NEWS ITEMS ON CAG/ AUDIT REPORTS

1. वित्त वर्ष 2011 में पांच दक्षिणी राज्यों ने ₹2.34 लाख करोड़ का ऑफ-बजट ऋण लिया *(saralnama.in)* 28 Dec 2023

एक सप्ताह पहले बजट पेश करते समय, तेलंगाना के वित्त मंत्री टी. हरीश राव ने केंद्र पर राज्य के विकास में "एक के बाद एक बाधाएं पैदा करने" का आरोप लगाया था। उन्होंने कहा कि राज्य ने कम से कम समय में सिंचाई परियोजनाओं को पूरा करने के लिए ऑफ-बजट उधार का सहारा लिया था, लेकिन केंद्र ने उधार लेने की सीमा लगा दी थी। उन्होंने तर्क दिया कि उधार लेने की सीमा में यह कटौती "संघवाद की भावना" के खिलाफ थी।

ऑफ-बजट उधार सरकारी संस्थाओं, जैसे पीएसयू या विशेष प्रयोजन वाहन, द्वारा सरकार की ओर से अपने व्यय को वित्तपोषित करने के लिए प्राप्त किए गए ऋण हैं। भारत के नियंत्रक एवं महालेखा परीक्षक के अनुसार, राज्य सरकारों के ऋण और राजकोषीय घाटे की गणना करते समय इन उधारों को शामिल नहीं किया जाता है। हालाँकि, राज्य सरकार ऋण चुकाने और अपने बजट से ऋण चुकाने के लिए जिम्मेदार है।

चूंकि बजट दस्तावेजों में अतिरिक्त-बजटीय उधार का कोई उल्लेख नहीं है, इसलिए आंकड़ों का पता लगाने के लिए सीएजी रिपोर्ट पर निर्भर रहना पड़ता है। विश्लेषण किए गए ग्यारह प्रमुख राज्यों की कुल ऑफ-बजट देनदारियों में से पांच दक्षिणी राज्यों – तेलंगाना, आंध्र प्रदेश, केरल, तमिलनाडु और कर्नाटक – का हिस्सा ₹2.34 लाख करोड़, लगभग 93% है।

मार्च 2021 तक, आंध्र प्रदेश के बाद तेलंगाना पर इस तरह के ऋण का सबसे अधिक बोझ था। मार्च 2021 के अंत तक राज्य-वार ऑफ-बजट उधार को करोड़ रुपये में दर्शाया गया है।

आंध्र प्रदेश पर ₹86,260 करोड़ का ऑफ-बजट उधार था। राज्य के नागरिक आपूर्ति निगम की उधारी में हिस्सेदारी 35% थी, जबकि आंध्र प्रदेश पावर फाइनेंस कॉर्पोरेशन की हिस्सेदारी 18% थी। सरकारी स्वामित्व वाली संस्थाओं द्वारा ली गई आंध्र प्रदेश की बजट से इतर उधारी को तोड़ दिया गया है। सीएजी का तर्क है कि अतिरिक्त बजटीय संसाधनों का सहारा लेने से वे कर्ज के जाल में फंस जाएंगे।

"राजकोषीय नियमों से संबंधित सीमा घाटे के अनुपात और तेजी से अस्थिर अंतर-सरकारी हस्तांतरण ने राज्यों के राजकोषीय स्थान को प्रभावित किया है। [Hence] वे वित्तपोषण के लिए ओबीबी का सहारा लेते हैं [and] …वित्तपोषण के वैकल्पिक स्रोतों का आविष्कार करें…उदाहरण के लिए, तेलंगाना ने ऋण परिपक्वता के पुनर्गठन का सहारा लिया है। उन्होंने दीर्घकालिक प्रतिभूतियों का सहारा लेकर पुनर्वित्त जोखिमों को स्थगित कर दिया। केरल ने बुनियादी ढांचे के वित्तपोषण के लिए ओबीबी में शामिल होने के लिए केआईएफएफबी (कॉर्पोरेट इकाई) का सहारा लिया है, "एनआईपीएफपी की लेखा चक्रवर्ती ने द हिंदू को बताया।

लगभग सभी राज्यों में, यदि ऑफ-बजट ऋणों को उनके घोषित ऋण में जोड़ा जाता है, तो यह उनके ऋण-से-जीएसडीपी अनुपात को राज्य के लक्ष्यों से और भी दूर ले जा सकता है। बजट से इतर ऋणों को छोड़कर ऋण-से-जीएसडीपी, ऑफ-बजट ऋणों सहित ऋण-से-जीएसडीपी, ऑफ-बजट ऋणों सहित ऋण-से-जीएसडीपी, और अंत में ऋण-से-जीएसडीपी के लिए राज्य का लक्ष्य।

कर्नाटक को छोड़कर, सभी राज्यों में ऋण-से-जीएसडीपी अनुपात पहले ही लक्ष्य से अधिक हो गया है। यदि बजट से इतर ऋणों को भी इसमें शामिल कर लिया जाए, तो इससे राज्यों का ऋण-से-जीएसडीपी अनुपात और बढ़ जाएगा।

उदाहरण के लिए, आंध्र प्रदेश में बकाया देनदारियां जीएसडीपी का 35.3% थीं, जो राज्य के लक्ष्य 35% से थोड़ा अधिक था। लेकिन अगर बजट से इतर उधारी को शामिल कर लिया जाए, तो राज्य का ऋण-से-जीएसडीपी अनुपात बढ़कर 44% हो गया। दूसरों के विपरीत, कर्नाटक पहले से ही अपने ऋण की गणना में बजट से इतर उधारी का हिसाब रखता है।

