

NEWS ITEMS ON CAG/ AUDIT REPORTS

1. What is the PIL on the quid pro quo in the electoral bond scheme all about? (*theleaflet.in*) APRIL 26, 2024

Preliminary examination of electoral bonds data has revealed a strong possibility of quid pro quo. What are the legal dimensions of the issue?

MONTHS after the Supreme Court struck down the 2018 electoral bond scheme, that allowed anonymous donations to political parties, a public interest litigation (PIL) has been filed in the Supreme Court seeking a court-monitored investigation by a special investigation team (SIT) into instances of apparent 'quid pro quo' between public servants, political parties, commercial organisations, companies, officials of investigation agencies and others.

Common Cause, a registered society with over 2,500 members spread all over the country and known for its dedication to championing public causes, has filed the PIL.

In its landmark ruling earlier this year, the Supreme Court held that the electoral bond scheme violated the rights of the people to be informed about who is donating how much to political parties; and that it could lead to quid pro quo arrangements between corporates and governments headed by these political parties.

The court also held that the scheme distorts the level playing field by giving a massive advantage to parties in power.

Consequently, the Supreme Court ordered the State Bank of India (SBI) to release all data about the purchase of bonds and encashment of bonds by political parties.

In its landmark ruling earlier this year, the Supreme Court held that the electoral bond scheme violated the rights of the people to be informed about who is donating how much to political parties.

In its petition, filed through advocate Prashant Bhushan, Common Cause claims that the electoral bond data that has been revealed shows that the bulk of the bonds appear to have been given as quid pro quo arrangements by corporates to political parties for:

-Getting contracts, licences, leases, clearances and approvals worth thousands and sometimes lakhs of crores of rupees and other benefits from the governments or authorities controlled by the governments which were in turn controlled by the political parties that received those bonds.

-Electoral bonds given in close proximity to action by agencies such as the Enforcement Directorate (ED), income tax department and Central Bureau of Investigation (CBI) raising suspicion of it being 'protection' money to avoid or stall action by or in exchange for regulatory inaction by various regulators such as the drug controller, etc.

-Electoral bonds given as a consideration for favourable policy changes.

“Though these apparent pay-offs amount to several thousand crore (rupees), they appear to have influenced contracts worth lakhs of crore (rupees) and regulatory inaction by agencies worth thousands of crore (rupees) and also appear to have allowed substandard or dangerous drugs to be sold in the market, endangering the lives of millions of people in the country.

“That is why the electoral bonds scam has been called by many astute observers as the largest scam in India so far, and perhaps in the world,” the petition states.

The petition enlists five categories of data, namely:

-Cases where corporate entities facing ongoing investigations by ED, income tax department, Central Bureau of Investigation (CBI) and other regulatory authorities donated large sums to the ruling party at the Union level or in the states, thereby raising questions about whether these were meant to affect the outcomes of the probes.

-Cases where substantial public or government projects involving thousands or lakhs of crores have been awarded by the ruling party in power at the Union level or in the states to corporate entities.

-Cases where the government in power at the Union level or in the states brought about a substantive policy change.

-Cases where even loss-making companies and shell companies have donated huge sums of money to political parties.

-Cases where companies have donated huge amounts as electoral bonds within three years of incorporation in violation of Section 182(1) of the Companies Act, 2013.

In its petition, Common Cause has given a tabulated chart, based on newspaper reports, showing as many as 22 entities that appear to have benefitted from quid pro quo arrangements based on donations made to political parties through electoral bonds.

“The data makes it apparent that private companies paid crores of rupees to political parties apparently either as ‘protection money’ for protection against agencies under the government or as a ‘bribe’ in return for undue benefits.

“In some instances, it has been seen that political parties in power at the Union level or in states have brazenly amended policies and laws to apparently provide benefits to private promoters of large projects at the cost of public interest.

“Further, in flagrant violation of the safeguard provided in Section 182(1) of the Companies Act, that a company needed to be in existence for three years before making contributions to a political party, several newly minted companies have donated through electoral bonds,” the petition states.

The Supreme Court judgment on electoral bonds flagged that the scheme could lead to quid pro quo arrangements between corporates and governments headed by these political parties.

For instance, the petitioner states that Megha Engineering and Infrastructures, Ltd (MEIL), which is the second-highest donor of electoral bonds, purchased bonds amounting to ₹980 crore between April 12, 2019 and October 12, 2023, and donated worth ₹584 crore to the Bharatiya Janata Party (BJP), ₹195 crore to the Bharat Rashtra Samithi, and ₹85 crores to the Dravida Munnetra Kazhagam (DMK).

“MEIL bagged key projects like a crude oil project worth ₹5,400 crore in Mongolia (the Mongol Refinery Project is a government-to-government initiative) in September, 2023 and two separate packages to build the Thane–Borivali twin tunnel project in Mumbai for a total bid of ₹14,400 crore in May and a ₹500 crore order from the Ministry of Defence for its company IComm in June.

“Furthermore, the company was awarded with contracts over ₹1 lakh crore to construct part of the Kaleshwaram lift irrigation project, built from 2016–19 by the BRS government in Telangana.

“In February 2024, the Comptroller and Auditor General of India (CAG) pointed out serious illegalities in the price estimation of the project so as to cause undue benefit of thousands of crore rupees to MEIL and other private contractors.

“As per the data available, prima facie it appears that there are quid pro quo arrangements between the company and political parties to which it donated,” the petition claims.

The claim has been made based on the reports published by The Indian Express on March 31, 2024 and The Wire on March 13, 2024.

The petitioner states that APCO Infratech Private Limited (APCO) has been awarded a plethora of projects spanning roadways, transport, irrigation and water sanitation in recent years.

On November 11, 2018, APCO was awarded two major projects, i.e, the Bundelkhand Expressway Project, worth ₹7,786.81 crore for construction work and ₹2202.38 crore for land acquisition and the Gorakhpur Expressway project worth ₹3,024.10 crore for construction work and ₹1,563.90 crore for purchasing land.

The petitioner alleges that within two months of getting the expressway projects, APCO donated ₹10 crore to the BJP on January 15, 2020.

The Supreme Court judgment on electoral bonds held that the scheme distorts the level playing field by giving a massive advantage to parties in power.

“The company was again awarded with the Bangalore–Chennai Expressway project on September 15, 2021 worth ₹2007 crore by the National Highway Authority of India (NHAI).

“After three months, on January 10, 2022, it donated ₹10 crore to the BJP. It is prima facie apparent from the facts above mentioned that the company bagged contracts worth thousands of crore rupees right after donating the bonds to the BJP,” the petitioner states.

The petition relies upon a news report published by The Pioneer on November 12, 2019 to buttress its claim.

Future Gaming and Hotel Services PR, which is the largest donor to political parties, donated ₹1,368 crore. Of this, a sum of ₹540 crore was encashed by the All India Trinamool Congress (AITMC), ₹509 crore by the DMK and ₹160 crore by the Yuvajana Sramika Rythu Congress Party (YSRCP), ₹100 crore by the BJP and ₹50 crore by the Congress.

The petition states that in 2017, the CAG flagged irregularities by marketing agents of Future Gaming and Hotel, in Sikkim, Nagaland and Mizoram, and noted that they were involved in lottery scams in Andhra Pradesh, Bihar and Jharkhand and Tamil Nadu.

“Andhra (Pradesh)’s governing party, YSRCP then took ₹154 crore from Future (Gaming), while Tamil Nadu’s governing party took ₹503 crore. The CAG report specifically flagged issues in the Sikkim state lottery. From October, 2022 to January 2024, Future Gaming gave ₹8 crore to the Sikkim Krantikari Morcha and ₹5 crore to the Sikkim Democratic Front.

“Two cases regarding criminal conspiracy and cheating against Future Gaming were closed by the Kolkata police right before and after the company donated electoral bonds to AITMC.

“The closure reports were filed in December 2021 and January 2022. From July 2021 to July 2022, ₹160 crore was given by the company to AITMC. Future (Gaming) has donated ₹100 crore to the BJP. It has been facing a CBI probe since 2010, but the progress on the case reportedly stalled since 2014,” the petitioner alleges.

The petitioner refers to a news report published by The Print on April 2, 2024 to substantiate the allegations.

The petitioner alleges that Grasim Industries (part of the Aditya Birla Group) appears to be an example of arrangements of quid pro quo through a policy change.

The company donated ₹534 crore in total to the BJP. The income tax department, on March 15, 2019, raised a demand of ₹5872.13 crore to the company for a merger.

The tax demand of ₹5,872 crore was quashed right after the company donated bonds worth ₹20 crore to the BJP on April 12, 2019. On January 2, 2022, the income tax authorities raised a demand of ₹8,334 crore as capital gains tax on Grasim Industries.

The Supreme Court ordered the State Bank of India to release all data about the purchase of bonds and encashment of bonds by political parties.

In the next two years, between 2021–23, Aditya Birla Group purchased bonds worth ₹180 crore which were encashed by the BJP.

The petitioner states that no further information was available in the public domain about any follow-up action of the income tax authorities. Also, there were policy changes so that Grasim was able to lead the market comfortably.

