could be possible to create a platform for progressive reduction in losses and improvements in the quality of supply. The third step could be to harness the generated data for more effective nuanced implementation of interventions across other consumer groups, rather than a sledgehammer approach being attempted in the form of the large-scale replacement of meters across all households in the country. https://indianexpress.com/article/business/economy/how-smart-is-the-centres-smart-meter-plan-and-why-keralas-move-to-opt-out-underscores-some-of-the-schemes-inadequacies-9233379/

16. Mumbai lost over 21,000 trees in 6 years to make way for Metro, road projects *(indianexpress.com)* Updated: March 26, 2024

The BMC data also shows that although it transplanted 21,916 trees during the six-year period — between 2018 and 2023 — their survival rate was low. Data on survival of transplanted trees was available only for 9 out of the total 24 wards.

Mumbai lost over 21,000 trees, Mumbai road projects, Mumbai air quality, urban green cover, Brihanmumbai Municipal Corporation, BMC data, RTI Act, RTI data, Mumbai Metro, bullet train, Mumbai coastal road, sewage treatment plant, Goregaon-Mulund Link Road, indian express newsMumbai tree count is 29.75 lakh as per 2011 census. (File Photo)

IF DETERIORATING air quality over the past few years has emerged as a major concern for Mumbai, its fast-depleting urban green cover has only compounded the problems. The city has witnessed felling of at least 21,028 trees over the past six years, according to data provided by the Brihanmumbai Municipal Corporation (BMC) to The Indian Express under the RTI Act.

The trees were felled largely to make way for development projects such as Metro, bullet train, coastal road, sewage treatment plant (STP) and the Goregaon-Mulund Link Road among others.

The BMC data also shows that although it transplanted 21,916 trees during the six-year period — between 2018 and 2023 — their survival rate was low. Data on survival of transplanted trees was available only for 9 out of the total 24 wards.

According to the data, out of the 4,338 trees transplanted in these 9 wards, only 963 trees (22%) survived.

Another cause of concern for Mumbaikars is the city's tree count. According to the BMC, Mumbai has a total of 29,75,283 trees. Civic officials, however, clarified that this number is from the last tree census carried out in 2011.

Mumbai lost over 21,000 trees in 6 years to make way for Metro, road projects Mumbai tree count is 29.75 lakh as per 2011 census.

Infra & trees

A closer look at the data establishes a direct correlation between developmental projects and felling of trees. For instance, BMC's S ward, which comprises areas such as Vikhroli and Kanjurmarg, witnessed the highest felling of trees at 2,602. This ward is witnessing construction of an underground tunnel for the bullet train project along with the BMC's ambitious STP project. This is followed by K-East ward – comprising Andheri East – where 1,584 trees were cut down. Another 1,318 trees were felled in N ward (Ghatkopar), and F/North (Sion, Matunga, Wadala) wards, while 1,313 trees were cut in G-South ward, which includes Worli. Andheri, Juhu, Worli and BKC are witnessing Metro rail work while locations in Ghatkopar, Versova and Dharavi have been earmarked by the BMC for its mega STP project.

Civic officials said that 90% of the tree cutting permissions were issued to make way for developmental projects like Metro, bullet train, Mumbai Coastal Road, STP, Goregaon-Mulund Link Road and other infrastructure projects like bridges and widening of roads.

“Over the past six years, several infrastructure projects have been taken up at one go, especially because many of them were stuck for years and the work orders for carrying out the actual civil works on ground were issued only in the past 3-4 years. As a result, there had been a requirement of issuing necessary tree-cutting permission to make way for these projects,” said Iqbal Singh Chahal, former BMC Commissioner who vacated his office last week.

“For carrying out infrastructure works in any part of the world some portions of urban tree cover is lost. In the case of Mumbai, we will compensate for this loss by creating a 300-acre Mumbai Central Park by amalgamating 175 acres of the upcoming coastal road promenade with the existing 120 acres of Mahalaxmi Racecourse,” Chahal said.

According to the data, between 2018 and 2023, the highest number of 5,584 trees were cut in 2022, followed by 4,536 trees in 2021.

In March 2022, the BMC had released the Mumbai Climate Action Plan (MCAP) with an aim to identify the growing concerns of climate change and to ideate solutions to mitigate issues pertaining to growing environment challenges in Mumbai. In its report, the BMC had stated that between 2016 and 2021, Mumbai lost an urban green cover of 2,028 hectares, which is more than the Aarey forest (1,300 hectares). The report also stated that this loss of green cover has contributed to 19,640.9 tonnes of carbon emission per year.