इसके अलावा, राज्यों द्वारा पीएसयू और एसपीवी को बैंकों से ऋण या उधार लेने के लिए दी जाने वाली गारंटी में भी वृद्धि देखी जा रही है। राज्य के वित्त का मूल्यांकन करने वाले आरबीआई पेपर के आंकड़ों के अनुसार, जीएसडीपी के हिस्से के रूप में राज्यों द्वारा जारी की गई गारंटी पश्चिम बंगाल को छोड़कर सभी राज्यों में बढ़ती प्रवृत्ति पर है। जीएसडीपी के हिस्से के रूप में राज्यों द्वारा जारी की गई गारंटी को दर्शाता है। https://saralnama.in/%E0%A4%A1%E0%A5%87%E0%A4%9F%E0%A4%BE-%E0%A4%B5%E0%A4%BF%E0%A4%A4%E0%A5%8D%E0%A4%A4-%E0%A4%B5%E0%A4%B0%E0%A5%8D%E0%A4%B7-2011-%E0%A4%AE%E0%A5%87%E0%A4%82-%E0%A4%AA%E0%A4%BE%E0%A4%82%E0%A4%9A/

SELECTED NEWS ITEMS/ARTICLES FOR READING

2. Economy awaits big policy push *(financialexpress.com)* Dec 28, 2023

The year 2023 has been better on the economic front for India than envisaged at its dawn. The Reserve Bank of India (RBI) has recently raised its forecast of the real GDP expansion for FY24 to 7% from 6.5% (this implies the same rate of year-on-year growth in calendar year 2023). It has also started to worry again about the demand pull stoking inflation.

While there is near consensus about a prospective slowing of growth in 2024, two analytical formulations clash. One view, which has the official backing, is that there may be a plausible “underestimation of the economy’s underlying momentum and dynamism”. An “unprecedented tax buoyancy” (of nearly 2 for the Centre in the first half of this fiscal) is the main reason for the assumption. High level of capacity utilisation in a section of the industry is seen to trigger a long-awaited investment cycle.

Another section rues a draining of the economy’s capacity to expand faster, and expects a resultant trough in the medium term. It also highlights a sustained trend of rural consumption lagging urban’s, high indebtedness of the larger household sector, and the stagnation — real-term decline — in wages and income, across large sections of rural and urban people.

While the new year would see a Parliament election, midway through it, the new government at the Centre would inevitably be addressing the uncertainty about the course of the economy. The full Budget in July would have already laid the road map by then.

With globalisation taking a backseat, global demand sluggish and geopolitics unpredictable, the policy changes will have to be aimed at resolving the domestic household income crisis, and boosting the savings rate. They must also make public-private partnership work in infrastructure sectors, other than seaports and airports, where it is already up and running.

Making foreign trade a net positive contributor to the gross domestic product will require consolidating the early gains in export of tech-driven products like smart phones, by enhancing domestic value content, moving up the value chain in services, and resolving the crisis in labour-intensive industries.

An overhaul of the goods and services tax (GST) is necessary to make it capable of delivering the “output effect” expected of destination-based consumption taxes. Land, labour and capital must be put to more efficient use for higher value creation, while India integrates more seamlessly with the global value chains.

All this may well be on the agenda of any government taking office after the polls, since exigency would demand it. But growth impulses would also come from a reversal of the centralisation of polices and governance, for which the outcome of the elections will be a key determinant.

It is a safe bet for Prime Minister Narendra Modi to “guarantee” that his “third term” would make India the third-largest economy in the world in current dollar terms. This will likely happen latest by FY28 (and probably earlier), even with a further slowing of growth, and by then, India would have moved seven notches up in the global economic pecking order in less than one-and-a-half decades.

Such climb up the standings, however, is thanks to the unique period, when India found a number of economies in striking distance in the economic race, all growing at anaemic rates. However, to move further and become the second-largest economy, it would have to wait at least another half a century, even in the best-case scenario (with per capita income still much lower than most high-income countries).

To be sure, more than four years since the economy bore the brunt of the pandemic (and shrank by nearly a quarter in Q1FY21), statistical data is yet to be shorn of the distortion caused by the tragedy. Growth in the quarter ended September 2023 may well be less than the impressive headline figure of 7.6% by one percent point or more. If such an expansion rate is causing concerns of overheating, it signifies a considerable undermining of the growth capacity, which may have dropped to around 6%.

That is subdued growth for a country anxious to traverse the high-growth path in the coming decades. And even this is produced with a relentless overuse of fiscal firepower over the years. The mismatch between the economy’s capacity to churn out revenues for the government, and latter’s ability for pump-priming has widened.

To the government’s credit, it has made commendable strides in tax collections, aided by the drive to “formalise” the economy, and a greater connect between the direct and indirect tax wings. But the statistical practice of a larger de facto weight being accorded to wholesale price index in the GDP deflator too is behind the instant high tax buoyancy (tax-GDP ratios in FY23 and H1FY24 were somewhat identical, but buoyancy jumped 2.4 times from the last fiscal).

In 2024 and onward, support to the economy from government investments and consumption will inevitably wane. An effort to rein in "general government debt" to somewhere close to the recommended level of 60% will require economical spending.

Since Q2FY20, which represents the pre-pandemic phase, gross fixed capital formation has grown nearly twice as private final consumption expenditure. The fixed investment creation was predominantly due to public-sector capex. But the recent years' large spikes in public capex are partly optical, as it masks a deliberate shift of public investment mandate to the Centre (Union Budget) from states and CPSEs, which had conventionally played bigger comparative roles. The limitations of the strategy of creating a virtuous cycle of investments by using government funds to crowd in the private sector are apparent.

For sure, many sectors of Corporate India are reportedly witnessing capacity utilisation of over 75%. If this doesn't yet boost the confidence of companies to invest afresh, it is because they perceive the domestic consumption demand is weak and transient, and fear the external sector won't see a quick turnaround.