“In August 2021, the Union government removed anti-dumping duty on viscose staple fibre, a man-made, biodegradable fibre in textile manufacturing that has been Grasim’s forte for decades.

“The decision let foreign manufacturers enter with cheaper products which hurt Grasim’s business interests. As per the information available in the public domain, Grasim officials successfully lobbied with textiles minister Piyush Goyal to implement strict quality control measures in the sector.

“Accordingly, an Order was passed for stricter quality control in December 2022, choking imports from China and Indonesia that had allowed small- and medium-sized firms to run,” the petitioner claims.

In support of its claim, the petitioner has referred to a report published by web-portal Reporter’s Collective on March 16, 2024.

Another company, IFB Agro Limited, bought bonds worth ₹92.3 crore from 2021 to 2024. In June 2020, there was a goods and services tax (GST) search on the company.

In 2022, the company’s board of directors approved “contributions to political parties by way of subscription to the electoral bonds in one or more tranches aggregating not more than ₹40 crore for the financial year 2022–23”.

The company’s board also mentioned that the decision had been taken since the company was facing “excise-related issues”.

The petitioner also states a recording of the company’s annual general meeting for the financial year 2023. Joint executive chairman Bikramjit Nag said the bonds were bought “as per instructions from the government”.

In February 2024, the company declared that it had contributed ₹40 crore to political parties in the first nine months of the financial year 2023–24. This is an amount that is three times its after-tax profits of ₹13.87 crore for the same period.

The petitioner states that Infina Capital Private Ltd. (Infina), a Kotak entity, donated electoral bonds amounting to ₹131 crores to the BJP from 2019 to 2022.

In August 2018, the RBI rejected Kotak Mahindra Bank’s (KMB) proposal of issuing preference shares in order to reduce Uday Kotak’s holding in the bank which was further challenged in the court in December 2018.

In 2019, Infina donated ₹30 crore to the BJP, which has not been disclosed by the SBI to ECI. In 2020, despite having a solid case, the RBI made significant efforts to reach an out-of-court settlement in favour of Uday Kotak.

In 2020, Infina donated ₹76 crore of electoral bonds to the BJP but only ₹35 crore was disclosed by the SBI.

This chain of events, the petitioner states, prima facie shows the arrangement of quid pro quo. The petitioner has referred to a report dated April 5, 2024 published by The Wire to buttress the claim.

The petitioner also refers to yet another company namely Aurobindo Pharma. It states that this company and its wholly owned subsidiaries contributed a total of ₹55 crore worth of electoral bonds to the BJP.

In November 2022, the ED arrested its director, Sarath Reddy, on charges of money laundering as part of investigations into the Delhi liquor policy case.

Common Cause has given a tabulated chart showing as many as 22 entities that appear to have benefitted from quid pro quo arrangements based on donations made to political parties through electoral bonds.

Aurobindo Pharma bought electoral bonds worth ₹5 crore on November 15, 2022. All of them were encashed by the BJP soon after, on November 21, 2022. In May 2023, when Reddy's bail plea came up for hearing, the ED did not oppose it.

“This is perhaps the first case where ED, in a money laundering case, had not opposed the grant of bail of the money laundering accused on the medical grounds that he suffers lower back pain.

After he was released from prison, Reddy turned approver in the case on June 02, 2023. On November 8, 2023 Aurobindo Pharma donated ₹25 crore more to the BJP through bonds while another ₹25 crore were contributed through two companies— Eugia Pharma Specialities Ltd (₹15 crore) and APL Healthcare (₹ 10 crore)— which are wholly owned subsidiaries of Aurobindo Pharma,” the petitioner claims.

The petitioner has referred to a news report published on March 22, 2024 by The Scroll under the heading: “Accused in ₹100-crore Delhi liquor scam, businessman's firms paid the BJP ₹55 crore through bonds”.

Vedanta, which is the fourth largest buyer of electoral bonds, bought electoral bonds worth ₹402.5 crore. In March 2020, the CBI booked Vedanta, among other companies, for criminal conspiracy and cheating over the supply of coal.

It bought ₹76.5 crore worth of bonds on January 10, 2022, which were given to the BJP. In August 2022, TSPL, a Vedanta company, was raided by the ED in connection with a money laundering case.

(It had also raided Karti Chidambaram in this case, summoned him for questioning in December 2023, and filed a fresh charge sheet against him in February 2024.) On November 14, 2022, Vedanta gave ₹100 crore to the BJP through bonds.

The petitioner refers to Bharti Airtel Limited, which donated worth ₹51.4 crore to the BJP from 2019–22. On August 24, 2021, Bharti-linked company OneWeb received a Global Mobile Personal Communications by Satellite (GMPCS) licence from the department of telecommunications.

In 2022–23, the company donated a further ₹135 crore to the BJP. On November 21, 2023, OneWeb received space authorisation from the Indian National Space Promotion and Authorisation Centre (INSPACe) for the use of satellite capacity. Thus, OneWeb became the only company to get both the licence and space authorisation.

The petitioner states that on December 18, 2023, a new Telecommunications Bill was introduced in Lok Sabha paving the way for discretionary administrative allocation of spectrum instead of auction. With over 140 opposition members of Parliament suspended, the said Bill was swiftly passed.

This law, the petitioner states, allowing discretionary administrative allocation of spectrum virtually overrides the judgment passed by the Supreme Court in the Centre for Public Interest Litigation versus Union of India, the 2G spectrum allocation case which cancelled all administrative allocations and directed auction of spectrum.

In January 2024, the Bharti group donated another ₹50 crore to the BJP.

Future Gaming and Hotel Services PR is the largest donor to political parties, donating ₹1,368 crore.

“It is to be noted that OneWeb India is the Indian subsidiary of international satellite company Eutelsat OneWeb, headquartered in London. The largest shareholder of Eutelsat OneWeb is Airtel’s parent company Bharti Enterprises,” the petition states.

To support its allegations, the petitioner cites a report published by The Scroll on March 27, 2024.

Donation by pharmaceutical companies

Many pharma companies such as Hetero, Micro Labs, Torrent etc., which were under regulatory scanner for manufacturing substandard drugs, also purchased electoral bonds. According to the petitioner, these cases show the following:

-That many of these companies were flagged by authorities for manufacturing and selling substandard drugs.

-That even after being flagged these companies were permitted to manufacture and sell these drugs.

-In this time, these pharma companies gave huge sums of money through electoral bonds to those very ruling political parties which had earlier flagged them or were investigating them.

Torrent Group, which includes Torrent Pharmaceuticals, bought ₹184 crore worth of electoral bonds from May 2019 to January 2024. These bonds went to eight different political parties. The petitioner alleges:

-In 2018, the company’s antiplatelet medicine Deplatt-150 had failed the salicylic acid test and was declared substandard by the Maharashtra Food and Drug Administration. Torrent Group gave ₹3 crore to the Shiv Sena, ₹3.5 crore to the Nationalist Congress

Party (NCP), ₹22 crore to the Indian National Congress (INC), and ₹137 crore to the BJP, all of which have governed Maharashtra since 2019.

-In September 2019, Torrent Pharma's drug Losar H, used to lower blood pressure, was found to be substandard by the Gujarat Food and Drug Administration. In October 2019, the United States Food and Drug Administration issued a warning to the firm for repeated quality-related failures at the Indrad, Gujarat manufacturing unit, following inspections in April 2019.

However, the Gujarat government apparently did not take any action in either case. In May 2019, Torrent group gave ₹14 crore in bonds to the BJP, while on October 1, 2019, Torrent Group bought ₹10 crore worth of electoral bonds, which were encashed by the BJP.

The petitioner alleges that Grasim Industries (part of the Aditya Birla Group) appears to be an example of arrangements of quid pro quo through a policy change.

-In 2022, another US Food and Drug Administration inspection also found violations in Torrent's Indrad facility. The firm donated ₹22 crore to the BJP in 2022. Apparently, no action was taken against the Indrad facility by the Gujarat government.

-In December 2021, its medicine Nikoran LV, used to treat heart diseases, failed to meet standards when tested by the Maharashtra Food and Drug Administration.

-In February 2023, its Lopamide medicine, used to treat diarrhoea, failed the dissolution test and was found substandard.

-Torrent Group gave ₹7 crore to the Sikkim Krantikari Morcha and ₹50 lakh to the Sikkim Democratic Front from October 2023–January 2024. It has three pharma manufacturing units in Sikkim.

Zydus Healthcare purchased electoral bonds worth ₹29 crore between 2022 and 2023. Regarding Zydus, the petitioner alleges:

-In 2021, the Bihar drug regulator declared a batch of remdesivir medicines manufactured by the Gujarat-based company as "not of standard quality" after traces of bacterial endotoxin were found in them. Several patients were reported to have suffered adverse drug reactions from the medicines. However, the Gujarat drug regulator did not collect samples of these batches for further testing, nor did it initiate any action against the manufacturing unit of Zydus.

-On October 10, 2022, Zydus donated ₹18 crore to the BJP, in power in Gujarat.

Glenmark donated ₹9.75 crore of electoral bonds in November 2022 to the BJP. The petitioner alleges:

-The company received five notices for its substandard drugs between 2022 and 2023 and four of these were issued by the Maharashtra Food and Drugs Administration (FDA), which flagged its blood pressure regulating medicine Telma as substandard, mostly failing dissolution test.