It may be recalled that Mumbai has been reeling under bad air-quality for the past two years. In its ‘Death by Breath’ series, The Indian Express reported how rampant construction works and mismanagement of solid waste had led to an increase in air pollution in the megapolis.

“Mumbai is a coastal city and it is surrounded by the Arabian Sea from three sides. The overall landmass that is required for adequate tree plantation is limited. Therefore, cutting of trees at large numbers is not advisable at all, rather, there should be a focus on preserving as many trees as possible,” Gufran Beig, chair-professor of IISC and National Institute of Advanced Studies (NIAS), told The Indian Express.

Transplanted but low survival rate

According to the BMC data for 9 wards, only 22.19% of the transplanted trees survived in the past six years. A total of 4,338 trees were transplanted in A (Nariman Point, Churchgate, Colaba), B (Dongri, Bhindi Bazar), C (Chirabazar, Kalbadevi), D (Malabar Hill), E (Byculla), F/South (Parel), F/North (Wadala), G/South (Worli) and G/North (Dadar) wards, out of which only 963 survived. The civic authorities didn’t furnish data for the remaining 15 wards.

Tree transplantation refers to the process of uprooting and replanting grown up trees from one location to another.

According to the data, only 12 of the 221 trees transplanted in A ward survived; in D ward, only 59 out of the 438 survived; while in F/North only 94 trees survived out of the 519 transplanted trees.

Dilip Shenai, ecologist and horticulturist, said the transplantation process is not working in Mumbai because permission for transplanting any tree is being issued without understanding the nature of trees. “There are two types of trees – hardwood and softwood. Trees like Mango and Palm are hardwood trees, which aren’t feasible for transplantation. Most of the trees being transplanted belong to the hardwood category, which is why their survival rate is low,” said Shenai. He said inside Aarey forest, hundreds of soft-wood trees had been transplanted under his watch, with 80% survival rate.

Shenai also said that often authorities don’t follow the step-by-step process of tree transplantation. “After a tree is uprooted, you treat it with growth hormones and fungicides and it usually takes a tree 10 days to recover from the shock of being cut or uprooted. Also, it is important to transplant the trees close to its original location, so that there is not much change in its soil and air quality,” Shenai said. “However, in Mumbai, trees are transplanted within a period of two days, most of the trees being transplanted in a spot far away from their original site.”

Civic officials, however, blame it on the city’s geographical conditions. “Mumbai is very close to the sea and as a result the existing weather condition is very humid and the city also has high pollution levels. These factors are not favorable for high survival rate in transplanted trees,” an official said. “Also in Mumbai, we try to transplant as many trees as we can. For example, if there are 100 trees that are needed to be cut for a project, we make sure that instead of cutting all 100, we cut 60% and try to transplant 40%, so that the remaining trees can get a new lease of life,” an official said.

Looking ahead

Debi Goenka, executive trustee of Conservation Action Trust and a city-based environmental activist, said the government needs to come up with a solid plan of action to protect Mumbai’s urban green cover, as well as the overall environment. “None of the governments so far are worried about environmental conservation. The 21,000 trees that have been cut are official figures only, which is bare minimum. Many trees are being cut unofficially. The BMC is collecting tree-cess from citizens and this money is just piling up,” Goenka alleged.

NIAS’s Beig said the fact that so many trees have been cut within a short span is another contributing factor to the high pollution in Mumbai. “Trees have a leaf area index that absorbs pollutants, and keeps carbon footprint in check. As a result, the loss in green cover is also a major reason behind the city’s growing pollution woes,” he said.

Raghu Murtugudde, professor at IIT-Bombay, said the loss of trees leads to increased surface temperature. “Arabian sea has been warming for 20 years, and that is changing the monsoon pattern. If we can control the haphazard cutting of the trees, it may help in mitigating the large-scale changes in weather pattern since increase in tree cover plays a major role in maintaining and keeping the temperature under control," he said.

Civic officials said that this year the BMC will carry out a survey to assess Mumbai's existing green cover along with a fresh tree census. They also maintained that the authorities are working towards boosting the city's green cover by 40% in the next five years. "We have adopted a methodology of micro greening which is a manual that aims towards equipping people to learn and adapt to various scientific greening practices. The manual offers detailed guidance about maintaining plants at basic spaces like balconies which creates micro clusters of greenery that eventually compounds to the overall ecology of Mumbai," said Jitendra Pardeshi, superintendent of garden's department in BMC. https://indianexpress.com/article/express-exclusive/mumbai-lost-over-21000-trees-in-6-years-to-make-way-for-metro-road-projects-9233422/