Though sales of high-end consumer goods have been buoyant in the past year, the broader consumption market is rather sluggish, and the rural sector is languishing. The recent spurt in corporate profits has much to do with an incidental fall in input costs, rather than a broad-based uptick in demand. Such corporate profitability would easily vacillate, being excessively prone to global commodity market trends, capital flows and exchange rates.

Any monetary easing by RBI is unlikely at least before the third quarter of the next fiscal, given the persisting inflationary risks. RBI's latest monthly bulletin rightly notes that, unless inflation is "brought back to the 4% target and tethered there, there is a strong likelihood that growth may falter". https://www.financialexpress.com/policy/economy-economy-awaits-big-policy-push-growth-above-6-seems-to-stoke-inflation-3349255/

3. 500 days passed, PM's target of connecting 30,000 'uncovered villages' still not taken off *(thehindubusinessline.com)* Dec 27, 2023

The project is delayed just like several other projects under the Universal Service Obligation Fund under Department of Telecommunications

Prime Minister's pet project of connecting 30,000 'uncovered villages' in 500 days, under the BharatNet project, has not taken off in most of the Gram Panchayats.

The Cabinet on July 27, 2022, had approved the project 'Saturation of 4G mobile coverage of Uncovered Villages' across the country (around 30,000 villages) at a cost of ₹30,620.49 crore. The project was supposed to have been rolled out in 500 days (now already passed 514 days) by Bharat Sanchar Nigam (BSNL).

“In most of these 30,000 villages which have not been connected yet, the broadband penetration continues to be very low,” a source privy to the development told businessline.

No update

The Department of Telecommunications (DoT) has also not updated any status on this project due to the delay, the official said.

Says the DoT website: “The project will provide 4G mobile services in 24,680 uncovered villages in remote and difficult areas. The project has a provision to include 20 per cent additional villages on account of rehabilitation, new-settlements, withdrawal of services by existing operators etc. In addition, 6,279 villages having only 2G or 3G connectivity shall be upgraded to 4G.”

The project will be executed by BSNL using Bharat’s 4G technology stack and will be funded through USOF, it added.

BharatNet project

The BharatNet project was first approved by the Cabinet in October 2011 to connect more than six-lakh villages and 2.50 lakh Gram Panchayats (GPs). It is being executed by Bharat Broadband Network (BBNL), which is now part of BSNL, as a special purpose vehicle (SPV), and will be partnering with village level entrepreneurs (VLEs) to provide the connectivity. The project is delayed just like several other projects under the Universal Service Obligation Fund (under Department of Telecommunications), which is rechristened to “Digital Bharat Nidhi” in the Telecommunications Act, 2023, for funding the projects.

Phase-II was approved in 2017 and funding for the project in both phases has been ₹42,068 crore (exclusive of GST, Octroi and local taxes).

As of December 11, it has reached 2,08,635 GPs and 6,75,466 Km of optical-fiber cable (OFC) has been laid. The Cabinet in August also had approved ₹1.39 lakh crore budget for the project and till now Uttar Pradesh has received the highest budget allocation of ₹4,274.66 crore (up by 11.9 per cent as compared to last year), followed by Maharashtra at ₹4,089.23 crore (up 11.4 per cent), Madhya Pradesh at ₹3,675 crore (up 10.2 per cent) and Gujarat ₹3,035.56 crore (up 8.4 per cent).

Additionally, 782,366 Fibre-To-The-Home (FTTH) connections are commissioned and 104,675 Wi-Fi hotspots are installed to ensure last-mile connectivity. Companies like Bharti Airtel and Reliance Jio are undertaking the projects in various locations of the country. https://www.thehindubusinessline.com/news/500-days-passed-pms-target-of-connecting-30000-uncovered-villages-still-not-taken-off/article67680199.ece

4. PM-Kisan beneficiaries dwindling, Govt adds 34 lakh in special drive *(indianexpress.com)* Dec 28, 2023

Of the 34 lakh, Uttar Pradesh accounts for the most — 8.50 lakh, followed by Rajasthan 2.39 lakh, Manipur 2.27 lakh, Jharkhand 2.2 lakh, and Maharashtra 1.89 lakh.

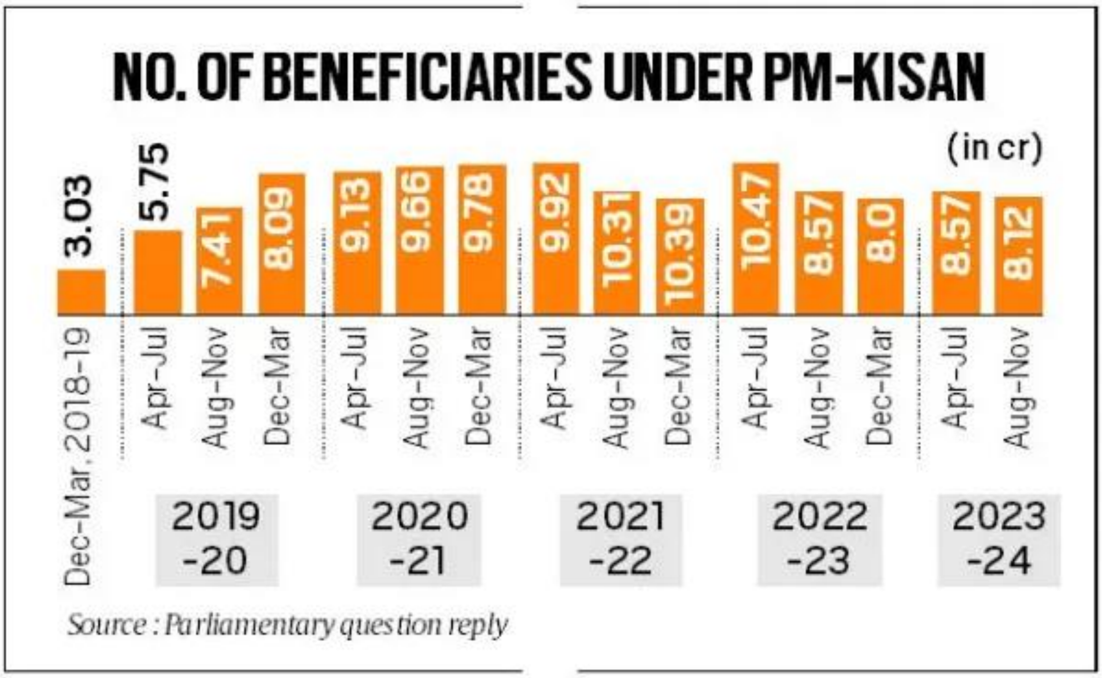
WITH THE NUMBER of PM-Kisan beneficiaries dropping by over 20 per cent to 8.12 crore now from a peak of 10.47 crore in April-July 2022, the government has added back 34 lakh farmers under the "saturation drive" since the launch of the Viksit Bharat Sankalp Yatra on November 15.