-Glenmark has given ₹9.75 crore to the BJP government in Maharashtra since 2022.

“In August 2021, the Union government removed anti-dumping duty on viscose staple fibre, a man-made, biodegradable fibre in textile manufacturing that has been Grasim’s forte for decades,” read the petition.

Cipla has purchased bonds worth ₹39.2 crore since 2019 and received four show-cause notices for its drugs between 2018 and 2022. The petitioner alleges:

In August 2018, its RC cough syrup failed to meet standards during an inspection. In 2019, it gave ₹15 crore in bonds to the BJP. In July 2021, it received notices twice for its remdesivir medicine, Cipremi, which was found to have less than the required quantity of remdesivir in it.

Cipla bought bonds worth ₹24.2 crore in November 2022, of which ₹22 crore went to the BJP and ₹2.2 crore to the INC.

IPCA Laboratories Limited bought bonds worth ₹13.5 crore between November 2022 and October 2023. The petitioner alleges:

-In October 2018, its anti-parasitic medicine, Lariago, had lower than required chloroquine phosphate levels and was found substandard and eventually flagged by the Mumbai Food and Drugs Administration. It gave ₹10 crore to the BJP in November 2022.

IPCA gave ₹3.5 crore to the Sikkim Krantikari Morcha in 2023. It has manufacturing facilities for drugs in Sikkim.

Regarding Hetero Group, the petitioner says it has been slapped with notices for substandard drugs at least six times between 2020 and 2022, including three notices for its remdesivir medicine, by the Maharashtra FDA. The petition alleges:

-The US Food and Drug Administration also sent a notice to Hetero Labs, a supplier of active pharmaceutical ingredients, about possible manufacturing deficiencies at its unit. However, no action has been taken.

-Hetero Group gave ₹60 crores in electoral bonds, including ₹10 crore to the BJP in 2023 and ₹50 crore to the BRS in 2022–23.

Regarding Intas Pharmaceutical, the petitioner alleges that in 2020, the company’s Enapril-5 tablet failed the dissolution test by the Maharashtra FDA.

In October 2022, Intas gave ₹20 crore to the BJP and in December 2022, the US FDA flagged serious quality control issues amounting to what it called a “cascade of failure” at an Intas facility in Ahmedabad, following an inspection from November 22 to December 2.

Natco Pharma purchased bonds worth ₹69.25 crore. The petitioner alleges:

-From August 5 to 9, 2019, the US FDA inspected a Natco facility in Mekaguda, near Hyderabad, and concluded with six ‘observations’. Natco responded that it would specify justification and corrective actions in two weeks.

-On July 1, 2022, Natco gave ₹10 crore to the BRS following an inspection of a Natco facility in Rangareddy district, Telangana, from October 9 to 18 in 2023, the FDA reportedly found unclean and ill-maintained equipment that could contaminate the drugs.

-On October 4, 2022, Natco gave another ₹10 crore to the BRS.

Regarding Micro Labs Ltd, the petitioner submits that the income tax department searched more than 40 offices of the Bengaluru-based pharmaceuticals on July 6, 2022.

Micro Labs is the maker of the ubiquitous paracetamol tablet Dolo 650. Officials also searched the residences of its owners. In the same month, the Indian government said the searches revealed “substantial incriminating evidence” of unethical practices and freebies to medical professionals to the tune of ₹1,000 crore.

The same month, the National Pharmaceutical Pricing Authority (NPPA) asked the Indian Pharmaceutical Alliance (IPA) to investigate the matter. The NPPA is an independent regulator attached to the department of pharmaceuticals in the Union ministry of chemicals and fertilisers, and is responsible for pricing drugs to keep them affordable.

The petitioner states that Infina Capital Private Ltd. (Infina), a Kotak entity, donated electoral bonds amounting to ₹131 crores to the BJP from 2019 to 2022.

In September, the IPA cleared the company in a report to the NPPA, declaring the “₹1,000 crore expenditure on a single brand Dolo 650 on freebies in one year” to be “not correct”.

In October 2022, Micro Labs purchased electoral bonds worth ₹6 crore, which were encashed by the BJP.

The petitioner buttresses its claims, relying upon reports published by The Hindu, Scroll.in and Reporter’s Collective. These reports can be read [here](#), [here](#) and [here](#).

The petitioner argues that there is a huge difference in the donations made by the companies before and after the enactment of the 2018 electoral bonds scheme.

Many top donors after 2018, when they could take the shield of anonymity, never donated large amounts before the enactment of the scheme.

The petitioner also submits that none of the top 30 donors of the AITMC and Biju Janata Dal (BJD) appear to have directly given funds to them in the five years before the scheme, adding that there does not appear to be any record of Megha Group, the largest donor for the BJP, having donated to the party before 2018.

Large donations by loss-making and shell companies

The petitioner claims that the electoral bonds data has shown that various loss-making companies and shell companies were donating huge sums to political parties through electoral bonds, which were apparently being used as a medium to launder illicit money by corporate houses.

“It is evident from the fact that many companies having little profits gave large donations to many political parties, especially ruling parties, suggesting laundered money finding its way into the coffers of the political parties.

“That the source of these funds from these shell companies is unknown and a matter of investigation as apparently names and know your customer (KYC) of these companies have been used by other entities to launder their illicit money,” the petitioner submits.

The petitioner refers to a report published by The Hindu with an independent research team, which shows that the sources of funds of as many as 45 companies or donors of electoral bonds are under suspicion.

Torrent Group, which includes Torrent Pharmaceuticals, bought ₹184 crore worth of electoral bonds from May 2019 to January 2024. These bonds went to eight different political parties.

As per the report: “Thirty-three companies donated an aggregate sum of ₹576.2 crore in electoral bonds, out of which ₹434.2 crore (nearly 75 percent) was encashed by the BJP.

“These companies had negative or near zero profit after tax in aggregate over seven years, from 2016–17 to 2022–23. The aggregate net losses of these 33 companies were over ₹1 lakh crore.

“Sixteen out of these 33 companies (category A) paid zero or negative direct taxes in aggregate. That these loss-making companies made such substantial donations indicates they could be acting as fronts for other firms or have misreported their profits and losses— raising the possibility of money laundering.

Many top donors after 2018, when they could take the shield of anonymity, never donated large amounts before the enactment of the scheme.

“Six companies donated a total of ₹646 crore, out of which ₹601 crore (93 percent) was encashed by the BJP. They had positive net profits in aggregate from 2016–17 to 2022–23, but the amounts donated through EBs exceeded their aggregate net profit significantly.

“These companies (category B) could also have acted as fronts for other companies or have misreported their profits and losses. Three companies donated an aggregate sum of ₹193.8 crore, out of which ₹28.3 crore (around 15%) was encashed by the BJP.

“Of the rest, the Congress received ₹91.6 crore (47 percent); the Trinamool Congress, ₹45.9 crore (24 percent); the BRS and the BJD, ₹10 crore (close to 5 percent) each; and

the AAP, ₹7 crore (3.6 percent). These three companies had positive net profits but reported negative direct taxes in aggregate from 2016–17 to 2022–23. Such companies (category C) could have engaged in tax evasion.

“Three companies (category D) donated a total of ₹16.4 crore in electoral bonds, out of which ₹4.9 crore (around 30 percent) was encashed by the BJP and the rest by the Congress (58 percent), Akali Dal and JD (U), 6.1 percent each.

“These three companies had no reported data on net profits or direct taxes paid for the entire seven-year period which raises the question of whether the donors were shell companies that were involved in money laundering.”

On the basis of these reports, the petitioner argues that loss-making companies and shell companies paying hundreds of crores of rupees through electoral bonds with unknown sources of funds attract the provisions of the Prevention of Money Laundering Act, 2002 and need to be investigated.

Searches revealed “substantial incriminating evidence” of unethical practices and freebies to medical professionals to the tune of ₹1,000 crore by Micro Labs, maker of the ubiquitous paracetamol tablet Dolo 650.

“Electoral bond data suggests that 19 of the companies which donated nearly ₹100.9 crore to political parties were termed ‘high risk’ companies by the ministry of finance’s financial intelligence unit (FIU) for violating rules under PMLA, 2002.

“Interestingly, 18 of these 19 companies which purchased electoral bonds did not appear in the FIU’s subsequent annual lists of ‘high risk’ NBFCs,” the petitioner submits. <https://theleaflet.in/what-is-the-pil-on-the-quid-pro-quo-in-the-electoral-bond-scheme-all-about/>

2. Kaleshwaram Lift Irrigation Scheme panel open to summoning ‘anyone’ (*prabhatkhabar.com*) 26 April 2024

HYDERABAD: Uncertainty looms over whether former chief minister K Chandrasekhar Rao will be summoned by Justice Pinaki Chandra Ghose, heading a judicial commission investigating the irregularities and corruption allegations in the Kaleshwaram Lift Irrigation Scheme. When TNIE posed the same question to Justice Ghose, who commenced his work at the BRKR Bhavan on Thursday, he shot back: “Do you want me to summon him?”