The yatra, launched on November 15 — six months ahead of the elections to the Lok Sabha — will run till January 26, and is intended to ensure that all intended beneficiaries are covered under various flagship schemes of the government.

In the latest round of PM-Kisan payments on November 15, as many as 8.12 crore farmers received the instalment of Rs 2,000. The 34 lakh farmers added now to the list of beneficiaries will be eligible to receive the next instalment of PM-Kisan before the end of 2023-24 financial year.

Of the 34 lakh, Uttar Pradesh accounts for the most — 8.50 lakh, followed by Rajasthan 2.39 lakh, Manipur 2.27 lakh, Jharkhand 2.2 lakh, and Maharashtra 1.89 lakh.

Sources in the Union Ministry of Agriculture and Farmers' Welfare, which implements the scheme, said the total number of farmer beneficiaries is expected to top 8.75 crore by the end of the Viksit Bharat Sankalp Yatra in January 2024. Efforts are on to bring eligible vulnerable farmers who have not availed the benefits of the scheme so far, a source said.



The inclusion of over 34 lakh more farmers in the PM-Kisan is significant in view of a dwindling number of the scheme's beneficiaries in the last financial year. It has even further declined to a 3-year's low in August-November this year.

According to details shared by then Agriculture Minister Narendra Singh Tomar in Lok Sabha earlier this month, the number of the PM-Kisan beneficiaries peaked to 10.47 crore in April-July 2022. It declined sharply in the following months— to 8.57 crore in

August-November and 8.12 crore in December-March 2022-23. It marginally increased to 8.57 crore during April-July this year, but declined to 8.12 crore in August-November. The lowest ever was 8.09 crore in December-March 2019-20.

With the drop in the number of beneficiaries, the annual disbursement of funds under the PM-Kisan too declined. It had peaked at Rs 67,121 crore in 2021-22, and dropped to Rs 58,258 crore in 2022-23. In this financial year till November 22, the government has disbursed Rs 38,660 crore. The final instalment for December-March) is due for the current financial year.

During the just concluded winter session of Parliament, Tomar had acknowledged the decline in the annual disbursement of funds under PM-Kisan. "There was a slight decline in the FY 2022-23. The reason was the introduction of mandatory land seeding provision for the farmers and seeding of Aadhaar with their active bank account to ensure that the benefits are transferred directly to the intended beneficiaries' accounts smoothly," he told the Lok Sabha in a written reply to a question on December 5, 2023.

Under PM-Kisan, eligible farmers' families receive Rs 6,000 a year in three equal instalments through DBT every four months. The scheme was launched on February 24, 2019, just ahead of the 2019 Lok Sabha elections. At the time of first instalment (December-March 2018-19), the number of beneficiaries stood at 3.03 crore. It sharply rose in the following rounds reaching the peak of 10.47 crore in April-July 2022. https://indianexpress.com/article/india/pm-kisan-beneficiaries-dwindling-govt-adds-34-lakh-in-special-drive-9085597/

5. Resolving regional disparities *(financialexpress.com)* December 28, 2023

The disparity among states—and more importantly, among districts—offers an unique opportunity to leverage the heterogeneity of underlying factors for growth.

There is an oft-repeated analogy that compares the size of certain Indian states with that of European nations. It is not just the size of India that stands out; the heterogeneity within this vast landscape is noteworthy. India has traversed an exciting trajectory, especially in the post-reform period. One of the many characteristic features of the economy is considerable variation in the growth performance, both across as well as within Indian states.

The economic growth rate across Indian states started diverging more from 1990 onwards. Over time, states with a higher per capita income in the peninsular region have significantly outdone states with lower incomes, such as Bihar and Uttar Pradesh. In the past decade, the GDP growth rate in southern states ranged between 5-6%, whereas most northern states remained at 2-3%.

These spatial variations stem from a mix of underlying historical factors, different demographics, geographic conditions, and policy decisions. The Indian economy today is at a sweet spot. We are at the helm of an economic boom while the rest of the global economy is shrinking. In crafting the way ahead for India to emerge victorious from this dichotomy, leveraging our spatial heterogeneity to our advantage is essential. There are important questions that need to be raised. What are these patterns of convergence and divergence across the country? How can India overcome the challenge of evenly sharing prosperity? What is the role of technology and governance in reducing spatial disparities?

An analysis of data from the past decade reveals that disparities in per capita income have been on the rise. For instance, among the major southern states, Karnataka registered a remarkable 7.07% growth rate between 2010 and 2020 and continues to grow promptly. The average growth rate of southern states falls around 6.31%. A similar analysis of major northern states shows wide-ranging disparities. Barring Haryana, the best-performing state in terms of GDP growth rate is Punjab at 4.15% and the average growth rate of major northern states over the past decade is around 4.5%. According to RBI data, in terms of GDP per capita, Goa is 9.6 times more prosperous than Bihar. In a similar vein, Maharashtra's per capita net state domestic product in 2021-22 stands at Rupees 1,38,490 and Uttar Pradesh's at Rupees 43,420.