When TNIE reminded that Justice BK Somasekhara, the one-man Commission of Inquiry that probed into the alleged scam in paying compensation for the land acquired for the Yeleru canal in combined Andhra Pradesh summoned former chief minister N Chandrababu Naidu, Justice Ghose said that functioning and thinking of one judicial commission would be different from other. He, however, hastened to add that ‘facts’ were more important than ‘faces’. He was also non-committal about summoning KCR. He, however, said that if needed, they would summon anyone. The Commission issued a notification seeking suggestions from the public on Kaleshwaram. Once the Commission receives the information, then it may summon the engineering officials

involved in the construction works and the representatives of contracting agencies of KLIS to depose before it.

The Commission would also study the Vigilance and Enforcement report on Medigadda and the Comptroller and Auditor General (CAG) report on KLIS. It also requested the National Dam Safety Authority (NDSA) to give its preliminary report immediately.

Justice Ghose told TNIE that he would visit Medigadda, Annaram and Sundilla barrages in his next visit to the state. The deadline for him to submit the report is June 30. However, the Commission wants to give its report at the earliest.

Uttam meets Justice Ghose, expects NDSA report on KLIS in next 4 days

Earlier, Irrigation Minister N Uttam Kumar Reddy, Irrigation Secretary Rahul Bojja and Special Secretary Irrigation Prashant Patil paid a courtesy call on Justice PC Ghose.

Uttam said that they were expecting NDSA report on KLIS in next four days. He said that the government would follow the suggestions given by NDSA.

Notification issued

The Ghose Commission issued a public notice seeking suggestions from the public on Kaleshwaram on Thursday.

“The general public is hereby informed that, they can submit their representations/allegations or grievances with evidence in the form of notarised sworn in affidavit only in a sealed envelope. Any representation without evidence or without sworn in affidavit shall not be entertained by this Commission. Sealed envelopes can be put in a drop box at the Commission office till May 31, from 11 am to 3 pm on working days in the Peshi of the Commission, located at the BRKR Bhavan, Tank Bund Road, Hyderabad.”

The state government in exercise of powers conferred by Section (3) of Commission of Inquiry Act, 1952 (Central Act No 60 of 1952), has appointed Justice Pinaki Chandra Ghose, former Judge of Supreme Court, to conduct inquiry on certain allegations of irregularities and embezzlement of public funds by corrupt practices in constructing of barrages of Medigadda, Annaram and Sundilla reservoirs of Kaleshwaram project. <https://www.newindianexpress.com/states/telegana/2024/Apr/26/kaleshwaram-lift-irrigation-scheme-panel-open-to-summoning-anyone>

3. कैग टीम की अंतिम बैठक मुंगेर विश्वविद्यालय की बढ़ायेगी परेशानी. टीम ऑडिट कर रही है (prabhatkhabar.com) 25 April 2024

प्रतिनिधि, मुंगेर. मुंगेर विश्वविद्यालय में फरवरी माह से ही नियंत्रक एवं महालेखा परीक्षक (कैग) की टीम ऑडिट कर रही है. वहीं अब टीम का ऑडिट भी अंतिम चरण में है. जिसे लेकर कैग की टीम जल्द ही विश्वविद्यालय के अधिकारियों के साथ बैठक करेगी. ऐसे में इस बैठक से एमयू के लिए परेशानी बढ़ने वाली है, क्योंकि तीन माह में कैग टीम द्वारा मांगी गयी कई जानकारी विश्वविद्यालय

उपलब्ध कराने में पीछे रह गया है. बता दें कि कैग टीम द्वारा अपने ऑडिट के दौरान ही विश्वविद्यालय से साल 2018 से अबतक कॉलेजों में संचालित विषयों, उनके संबंधन, फीस स्ट्रक्चर सहित वित्त विभाग से जुड़े कई मामलों को लेकर जानकारी मांगी गयी थी. लेकिन विश्वविद्यालय प्रशासन इसमें से कई मामलों में अबतक जानकारी कैग टीम को उपलब्ध नहीं कराया गया है. हलांकि बुधवार को कुलपति ने अधिकारियों के साथ बैठक कर टीम को सभी जानकारी उपलब्ध कराये जाने पर चर्चा की गयी. लेकिन सवाल यह है कि प्रमोशन, आपसी आंतरिक कलह आदि से जूझ रहे एमयू के अधिकारी, जब तीन माह में टीम को जवाब नहीं दे पाये तो अब मात्र कुछ दिन में विश्वविद्यालय के लिए टीम को जवाब देना मुश्किल ही होगा.

3.75 करोड़ एडवांस भी गोलमोल

बता दें कि अपने ऑडिट के दौरान कैग द्वारा विश्वविद्यालय से साल 2018 से अबतक विभिन्न कार्यों के लिए कॉलेज, अधिकारी व कर्मियों को दिये गये लगभग 3.75 करोड़ रुपये के एडवांस से संबंधित जानकारी मांगी गयी थी. हलांकि इसे लेकर विश्वविद्यालय द्वारा उस समय तो जवाब दे दिया गया कि जल्द ही एडवांस सेटलमेंट कर लिया जायेगा. लेकिन एमयू प्रशासन अबतक 3.75 करोड़ रुपये के एडवांस सेटलमेंट में केवल कॉलेजों के साथ बैठक ही कर पाया है.
<https://www.prabhatkhabar.com/local-news/kaig-ttiim-kii-antim-baitthk-munger-vishvvidyaaly-kii-bddh-aayegii-preshaanii-ttiim-ondditt-kr-rhii-hai>

SELECTED NEWS ITEMS/ARTICLES FOR READING

4. 2024 Lok Sabha elections to be costliest ever, expenditure may rise to Rs. 1.35 lakh crore: Expert (*indiatvnews.com*) Updated: April 25, 2024

The 2024 general elections for the 18th Lok Sabha are poised to break the earlier records to become the most expensive electoral event in the world, according to a poll expert. The estimated expenditure is expected to reach a staggering Rs 1.35 lakh crore, claimed N Bhaskara Rao, who chairs the Centre for Media Studies (CMS) and has been tracking election spending for 35 years. The figure is more than double as compared to expenditure in 2019.

According to Rao, this comprehensive expenditure includes all the spending related to polls – direct or indirect– encompassing that by political parties and organisations, candidates, the government and the Election Commission. In an interview with PTI, Rao said he revised the initially estimated expenditure from Rs 1.2 lakh crore to Rs 1.35 lakh crore, considering the electoral bond disclosures and accounting for all election-related expenses.

“Initially, we estimated the expenditure at Rs 1.2 lakh crore. However, post the electoral bond stake disclosures, we’ve revised the figure to Rs 1.35 lakh crore,” he said, adding that this estimate covered spending that took place 3-4 months before voting dates were announced. Rao emphasised that money flowed into the electoral process through various means beyond electoral bonds.

Election Commission budget expected to be 10-15 per cent: Rao

The Election Commission’s budget to manage the polls is expected to be 10-15 per cent of the total expenditure projection while media campaigns across various platforms are predicted to account for 30 per cent of the total election spend, claimed Rao. “Pre-election activities are integral to campaign spending by parties and candidates, covering political rallies, transportation, hiring of workers including field and influencers and even the controversial horse-trading of political leaders,” Rao said.

“While visible spending is concentrated in the 45-day direct campaign period, the actual expenditure far exceeds this amount,” he added. In 2019, the CMS reported that the Bhartiya Janta Party accounted for 45 per cent of the total expenditure of Rs 60,000 crore, which Rao believes will increase in the 2024 elections. Apart from that, Rao identified six key trends in the ongoing general election -- prolonged pre-poll activities, affluent candidates dominating the fray, the ‘Mandi’ phenomenon of political crossovers, manipulation through various channels, lack of fair play, and the power dynamics favouring incumbents. <https://www.indiatvnews.com/news/india/2024-lok-sabha-elections-to-be-costliest-ever-expenditure-may-rise-to-rs-1-35-lakh-crore-expert-2024-04-25-927961>

5. Nearly half of population now have PAN, male-female ratio coming down, show I-T dept data *(thehindubusinessline.com)*

Updated - April 26, 2024

The data also showed that over 14 crore PANs are facing the threat of becoming in-operative as they are not linked with Aadhaar

Nearly half of India’s population has not got Permanent Account Number (PAN), latest data from the Income Tax Department showed. Though the gap between the number of male and female PAN holders still exists, but that is closing now.

The data also showed that over 14 crore PANs are facing the threat of becoming in-operative as they have not been linked with Aadhaar (as on March 31).

According to the data, over 74.67 crore PANs have been issued till March 31, 2024 which is 10 per cent higher than 67.67 crore as of March 31, 2023 which is nearly 2500 per cent over 2.76 crore as of March 31, 2014. Nearly 97-98 per cent of PAN holders were individuals and the number of male holders was higher than that of female holders.

According to the data, male-female ratio is coming down. It was 1.96 in FY14. It was dropped to 1.69 at the end of FY19 and it was further dipped to 1.35 at the end of FY24.