These differences are further pronounced at the district level. Districts within a certain state vary in terms of their contribution to the state's GDP. To illustrate, in Maharashtra, four districts—Mumbai, Thane, Pune, and Nashik— collectively account for over 50% of the state's GSDP. Notably, Mumbai alone (including Suburban) directly contributes about 20% to this total. In contrast, in Uttar Pradesh, Gautam Buddha Nagar holds the highest share, representing 8.91% of the state's GSDP, while the remaining 65 districts collectively contribute less than 4%.

These district level differences extend to a number of parameters. For example, the district with the highest prosperity boasts an average wage 18 times greater than the least prosperous district. Looking through the lens of export competitiveness, among the 680 exporting districts, the top hundred districts contribute approximately 87% of India's total exports. Notably, within these hundred districts, exporting hubs are concentrated in the top-performing states. Furthermore, heterogeneity within states also reflects on a range of social dimensions. If we consider access to water and functional tap connections at the district level, of 680 districts, all households in 105 districts have functional tap water connections. On the other hand, 339 districts have less than 50% of households having functional tap water supply.

Even at a sectoral level, spatial differences come across starkly. In manufacturing, the southern states continue to outperform their northern counterparts by a difference of 2%. The difference is exacerbated as capital and investments tend to congregate in these regions with an edge, leaving several dark areas in the economy. Labour mobilisation patterns are also affected by differential growth rates wherein migration from regions with labour surpluses to regions with higher productivity is now common. Such disparities are seen in various indicators, along with the ones mentioned above, including industrial development, infrastructure, employment opportunities, and per capita income. This heterogeneity is both a challenge and an opportunity. Uniqueness of particular regions can be leveraged by formulating effective strategies and policies that address the unique needs and challenges faced by different regions.

As India moves forward in the age of competitive federalism, states have a pivotal role to play as drivers of development, and to facilitate their active participation, national policies should take cognisance of the spatial disparities and address development in all its dimensions across the country. Development is no longer about economic growth, and India has been at the forefront of achieving sustainable development in the economic, social and environmental dimensions. The good news is that social indicators, including health, gender equality and education are converging faster than economic aspects, but there is still a barrier to translating the convergence in social indicators to broader economic development and vice-versa.

Any analysis of the Indian economy is incomplete without touching upon its demographic dividend. Investments in quality education and skilling can go a long way in improving productivity outcomes and creating a pool of skilled workers. India is at its prime to engage the youth to reap maximum benefits from the demographic dividend before the population ages. Our economy is once again at a critical juncture. With the right mix of policy and economic measures, India can overcome the regional disparities in development, which poses a challenge to the economy and equitable development across the country. https://www.financialexpress.com/opinion/resolving-regional-disparities/3349241/

6. Bank NPAs at decadal low: RBI report *(newindianexpress.com)*

Dec 28, 2023

Banks' asset quality has improved to a decadal high by the end of September 2023 quarter.

The Reserve Bank of India (RBI) in its banking trend report for 2022-23 says that the gross non-performing asset (GNPAs) of scheduled commercial banks fell to the decadal low of 3.2% at end of September 2023. As per the report, the amount of NPAs decreased for all bank groups, except small finance banks.

The share of large borrowal accounts (with total exposure of Rs 5 crore and above) in total advances declined to 46.4% at end-March 2023 from 47.8% a year ago. Their contribution to total NPAs also fell during the year to 53.9% from 64.0%. The SMA-1 and SMA-2 ratios, which indicate potential stress, declined across bank groups for overall as well as large borrowal accounts.

Special Mention Account-1 or SMA-1 is a loan account where the outstanding amount, either fully or partially, has not been repaid for 31-60 days. SMA-2 are accounts where the amount due is for 61-90 days. Once the amount is due for 91 days, it is classified as NPA.

The slippage ratio, which measures new accretions to NPAs as a share of standard advances at the beginning of the year, moderated during 2022-23 and further in first half of 2023-24. A mix of write-offs, upgradations and recoveries contributed to reduction in NPAs. The RBI report says that during 2022-23, around 45% of reduction in GNPAs of SCBs was contributed by recoveries and upgradations. https://www.newindianexpress.com/business/2023/dec/28/bank-npas-at-decadal-low-rbi-report-2645643.html

7. Indian Railway spends Rs 6.25 Lakh on each selfie booth of PM Modi across 50 stations: RTI *(telanganatoday.com)* Dec 27, 2023

Indian Railways had set up or built Modi's 3D selfie booths in 50 train stations spread over five divisions: Mumbai, Bhusaval, Nagpur, Pune, and Solapur.

The Centre has paid up to Rs 6.25 lakh on each permanent 3D selfie booth featuring Prime Minister Narendra Modi‘s picture in railway stations. A temporary selfie booth costs Rs 1.25 lakh per unit, Central Railway responded to a Right to Information (RTI) application.

Central Railway deputy general manager Abhay Mishra responded to a request for information made under the RTI by retired railway officer Ajay Bose by stating that the railway had set up or built Modi’s 3D selfie booths in 50 train stations spread over five divisions: Mumbai, Bhusaval, Nagpur, Pune, and Solapur.

Meanwhile, the Congress president Mallikarjun Kharge said setting up “selfie booths” at railway stations with photographs of Prime Minister Narendra Modi is a “brazen waste” of taxpayers’ money while opposition states await MGNREGA funds.

In a post on X, Kharge said, “Self-obsessed promotion by Modi govt knows NO bounds!” “Absolutely brazen waste of taxpayers money by installing Modiji’s 3D selfie points at railway stations,” he added.

The Congress chief alleged that earlier, the blood and sacrifice of the country’s brave soldiers were politically used by ordering the armed forces to install 822 such selfie points with prominent cut-outs of the prime minister.

“Modi govt hasn’t provided drought and flood relief to states. MGNREGA funds for opposition ruled states are also pending. But it has the audacity to generously splurge public money on these cheap election stunts!” he said.

Kharge also shared a copy of a reply obtained under the Right to Information (RTI) Act, which listed the stations under the Central Railway where temporary and permanent selfie booths have been installed. https://telanganatoday.com/indian-railway-spends-rs-6-25-lakh-on-each-selfie-booth-of-pm-modi-across-50-stations-rti

8. Why defence production is yet to achieve its real potential *(tribuneindia.com)* Dec 28, 2023

The production upsurge should not spur complacency since India has a huge ground to cover at the global level.

DEPENDENCE on imported weapons has always been a public policy concern in India since they adversely affect precious foreign exchange reserves. However, there are good tidings for India's domestic Military-Industrial Complex (MIC). One indication came early this year when the MIC’s turnover crossed Rs 1 trillion. Now, a fact sheet released recently by Swedish think-tank Stockholm International Peace Research Institute (SIPRI) speaks about the robust growth of some Indian weapon production companies. These indicators, amidst a sluggish global growth, vindicate the public policy initiatives for the expansion and consolidation of the domestic MIC and self-reliance in weapon production.

As per the fact sheet, titled ‘The SIPRI top 100 arms-producing and military services companies, 2022', the revenue of the top 100 arms-producing and military services companies totalled $597 billion last year, a decrease of 3.5% in real terms compared to 2021. While this decrease is partly attributed to many Russian companies not reporting their revenues in 2022, a significant proportion of the decrease is also attributed to US companies doing miserably last year. The total arms revenue of 42 top 100 companies headquartered in the US fell by 7.9% to $302 billion in 2022. Apart from the US and Russia, the countries whose MICs have been in a torpid mode are the UK, France, Italy, Spain, Japan, South Korea and Singapore.

India is one of the few countries to have bucked the trend. There were three Indian companies in the top 100 in 2022 — one more than in 2021. Their aggregate arms revenue went up by 7.4% to $6.4 billion. With a 28% revenue increase — due to the delivery of warships and submarines to the Indian Navy — Mazagon Dock Shipbuilders (ranked 89th) entered the top 100 for the first time. SIPRI's statistical presentations sound sweeter as India’s arch-rival China registered a revenue growth of only 2.7% for its arms companies.

Besides the SIPRI fact sheet, the defence production data available on the dashboard maintained by Department of Defence Production also provide some positive insights about the quantum jump in defence production. The production has gone up by more than 30% from Rs 74,000 crore in 2016-17 to more than Rs 1,00,000 crore in 2022-23. The trends so far indicate that the target of Rs 1,35,000 crore for the current year seems realistic.

Credit should go to the established defence PSUs whose turnover has gone up by more than 50% during the same period. They form the major constituent of the domestic MIC. After the corporatisation of ordnance factories as new defence PSUs, the collective share of the PSUs in defence production has gone up to 75%. Concurrently, defence procurements from domestic sources have gone up to 75% and defence exports touched almost Rs 16,000 crore in the last fiscal.

Yet, the production upsurge should not become a cause for complacency since India has a huge ground to cover at the global level. For instance, India has only three companies on the SIPRI list of the top 100 arms-producing companies. India accounts for only 0.2% of the global arms exports. We may be exporting arms to about 85 countries, but they are mostly small and ancillary weapons. Most importantly, India perpetually remains either the first or second largest weapon importer on the SIPRI list of arms-importing countries, accounting for almost 11% of the global arms imports.

Together, these statistical revelations dilute the charm offensive around the recent turnaround in domestic weapons production.

Several factors explain why the domestic defence production is yet to achieve its real potential.

First, the ordnance factories, despite corporatisation and numerous other public policy reach-outs, are not able to usher in a substantial take-off. From 2016-17 to 2022-23, the annual turnover of ordnance factories increased from Rs 14,825 crore to Rs 16,998 crore, an increase of a mere 14.66%. Perhaps, it would take a couple of years more before they get metamorphosed into corporate businesses and expand their turnover as well as profit.

Second, the private sector has also been loath in taking advantage of numerous policy initiatives to reform the defence sector and ensure a level playing field for themselves vis-à-vis the defence PSUs that had a monopolistic domination of the country's MIC until recently. During the same period, the turnover of the private sector has gone up from Rs 14,104 crore to merely Rs 19,925 crore. Though this is a healthy increase of 41.27%, it does not do justice to the huge policy investments in the defence sector. The contribution of the private sector in the total turnover is only 18.65%.

Third, there is a healthy progress in the two defence industrial corridors (DICs). While the one based in Uttar Pradesh has managed an investment of Rs 2,656 crore so far, the Tamil Nadu-based DIC has garnered Rs 4,085 crore; the target for each DIC is Rs 10,000 crore by 2024. The DIC-based experiment seems to be fruitful, as is evident from the substantial investments, numerous proposed joint ventures and specialisation-based production plans. Unfortunately, these are the only two stand-alone examples and, therefore, do not do justice to the actual potential of the expansion and consolidation of the domestic MIC.

National security imperatives demand that we become self-sufficient in weapon production to reduce our dependence on foreign arms suppliers and the consequential supply-chain and technology-related vulnerabilities.

However, this is possible only if India's domestic MIC proliferates and matures sooner than later. The growth trends so far are largely a consequence of public policy initiatives rather than of a proactive initiative from the MIC constituents. Therefore, while the observations of the SIPRI fact sheet are encouraging, there is a long way for India to go. https://www.tribuneindia.com/news/comment/why-defence-production-is-yet-to-achieve-its-real-potential-575923

9. Securing India's Maritime Borders: Responding to the rising threat of low-flying drones *(financialexpress.com)* Dec 27, 2023

The potential impact on India's maritime security has led to a proactive approach, prompting inquiries into the country's technological capabilities.