As On March 31	Male (In Crore)	Female (In Crore)	Transgender (In Thousands)	Tot Ind
2014	1.83	0.93	-	2.76
2019	27.35	16.17	2,662	43.52
2024	42.10	31.05	18,205	73.15

Officials have listed multiple reasons for the rise in the number of PAN holders. Besides the mandatory requirement of PAN in various financial transactions, reasons such as higher rate of tax deducted at source (TDS) or tax collected at source (TCS) in the absence of PAN or inoperative PAN and ease of obtaining PAN contributed to the growth of PANs.

With the further rise of number of female investors, the gap between male and female will come down further, per the officials.

Out of 74.67 crore PANs, over 60.5 crore have been linked with Aadhaar till March 31, 2024. The mandatory PAN-Aadhaar linkage helped in weeding out large number of duplicate PANs.

After many extensions, June 30, 2023 was set as the last date for linking and from July 1, any such unlinked PAN became 'inoperative'. However, such a PAN can be made 'operative' by paying a late fee of ₹1,000.

If PAN-Aadhaar is not linked, an individual is not entitled for income tax refunds.

Though such individual gets the refund after the linkage, no interest amount will be paid for withholding the refund.

Notably, in the absence of linkage, TDS or TCS is two times more than the normal rate.

Also, an inoperative PAN can be a hindrance to various financial transactions. Rule 114(B) of the Income-Tax Rules prescribes 18 types of financial transactions where quoting PAN is mandatory. These include all transactions related to the sale or purchase of a vehicle (excluding two-wheelers), opening a bank account (Jan Dhan or a basic account is exempt), applying for a credit or debit card, and opening a demat account.

Finance Act, 2019, prescribes the interchangeability of PAN and Aadhaar. This means if one does not have PAN, he can quote unique identity number for all the 18 financial transactions where quoting PAN is mandatory. Here, too, an SMS alert is generated. When one doesn't have PAN and quotes Aadhaar number, the I-T Department automatically allocates a PAN to from the back-end.

<https://www.thehindubusinessline.com/economy/nearly-half-of-population-now-have-pan-male-female-ratio-coming-down-show-i-t-dept-data/article68108827.ece>

6. Bridging digital gap must for financial inclusion: RBI DG (*financialexpress.com*) Apr 26, 2024

Bridging the digital divide is crucial for ensuring everyone can participate in the modern financial system, he said.

As the banking services increasingly become digital, there is a risk of excluding certain people from the financial system who lack access or are not familiar with using online, digital mobile banking applications, Reserve Bank of India (RBI) deputy governor Swaminathan J said at the Conclave on Financial Literacy in Madurai.

Accordingly, bridging the digital divide is crucial for ensuring everyone can participate in the modern financial system and efforts must be made to build tailored digital literacy programmes that cater to the specific needs and capabilities of different demographic groups.

“These programmes can provide hands-on training on how to use digital financial services, navigate online platforms, and protect against cyber risks, thereby empowering individuals to fully participate in the digital economy,” he said.

There must be synchronisation at the ground level between different stakeholders such as lead district manager, district development manager, block-level officials, NGOs, among others, to ensure that there is no gap in the availability of counsellors to ensure banking activities are carried out seamlessly.

Awareness among women customers regarding the modern banking system is also of paramount interest, he said, as once educated, women serve as primary educators within their own families. “It is said that ‘educate a man, you educate only one person. If you educate a woman, you educate a generation’,” the DG said.

Apart from the RBI running awareness campaigns via social media, lead banks had established more than 1,500 financial literacy centres at various district headquarters, he said. Further, 2,406 centre for financial literacy have been operationalised across India presently, he said. <https://www.financialexpress.com/policy/economy-bridging-digital-gap-must-for-financial-inclusion-rbi-dg-3468825/>

7. Proposed Indian Military Airworthiness Bill 2024: Elevating Aircraft Safety to New Altitudes (*financialexpress.com*) 26 April 2024

MAAs share common goals, but cross-interpretation of regulations is complex and resource-intensive, demanding dedicated efforts.

In the dynamic landscape of military technology, policy acts as a catalyst for innovation, driving investment, research, and development towards strategic objectives. It creates the framework within which technological advancements can be harnessed to enhance national security and defence capabilities along with ensuring flight safety. Despite significant efforts to enhance aircraft safety, accidents still occur. Since its establishment in 1944, the International Civil Aviation Organization (ICAO) has played a crucial role in setting global safety standards for civil aviation, leading to a reduction in crashes, particularly post-1970s, despite the rising number of flights annually. In contrast, there are no universally adopted rules for military aviation, where risk tolerance is higher due to their operations, often involving explosive ordnance. Each nation bears the responsibility to ensure military aircraft operations don't compromise civilian flight safety. While Military Aviation Authorities (MAAs) generally align their regulations with ICAO principles, compliance isn't mandatory. MAAs share common goals, but cross-interpretation of regulations is complex and resource-intensive, demanding dedicated efforts.

An aviation session on “Challenges and Road Map to Certification and Qualification of Indigenous Systems” was held during the 2nd Edition of the Indian Navy’s Naval Innovation and Indigenization (NIIO) Seminar – ‘Swavlamban 2023’ from Oct 4 – 5, 2023, which had amply emphasised on this bill. All the speakers had dwelled that ‘No machine can be built which never fails ‘or’ No human could be found who never commits error.’ Consequently, all modes of transportation have to tolerate a certain amount of risk or lack of safety. The ‘level of safety’ becomes a complex concern when formulating standards because achieving absolute safety is hypothetical and can only be realized at an infinite cost. Therefore, the airworthiness standards need to strike a balance between safety concerns, cost, and practicability from a design and manufacturing perspective. A fundamental difference between civil and military airworthiness and certifications lies in the fact that military aircraft designs often incorporate technologies that are not yet proven to their maturity to gain a slight edge over their contemporaries.

There has been a significant development within the Indian legislative landscape, which has missed the attention due to the ongoing festival of democracy. The Draft Indian Military Airworthiness Bill 2024 has been introduced, aiming to fortify the safety standards and regulatory framework concerning military aircraft operations within the country. The bill, likely to be tabled in the Parliament this year, has ignited debates and discussions among policymakers and aviation experts alike. The detailed draft bill is available at the DGAQA website <https://dgaeroqa.gov.in> from 16 Apr 24.

The proposed legislation seeks to address longstanding concerns regarding the airworthiness and safety protocols governing military aircraft utilized by the Indian Armed Forces. With a primary focus on enhancing safety measures and ensuring compliance with internationally recognized standards, the bill outlines stringent guidelines and procedures to be adhered to by defence establishments and aircraft manufacturers. One of the key provisions of the bill entails the establishment of a specialized regulatory authority dedicated to overseeing the airworthiness certification process for military aircraft. This authority will be entrusted with the responsibility of conducting thorough inspections, audits, and assessments to ascertain the compliance of aircraft with prescribed safety norms and technical specifications. This authority has been known as Centre for Military Airworthiness & Certification (CEMILAC), is a regulatory body under DRDO, vested with the responsibility of Airworthiness certification of military Aircraft, Helicopter, Unmanned Aerial Systems (UAS), Aero-engines, Air launched weapons and other Airborne stores. One other important pillar towards military airworthiness is the Directorate General of Aeronautical Quality Assurance (DGAQA), which is an organisation under the Department of Defence Production, Ministry of Defence. This organisation is the regulatory authority for Quality Assurance and final acceptance of Military Aircraft, Unmanned Aerial Vehicles (UAVs), Aero Engines, Airborne Systems, Avionics, Armaments, Consumables (FOL Stores), Allied Ground Systems and Missiles during Design & Development, Production, Repair, Modification and Overhaul/ Repair at various Defence PSUs, Ordnance Factories and Private Firms. It also ensures QA requirements during acquisition of defence aeronautical stores by Ministry of Defence as per the provision of DDP & DPM. This bill intends to empower both these organisation

Furthermore, the bill underscores the imperative of fostering collaboration and knowledge-sharing between relevant stakeholders, including defence agencies, aviation

authorities, and industry representatives. By fostering a conducive environment for exchange of expertise and best practices, the legislation endeavours to foster a culture of continuous improvement and innovation in the realm of military aviation safety. Here are some references to regulations and rules governing military aircraft airworthiness in the United States and Europe:

United States Department of Defence (DoD) Instruction. This instruction provides guidance on the management of military aviation safety within the United States Department of Defence. It outlines policies and procedures for ensuring the airworthiness of military aircraft and related systems.

Federal Aviation Administration (FAA) Regulation. While primarily applicable to civilian aircraft, Part 25 of the FAA regulations contains airworthiness standards for transport category airplanes. Some aspects of these standards may also be relevant to military aircraft design and certification, particularly for joint military-civilian platforms.

Military Standard (MIL-STD) 882E. This standard, titled “System Safety Program Requirements,” is used by the U.S. military to establish safety requirements for military systems, including aircraft. It provides guidelines for identifying and mitigating hazards throughout the system lifecycle.

Department of Defence (DoD) Directive 5030.61. It was promulgated in May 2013 to resolve two major issues, i.e differences in US service airworthiness policy, especially for the flight in foreign owned aircraft and airworthiness policy harmonization across DoD, particularly non service specific AW organisation.

Europe

European Defence Agency (EDA) – Military Airworthiness Authorities (MAWA): The EDA collaborates with European Union member states to establish common standards and procedures for military airworthiness. The MAWA network facilitates coordination among national military airworthiness authorities to ensure interoperability and safety of military aircraft.