In response to a series of security incidents attributed to the Iranian-backed Houthi group in the Red Sea, the Indian Navy has strategically positioned heavily armed destroyers, namely INS Kochi, Kolkata, Mormugao, and the frigate INS Trishul.

The recent successful escort of MV Chem-Pluto to Mumbai, which suffered a drone strike causing no significant damage, has heightened concerns within the Indian Navy. The investigation into the responsible party and the nature of the ammunition used is underway, with disruptive activities being attributed to Iran and the Houthi Group of Yemen.

The gravity of these disruptive activities, occurring in close proximity to India's maritime borders, is emphasized by Neeraj Rajput, Editor in Chief of Final Assault, who states, "Such attacks pose a major threat to the shipping lines, and for India, it is a matter of concern."

The potential impact on India's maritime security has led to a proactive approach, prompting inquiries into the country's technological capabilities. Notably, there are discussions between a significant Indian company and a Polish company to acquire technology capable of detecting low-flying drones and para-gliders. As reported by Financial Express Online, this move reflects a strategic response to safeguard against the evolving threats posed by unconventional aerial tactics in the region, showcasing India's commitment to enhancing its security infrastructure.

It is clear that India does not yet have such radar or technology that can detect low-flying drones. It is believed that Iran's Shaheed-136 (functional) drones fly very low for long distances and are extremely difficult to track. "However, it is not yet clear whether MV Chem Pluto has actually been attacked by these drones. But it is certain that apart from Iran, Houthi rebels have these martyred drones. Iran has also provided these drones to Russia in the Ukraine war. It is believed that because of these drones, Russia has got a decisive edge over Ukraine today," explains Rajput, who covered the Russia-Ukraine conflict from ground zero.

Adding, "The attacks on MV Chem-Pluto and Israeli and American ships in the Red Sea make it clear that the war will not be fought only on land and face to face. Even during the Ukraine war, Russia initially had to face similar non-conventional warfare. The Russian army had waged a conventional war against Ukraine, that is, it had surrounded the Ukrainian capital Kiev, Kharkiv, Sumy etc. with its infantry, tanks, Infantry Combat Vehicles (ICVs). But Ukraine had caused huge damage to the Russian army through drone attack."

According to the statistics of the last two years of war released recently by Russian Defence Minister Sergei Shoigu, Ukraine has received about 23 thousand drones from America and other western countries. The number of tanks is 5220 and artillery is 1300. Ukraine had received only 28 aircraft and 87 helicopters from western countries.

"If Ukraine succeeded in stopping the invasion of the Russian army, it was possible through drone warfare. In the early months of the war, Russian soldiers would run away, abandoning their tanks, ICVs and trucks at the sight of Ukrainian Loitering-Munischen (functional drones). To avoid drone attacks, the Russian Army had to install iron nets on the cupolas of its tanks," says Rajput, a Senior War-journalist having more than two decades of multimedia experience with specialization in defence, conflict, security, strategic affairs & geopolitics.

In his view a similar situation exists with Israeli tanks against Hamas. The Israeli Defense Forces (IDF), taking lessons from the Ukraine war, had installed iron mesh-like roofs on all its tanks and infantry combat vehicles as a precautionary measure. (Learning from Russia-Ukraine war, Israel put 'roof cage' and 'V' sign on the tank)

Drone Warfare
The Ukrainian Army has given a major blow to Russia through drone attacks not only on land but also in the sea. Ukraine damaged Russian warships in the Black Sea and Sea of Azov through unmanned underwater vehicles. Ukrainian UAVs tried to break the back of the Russian Navy by targeting everything from the headquarters of the Russian Black Sea Fleet in Crimea to the warships stationed at the Sevastopol port. Ukraine simultaneously attacked the port of Sevastopol with two-three dozen drones.

Russia had to fire missiles several times to stop these drones. Because Russia did not have the necessary anti-drone technology to neutralize them. The Russian Navy was able to counter Ukraine's drone warfare only because Russia has a large fleet of warships.

Russia has dramatically increased its UAV production in recent months, along with drones and other destructive technology borrowed from Iran and North Korea. According to Russian Defence Minister Shoigu, this year (2023) Russia has increased drone production by 16.8 times. Whereas during this period the production of tanks has increased only 5.6 times and that of ICVs by 3.6 times. During this period, Russia increased the production of its artillery ammunition by 17.5 times.

It is clear that whether it is Israel-Hamas war or Russia-Ukraine or Iran-Houthi attacks, non-contact and destructive technologies like drones are being used extensively in all of them.

How can India deal with such attacks?
In such a situation, India and the Indian Navy will have to tighten their belts, especially for drone warfare fought at sea.

The Indian Navy currently has two MQ-9 Reaper drones purchased from US based General Atomics for maritime surveillance. The deal for 31 MQ-9 Sea-Guardian and Air-Guardian from America has not been completed yet.

Apart from this, DRDO's indigenous Tapas drone is ready, but due to the recent crash during testing, its flight may also get slowed down a bit.

Some private defence companies of India do claim that they have counter-drone technology with such radar cross section that can detect low-flying UAVs, but they are yet to be tested by the users (Army, Air Force and Navy). https://www.financialexpress.com/business/defence-securing-indias-maritime-borders-responding-to-the-rising-threat-of-low-flying-drones-3348979/

10. India is producing less than 200 times its potential gold output

(timesofindia.indiatimes.com) Dec 28, 2023

It often seems to me that the sole purpose of India's government is to stop the country from becoming rich and prosperous. The mining sector is a classic case. Well over 95% of India's mineral wealth has yet to be extracted. Exploration levels are a joke. Only 10% of geological potential area of India has been explored while Australia has explored more than 90% of its area. Just 1 per cent of the global exploration budget is spent in India. As a result, mining contributes a mere 2.5% to India's GDP, compared with 14.3% of GDP in Australia.