European Aviation Safety Agency (EASA): While primarily responsible for civilian aviation safety regulation in Europe, EASA also plays a role in military airworthiness through cooperation agreements with individual EU member states. EASA’s expertise and regulations may influence certain aspects of military aircraft certification and operation.

NATO Standardization Agreement (STANAG) 4671: STANAG 4671 provides guidelines for the airworthiness certification of military aircraft within the NATO member states. It aims to harmonize airworthiness requirements and procedures to facilitate interoperability and cooperation among allied nations.

These references reflect the diverse regulatory landscape governing military aircraft airworthiness in the United States and Europe, encompassing both national and international standards and guidelines. We are in need to create regulation in their

parlance, since the GoI bid to support exports in military equipment would need our OEMs to be of world standards.

In addition to bolstering the regulatory framework, the Indian Military Airworthiness Bill 2024 also emphasizes the significance of robust maintenance, training, and operational practices to uphold the airworthiness of military aircraft throughout their service life. Provisions aimed at enhancing personnel competency and proficiency, coupled with periodic maintenance and inspection regimes, are envisaged to play a pivotal role in safeguarding the integrity and reliability of the Indian Armed Forces' aviation assets.

While the bill has garnered commendation for its proactive approach towards enhancing aircraft safety standards, it has also evoked apprehensions regarding its potential implications on defence procurement timelines and operational readiness. Critics argue that the stringent regulatory requirements may inadvertently lead to delays in the acquisition and deployment of vital military assets, thereby posing challenges to national security preparedness.

I would once again invoke Winston Churchill's words, "Safety does not come out of the blue. It is the child of constant vigilance," emphasizing the critical role of military airworthiness and certification in building trust and ensuring safety. As the Indian Military Airworthiness Bill 2024 progresses through the legislative process, it remains subject to further deliberations, amendments, and consultations to address the diverse perspectives and concerns raised by stakeholders.

I would like to conclude by saying, "Policy shapes the trajectory of military technology, guiding research priorities and investment decisions to address emerging threats and operational challenges. Through strategic planning and resource allocation, policy accelerates the adoption of transformative technologies that bolster our defence capabilities. With safety and operational efficiency standing as paramount considerations, the formulation and implementation of effective regulatory measures hold the key to ensuring the airworthiness and reliability of India's military aviation fleet in the years to come." <https://www.financialexpress.com/business/defence-proposed-indian-military-airworthiness-bill-2024-elevating-aircraft-safety-to-new-altitudes-3469370/>

8. Can green credits benefit India's forests? (*thehindu.com*) April 26, 2024

The Green Credit Programme, announced by the Environment Ministry in October 2023, is a market-based mechanism where individuals and companies can claim incentives called 'green credits' for contributions to environmental and ecological restoration. However, there is criticism that these initiatives may be used to circumvent existing laws, particularly those that deal with forest conservation. Can green credits benefit India's forests? Vaibhav Chaturvedi and Debadityo Sinha discuss this in a conversation moderated by Jacob Koshy. Edited excerpts:

Vaibhav, how do you understand the green credit programme as it stands today?

Vaibhav Chaturvedi: The larger point is we have to incentivise green action and sustainable action and create a system where green actions are undertaken by many actors. You could do it in different ways such as having a 'command and control' policy that directs everybody to undertake action at the risk of penalties. But in policymaking, the role of incentives is important. Green credits fit in as an incentive architecture to deliver on, for instance, water conservation and afforestation by involving individuals and corporations.

Debadityo Sinha: This is a market-based incentive mechanism, and it has six or seven sectors, including forest and waste management. But it matters how you execute it on the ground. Are those implementing it aware of ground-level challenges? What is the expertise of the people implementing it? The scheme is not a bad one, but going by the guidelines alone, it could have been better. It is taking a very narrow view of only planting trees to earn credits. It has missed out on several other aspects of the ecosystem.

The guidelines aim to incentivise the restoration of degraded forest land. A forest can degrade for a variety of reasons, natural and man-made. Afforestation may seem like a positive end in itself, but couldn't there be negative consequences too? Such as monocultures or promoting vegetation that is not suitable for the place?

Vaibhav Chaturvedi: That's a valid concern. But it is not specific to the green credits programme. India has always promoted plantations and it has unfortunately promoted monocultures in several places. It is possible that the green credit programme could have similar fallouts and you have to be careful not to incentivise these monoculture plantations.

As Debadityo said, this is an incentive scheme in a market-based formulation. For example, the government could also incentivise planters by paying, say, ₹100 per tree. You get capital subsidies for solar plants. Being a market-based incentive approach, there has to be a demand and supply side. In carbon markets, the commodity is carbon credits. Here, it is green credits.

But plantations and monocultures were also driven by incentives. Can you regenerate a forest ecosystem in a market mechanism without compromising on biodiversity?

Debadityo Sinha: There are two aspects to it: the land where you're going to have plantations and how you're going to do the plantations. The guidelines require States to identify degraded forests within their jurisdiction. Now, a forest is not just trees; there can be open patches within it. We have more than 200 types of forests. The forests of the Central Indian landscape, the whole Deccan Peninsula, and Leh-Ladakh are not dominated by trees. There are bushes and many other things. What happens when plantations come up in these areas? There's a huge incentive now; it's not small like the Compensatory Afforestation schemes. Wherever these schemes have promoted plantations, we have seen disaster. We have seen forest departments promoting plantations by clearing existing vegetation, uprooting local trees, planting big ones using JCBs and tractors. Such approaches can impact local biodiversity, soil health... For regeneration, you don't have to do any major intervention, you have to just protect the area from disturbances. And in 10-15 years, we can have a good natural forest supporting biodiversity and benefiting local communities.

Let's say a 1,000 trees are planted. After two years, an independent body will do a verification. And let's say growing 1,000 trees in a particular patch earns you one green credit per tree. Now, the interesting thing is, this could be connected to voluntary carbon markets. In your experience in market-based mechanisms, we are familiar with carbon offsets as they are measurable quantities. Can you actually devise a logical trading system around such a philosophy of green credit and carbon?

Vaibhav Chaturvedi: It is important to look at the larger picture. The larger picture is we want to incentivise biodiversity conservation of endemic forests, promote local species, etc. There will always be measurement problems. Like, how do you measure the biodiversity impact of two trees that are, say, 200 meters apart? Of course, it is going to be very confusing, and that science is evolving. But let us take it that we will never be able to resolve that perfect scientific measure and that is where social science comes in. The social science part is, do we have a reasonable measurement? An imperfect but reasonable measurement only means that a larger set of stakeholders, civil society, and the media are okay with that approach. I think the trap that we often fall into is trying to get to the perfect measure. Ideally, the government should have a lot of money and there should be no need for a market mechanism; the government can already give money for these kinds of programmes. We know there is a fiscal constraint in a developing economy. So, these kinds of instruments where you are leveraging money from especially the private sector are good.

Let's say you're growing some forests for sequestering carbon. I can understand that. But let's say in a desert or some other ecosystem trees don't work and you need shrubs, for instance. Now, you can set a goal of reviving the ecosystem of this place. Can you say how many units of ecosystem revival is equal to the units of carbon that are captured? And extend that to groundwater recharge and air pollution? Do you think all these criteria are commensurable?

Vaibhav Chaturvedi: That's the biggest challenge with this market — fungibility. Let's say in the carbon market, there are many different kinds of projects. There is a solar project, there is a cookstove project, there is a forestation project. Ultimately, whatever they do, they save one unit of carbon and it can be measured. In green credits, one is a biodiversity credit, one is a water conservation credit. How do you, on the same platform, equate a credit of one unit of water conservation with one unit of ecosystem restoration? So yes, fungibility is not there and that is a challenge. The whole idea behind markets is that there are many suppliers and then many people demand the same commodity. That's how you have something that is close to a perfect market. Here, what you will end up having is five projects, which are about water conservation. And then on the demand side also five people who are interested in water conservation. So, they will be backing this trade. So the market will still function. But they are definitely not fungible commodities.

How will the government's Green Credit Programme work? | In Focus podcast

Debadityo Sinha: One important aspect is how green credits will influence mandatory compliances. For example, in the case of forest clearances, the guidelines say the green credits earned from these conditions can be used while applying for forest clearances. And again, the problem is, can you separate forest, water, biodiversity, and livelihood? Can you make them uniform? Every place is different, unique. So, there is a problem.

And I think this is going with the assumption that we are not going to compromise on our industrial growth, economic growth, that is something which is primary. All these things are taken care of, and industry should not be threatened that such a law is there. So basically, it is more of ease of doing business.

Just to build on that, the way this is structured, do you think it clashes with any of our other environmental laws?

Debadityo Sinha: Definitely. At least in this guideline, I can see clearly the clashes with the Forest Conservation Act. First there's no definition of forest, and no definition of degraded forest. So, we end up wrongly categorising open natural ecosystems also as forest. Second, this programme ends up bypassing the whole forest clearance process just to help the industries get green credits. While applying (for forest clearance) they will say, "I have already green credit, you give me the clearance quickly." Normally, you have stage one, stage two – a step by step process — and this is a longer process but ideal. This is because when things are so complicated, we have to take a very nuanced approach and you have to follow all the principles of environmental law, which anyway is compromised in our country. So we should take the steps to strengthen it. <https://www.thehindu.com/opinion/op-ed/can-green-credits-benefit-indias-forests/article68106159.ece>

9. Real costs: Why solar and wind energy are not market winners yet (*livemint.com*) 25 Apr 2024

Claims that wind and solar energy are now cheaper than fossil fuel-based energy are misleading as these refer to costs only when the sun is out or wind blowing but don't account for intermittency.

Despite us constantly being told that solar and wind are now the cheapest forms of electricity, governments around the world needed to spend \$1.8 trillion on green transitions last year. "Wind and solar are already significantly cheaper than coal and oil" is how US President Joe Biden conveniently justifies spending hundreds of billions of dollars on green subsidies. Indeed, arguing that wind and solar is the cheapest is a meme employed by green lobbyists, activists and politicians globally. Unfortunately, as that \$1.8 trillion price-tag shows, the claim is deceptive.

Wind and solar energy only produce power when the sun is shining or wind is blowing. All the rest of the time, backup systems are needed, which makes their electricity enormously expensive. This is why global electricity remains almost two-thirds reliant on fossil fuels—and why we, on current trends, are an entire century away from eliminating fossil fuels from the generation of electricity.

The intermittency of green energy takes the 'cheapest electricity' claim apart. Modern societies need power 24/7, so unreliable and intermittent solar and wind sources entail large and often hidden costs. This is a smaller problem for wealthy countries that have already built fossil-fuelled power plants and can simply use more of them as backup. It will, however, make electricity more expensive, as intermittent renewables make everything else intermittent too.

In countries that are poor and electricity-starved, there is little fossil-fuel energy infrastructure to begin with. Hypocritical wealthy countries refuse to fund sorely needed fossil fuel energy in the developing world. Instead, they insist that people cope with unreliable green energy supplies that can't power water pumps or agricultural machinery to lift populations out of poverty.

It is often reported that large, emerging industrial powers like China, India, Indonesia and Bangladesh are getting more power from solar and wind. But these countries get much more additional power from coal. Last year, China got more additional power from coal than it did from solar and wind. India got three times as much, whereas Bangladesh got 13 times more coal electricity than it did from green energy sources, and Indonesia an astonishing 90 times more. If solar and wind energy really were cheaper, why would these countries miss out? Because reliability matters.

The typical way to measure the cost of solar simply ignores its unreliability and tells us the price of solar energy when the sun is shining. The same is true of wind energy. This approach does make their cost slightly lower than any other electricity source. The US Energy Information Administration puts solar at 3.6 cents per kWh, just ahead of natural gas at 3.8 cents. But if you reasonably include the cost of reliability, the real cost explodes. One peer-reviewed study shows an increase of 11-42 times, making solar by far the most expensive source of power, followed by wind.

The enormous additional cost comes from the need for storage. Electricity is required even when the sun is not shining and wind is not blowing. Yet our battery capacity is woefully inadequate. Research shows that every winter, when solar contributes very little, Germany has a 'wind drought' of five days when wind turbines also deliver almost nothing. That suggests batteries will be needed for a minimum of 120 hours—although the actual need will be much longer, since droughts sometimes last much longer and recur before storage can be filled. A new study of the US scenario shows that to achieve 100% solar or wind electricity with sufficient backup, the US would need to be able to store almost three months' worth of annual electricity. It currently has 7 minutes of battery storage.

Just to pay for the batteries would cost the US five times its current GDP. And it would have to purchase new batteries when they expire after about 15 years. Globally, the cost of power-storage adequacy would run to 10 times the world's GDP, with a gigantic new bill every 15 years.

The second reason the 'cheapest' claim is false is that it leaves out the cost of recycling spent wind turbine blades and exhausted solar panels. Already, a small town in Texas, US, is overflowing with thousands of enormous blades that cannot be recycled. In poor countries across Africa, solar panels and their batteries are being dumped, leaking toxic chemicals into the soil and water supplies. Because of life spans lasting just a few decades, and pressure from the climate lobby for a rapid ramp-up of renewables, this will only get much worse. Another recent study shows that this trash cost alone doubles the true cost of solar power.

If solar and wind energy really were cheaper, they would replace fossil fuels without the need for a grand push from politicians and the clean-tech industry. The low-cost claim is incessantly repeated because it is convenient. If we want to address climate

change, we must instead invest a lot more in low-carbon energy research and development. Only a significant R&D boost can bring about the technological breakthroughs needed—in reducing trash and improving battery storage and efficiency, but also in other technologies like modular nuclear power—to ensure that clean energy is truly cheaper than energy from fossil fuels. Until then, claims that fossil fuels have been outcompeted are just wishful thinking.
<https://www.livemint.com/opinion/online-views/real-costs-why-solar-and-wind-energy-are-not-market-winners-yet-11714019494717.html>

10. **Asia Climate Report: Why a hotter world is more dangerous for India** (*indianexpress.com*) April 26, 2024

Report shows nature doesn't respect boundaries, makes a case for cooperation.

The warnings issued by scientific studies for more than a decade and a half ring true — people living in coastal areas, mountainous regions, even the plains are all vulnerable to climate vagaries.

The number of people impacted by “disaster” events in Asia in 2023 was lower than that in 2022. That’s the only mitigating finding of the World Meteorological Organisation’s State of the Climate Asia report for the last year — the hottest since global temperature records began to be recorded. Asia faced the most disasters in the world as 79 events associated with extreme weather, climate, and water-related hazards in 2023 affected over nine million people in the region, directly killing over 2,000 people. The findings for India are particularly sobering. Heatwaves, floods and landslides took a heavy toll on life in the country. The warnings issued by scientific studies for more than a decade and a half ring true — people living in coastal areas, mountainous regions, even the plains are all vulnerable to climate vagaries. It’s heartening that the manifestos of the two major parties, Congress and BJP, devote sections to sustainability and green economy. However, the ravages caused by heat, rain and floods are yet to become campaign issues.

Like most climate literature, the report drives home the need to keep temperature rise to levels that help avert catastrophes. But it’s also a warning to be prepared for receding glaciers, rising sea-levels and droughts. Most Asian countries do come together in global forums such as the UNFCCC, but time has come to develop mechanisms of cooperation that will enable people — and cities and towns — to be resilient against climate change. Natural phenomenon rarely respects national boundaries. And, large parts of Asia, especially South Asia, have ecological continuities that make the case for joint work on building defences compelling. The Climate Asia report too should hasten such collaboration. “Precipitation was below normal in the Himalayas and in the Hindu Kush mountain ranges in Pakistan and Afghanistan in 2023, while southwest China suffered from a drought, with below-normal precipitation levels in nearly every month of the year,” it points out.
<https://indianexpress.com/article/opinion/editorials/express-view-on-asia-climate-report-why-a-hotter-world-is-more-dangerous-for-india-9291144/lite/>

11. सांसदों ने जनता के काम पर खर्च किया 20 साल में सबसे कम पैसा, हरियाणा का रिकॉर्ड सबसे खराब (jansatta.com) 26 April 2024

लोकसभा चुनाव 2024 जारी हैं। सांसद कई जगह अपने काम के नाम पर वोट मांग रहे हैं और जनता भी चर्चा कर रही है कि सांसद ने क्या किया? लेकिन, अगर सांसदों को जनता के विकास पर खर्च करने के लिए मिलने वाली रकम (MPLAD) की बात करें तो 17वीं लोकसभा के सांसदों का रिकॉर्ड काफी खराब है। 16वीं लोकसभा के मुकाबले 17वीं लोकसभा में दोगुनी रकम सांसद खर्च नहीं कर सके।

MPLAD को सांसद विकास निधि भी कहा जाता है। कितना पैसा खर्च नहीं हुआ, यह इस टेबल में देखिए:

	कुल आवंटित धन	कितना खर्च नहीं हुआ (करोड़ में)	कितना खर्च नहीं हुआ (प्रतिशत में)
14वीं लोकसभा	14,482	143	0.99
15वीं लोकसभा	10,926	379	3.47
16वीं लोकसभा	14,043	1,228	8.74
17वीं लोकसभा	5,185	842	16.24

Source- MPLAD Portal

हैरान करने वाली बात यह है कि 17वीं लोकसभा में सांसद विकास निधि के तहत दी गई रकम 16वीं लोकसभा के कार्यकाल के दौरान दी गई रकम से बहुत कम थी। लेकिन इसके बावजूद भी सांसद जनता के विकास पर इस रकम को खर्च नहीं कर सके।

आंकड़ों का विश्लेषण करने पर यह भी पता चलता है कि 2019 में चुने गए सांसदों ने अपने निर्वाचन क्षेत्र में सांसद विकास निधि में से 96.3 प्रतिशत पैसे का इस्तेमाल किया जबकि 16वीं लोकसभा में यह आंकड़ा 99% और 15वीं लोकसभा में आंकड़ा 102.7% था।

सांसद निधि खर्च करने में हरियाणा का रिकॉर्ड सबसे खराब रहा है जबकि आंध्र प्रदेश के सांसदों ने सबसे ज्यादा फंड खर्च किया है।

राज्य	सांसदों ने एमपीलैड का कितना प्रतिशत पैसा खर्च किया
हरियाणा	74
जम्मू-कश्मीर	77.5
तेलंगाना	78
पश्चिम बंगाल	80
आंध्र प्रदेश	131
गुजरात	109
कर्नाटक	107.9
हिमाचल प्रदेश	105

कारोना के चलते 17वीं लोकसभा के कार्यकाल के दौरान विधायकों और सांसदों को मिलने वाली इस निधि को 18 महीने तक के लिए रोक दिया गया था। नवंबर, 2022 में इसे फिर से चालू कर दिया गया था।

नवंबर 2022 के बाद से अप्रैल 2024 तक भी सांसदों ने इसे खर्च करने में तेजी नहीं दिखाई वरना 17वीं लोकसभा के दौरान बचे हुए 842 करोड़ रुपए को जनता पर खर्च किया जा सकता था।

MPLAD Scheme: क्या होती है सांसद विकास निधि?

सांसद विकास निधि केंद्र सरकार की योजना है जिसमें सांसद अपने निर्वाचन क्षेत्र में हर साल 5 करोड़ रुपए तक के विकास कार्य करा सकते हैं। यह रकम लोकसभा और राज्यसभा दोनों के सांसदों को मिलती है।

सांसदों के अलावा विधायकों को भी उनके निर्वाचन क्षेत्र में विकास कार्य कराने के लिए सरकार की ओर से रकम दी जाती है। यह हर राज्य में अलग-अलग है। जैसे- दिल्ली में कोई विधायक हर साल 10 करोड़ रुपए के विकास कार्य करवा सकता है जबकि पंजाब और केरल में यह आंकड़ा 5 करोड़ रुपए है। उत्तर प्रदेश के विधायकों को हर साल दो से तीन करोड़ रुपए इस निधि के तहत मिलते हैं।

कैसे काम करती है निधि?

सांसदों और विधायकों को इन योजनाओं के तहत किसी तरह का पैसा नहीं मिलता है। सरकार इस पैसे को सीधे स्थानीय प्राधिकरण के खाते में ट्रांसफर कर देती है। सांसद और विधायक तय दिशा-निर्देशों के मुताबिक ही अपने निर्वाचन क्षेत्र में विकास कार्यों की सिफारिश कर सकते हैं और उसके बाद सरकार इसके लिए पैसे जारी करती है।

इस पैसे का इस्तेमाल सड़क, स्कूल, अस्पताल आदि बनाने में किया जाता है। दिसंबर, 1993 में तत्कालीन प्रधानमंत्री पीवी नरसिम्हा राव ने इस योजना को शुरू किया था। उन्होंने नहीं नेबताया था कि तमाम राजनीतिक दलों के सांसदों की ओर से किए गए अनुरोध के बाद इस योजना को अमल में लाया गया है। <https://www.jansatta.com/jansatta-special/haryana-mps-worst-performance-in-mplad-unspent-funds-17th-lok-sabha/3330404/>

12. राष्ट्रीय आयुर्विज्ञान आयोग:इमरजेंसी मेडिसिन विभाग के स्टाफ पर 2 साल में 1.60 करोड़ खर्च, लेकिन एक भी मरीज का इलाज नहीं किया
(*bhaskar.com*) 26 April 2024

मेडिकल कॉलेजों की कैजुअल्टी में इलाज कराने के लिए आने वाले मरीजों को विशेषज्ञ डॉक्टरों की सेवाएं उपलब्ध कराने के उद्देश्य से राष्ट्रीय आयुर्विज्ञान आयोग (एनएमसी) ने कॉलेजों में एमबीबीएस की मान्यता के लिए इमरजेंसी मेडिसिन विभाग अनिवार्य किया था। इस आदेश पर बुंदेलखंड मेडिकल कॉलेज में अप्रैल 2022 में यह विभाग बनाया गया। <https://www.bhaskar.com/local/mp/sagar/news/160-crores-were-spent-on-the-staff-of-the-emergency-medicine-department-in-2-years-but-not-a-single-patient-was-treated-132931501.html>

13. 90 कॉलेजों में वेबसाइट बनाने पर 5.62 करोड़ खर्च, अधिकतर कॉलेजों में साइट बनी ही नहीं (*bhaskar.com*) Apr 26, 2024

मुजफ्फरपुर | बीआरएबीयू अंगीभूत व संबद्ध कॉलेजों में वेबसाइट बनाने के लिए एजेंसी को 5.62 करोड़ रुपए का भुगतान किया गया है, लेकिन अधिकतर कॉलेजों में अब तक वेबसाइट नहीं बन सकी हैं। जिन कॉलेजों की वेबसाइट बनी है, वह फंक्शनल नहीं है। स्थिति यह है कि कॉलेजों की वेबसाइट पर गवर्नर और कुलपति का नाम भी अपडेट नहीं किया जा सका है, जबकि वेबसाइट बनाने वाली एजेंसी को मेटेनेंस के लिए अलग से पैसे दिए जाते हैं। <https://www.bhaskar.com/local/bihar/muzaffarpur/news/562-crores-spent-on-making-websites-in-90-colleges-most-of-the-colleges-did-not-have-any-websites-132919958.html>

14. 4 years on, Mohali fire dept awaits 90-m hydraulic ladder
(*hindustantimes.com*) Apr 26, 2024

In the wake of construction of high-rise buildings in the city, the municipal corporation (MC) has been sending repeated reminders for the past four years asking GMADA to purchase a fire tender with a hydraulic fire platform at least 90-m high to ensure safety of those residing on higher floors

Even as over 50 fires have already been reported in March and April in Mohali amid the rising temperature, the Greater Mohali Area Development Authority (GMADA) is yet to provide the much-needed 90-m hydraulic ladder to the fire department.

In the wake of construction of high-rise buildings in the city, the municipal corporation (MC) has been sending repeated reminders for the past four years, asking GMADA to purchase a fire tender with a hydraulic fire platform at least 90-m high to ensure safety of those residing on higher floors.

Mohali fire department received a total of 342 fire calls from April 1, 2023 till March 31, 2024. According to the officials, farm fires, fires in the electricity metres installed in the flats or houses besides fire in factories have increased in summer.

Requesting the hydraulic platform, the MC authorities had reasoned that as GMADA has already passed high-rise buildings up to the height of 90 m in the city and there is possibility of construction of much taller buildings in future and the fire department currently has a tender with only a 54-m high hydraulic platform.

Mohali fire station officer Jaswinder Singh said, “In case of fire accidents in the buildings having height of 90 m or to conduct any rescue operation in those buildings, GMADA should either purchase 90 m or above hydraulic platform for the fire station or else release funds for the purchase of the same.”

After repeated requests and notices, GMADA held a meeting with the MC officials and the fire department in November 2023 ensuring them of releasing the funds soon but discussions remained only on paper.

“We have sent multiple reminders to GMADA requesting them to release the funds but to no avail,” MC commissioner Navjot Kaur said.

Notably, Mohali fire officials had earlier requested the MC authorities to purchase a 104-m high hydraulic platform following which the civic body had contacted the Mumbai chief fire officer to seek suggestions. The proposal was turned down by the authorities concerned later, citing that Mohali has shorter buildings than Mumbai, where the fire department has a 90-m ladder.

A senior MC official, meanwhile, said the 104-m ladder would cost around ₹35 crore while the 90-m ladder would cost around ₹30 lakh.

Another fire officer said that keeping the future in mind, authorities should consider purchasing a 104-m hydraulic ladder. “With the kind of development going and the high rise buildings coming up in Mohali, there will be a definite need for a 104-m ladder in case of fire emergency on higher floors. Yet, the authorities are sitting on the proposal and the repeated requests, not providing us the much-needed hydraulic ladder,” an officer said.

Mohali fire department has a total of 10 fire tenders, including a foam tender and water bowser with capacity of 9,000 litre.

GMADA officials did not respond on the issue.

500 notices served in two months for inadequate fire safety measures

Notably, the local fire department issued over 500 notices to many renowned banks, eateries, jewellers and showrooms in Phase 5, 3B2, Sohana and industrial units for inadequate fire safety systems within a span of two months.

According to officials familiar with the matter, the fire department identified five government buildings without proper fire safety systems, including the local civil hospital and GMADA building, and issued notices to them. Fire officials said after a fire safety audit recently, a proper fire safety system was installed at both buildings.

Fire Safety Week celebrated

Local fire department celebrated fire safety week from April 14 to 20 in the memory of 66 firemen who lost their lives while dousing the flames erupted in a ship carrying explosives of the navy at a Mumbai port on April 14, 1944.

Fire officer Sikandar Singh said the fire department, during the week, initiated an awareness campaign in the high rise housing societies, industrial area, hospitals, malls, schools, air force station and other commercial buildings.

Sharing tips to avoid short circuits causing fire at home, Jaswinder Singh said that residents should use high quality electrical wires and also should control their electricity load properly using Miniature Circuit Breaker.
<https://www.hindustantimes.com/cities/chandigarh-news/4-years-on-mohali-fire-dept-awaits90-m-hydraulic-ladder-101714079255925.html>