So, who is stopping this extraction? Obviously, the government, with its licence raj and micro-management by the world's most incompetent bureaucracy. Mining is a very high-risk business which requires policies to attract risky investment, but as I showed in 2018, India's mining policies are designed to drive away any such investment. In that piece I had mainly looked at coal and iron ore, this time I will look at gold and diamonds.

Taxpayer funds being used on risky exploration

India is a truly strange place where the government pays companies to explore minerals using funds from the National Mineral Exploration Trust, with the subsequent decision over production retained by the government. But making a commercially viable discovery is like finding a needle in a haystack and risking taxpayer money is about as stupid as one can get. The likely nepotism and corruption involved in doling out taxpayer funds for so-called "exploration" must surely be at the highest level imaginable.

India's private sector has abundant resources and talent to do all this on its own at zero cost to taxpayers. Thousands of ultra-wealthy Indians (even billionaires) with a huge risk appetite, regularly bet crores of rupees on lotteries and cricket matches. Such money should be allowed to be funnelled into the exploration of minerals.

Also, incentives matter. Why would any genuine investor waste time to "discover" something if the government gets to decide whether they will be allowed to produce what they have discovered?

Like with every other business, the government must to get out of mining entirely, except for some regulation and (possibly) taking a small royalty after a mine is profitable. Once minerals are extracted, that itself adds value to society through jobs and new towns and cities that spring around the mines. The solution is therefore simple. Let small junior startups be listed on the Bombay Stock Exchange where they can raise funds for risky mineral exploration from the market.

Inevitable failure of the auction policy

The Act of 2015 shifted mining licensing to auctions. As I explained in 2018, that is a wrong approach. While auctions might appear to be transparent, they are unsuitable for mining deep-seated minerals. Auctions can work where the resource has been mapped very accurately, which is impossible for deep-seated minerals. For such minerals, policies that attract risky investment and motivate small, talented entrepreneurs, are needed. I had explained in detail in my 2018 write-up, but to summarise, licences to explore should be issued at a low cost. When an entrepreneur is successful in exploration, he should have the right to sell the licence to developers who organise capital and activate the mines.

India's auction system has put an end to FDI and to new technology from Junior Exploration Companies (JECs). Since 2015, blocks of land have been put out for auction with improper, illogical and questionable resource valuations. It is claimed that

125 mineral blocks have been auctioned successfully across nine states but this has barely led to any increase in mineral output. India's approach to exploration has brought new mining almost to a standstill and violates the objectives of the NMEP-2016 and NMP- 2019 to generate employment in rural areas.

Confiscating the rights of investors?

Panthera Resources Plc invested in 2005 to explore the Bhukia gold area in Rajasthan. It reported the results of 21 drillings to the government in 2008, seeking a prospecting license. Elsewhere in the world, getting the license would have been an automatic next step but India's governments have repeatedly turned Panthera down. The company is now going to international arbitration based on a UNCTAD-registered 1999 Agreement between the Government of Australia and the Government of the Republic of India on the promotion and protection of investments. Panthera claims that its investments were "expropriated" by India which must pay compensation in addition to the reimbursement of costs. The bad publicity for India that this case will generate in international news headlines over the next few years will further dampen FDI in India.

Although Panthera Resources Plc is a foreign company, the sovereign risk it has experienced is surely typical, and applies to all investors. Investors have no logical basis to invest in mining in India.

Gold

In 1981 I went deep underground in the Kolar Gold Fields – at the time one of the deepest mines in the world – to see how gold is extracted. KGF closed in 2001, having produced more than 800 tonnes of gold during its 120-year history. The ongoing mine at Hatti has produced around 85 tonnes of gold to date.

India imports over 800 tonnes of gold each year but has a total annual production of just over 1 tonne of gold (all from Hatti). Compare this with China, where gold production ramped up from below 10 tonnes per year before Deng Xiaoping in 1979 to well over 300 tonnes today, making it the world's largest gold producer. Reports confirm that policy changes drove this massive increase in China's production.

India can do it as well. In 2003, the Business Standard reported a potential estimate of 300-400 tonnes of gold per year from India. In 2014, the Geological Survey of India reported potential reserves of 6.7 million ounces of gold in the Bhukia area of Rajasthan. In a recent (9 November 2023) interview published on Twitter, Mark Bolton, the Managing Director of Panthera PLC, said that Bhukia could have 10 to 20 million ounces of gold, i.e. up to 550 tonnes in all. Well-researched preliminary maps suggest a strong likelihood that hundreds of small mines with a capacity of 10-20 tonnes could be established across the country, with some of them ultimately becoming another Kolar.

Diamonds

Bunder in Chhatarpur is estimated to have 34.20 million carat of diamond deposits worth over half a billion dollars. Rio Tinto, an Australian firm, had done initial studies but abandoned it due to delays in environmental clearance – yet another example of failed FDI in this sector. But India, the producer of some of the most famous diamonds the world has ever seen, such as the Kohinoor, has many other potential diamond areas. Diamonds are discovered even today sitting on the ground after rains in the kimberlite areas of the Deccan. Buried ancient rivers of the Deccan are likely to be much richer in diamonds. We will never know unless private money is allowed to invest.

In sum, despite India's enormous potential in every field, the country continues to self-destruct, with policies that drive talent and investment out of India.

I do hope that sense will prevail some day, although as I get older, that hope recedes by the day. https://timesofindia.indiatimes.com/blogs/seeing-the-invisible/india-is-producing-less-than-200-times-its-potential-gold-output/

11. Fix India's power market to add more renewables *(financialexpress.com)* Dec 27, 2023

While India has a power market, it is far from optimal. Only 7% of India's electricity generation is traded through three power exchanges (Indian Energy Exchange Ltd (IEX), Power Exchange of India Ltd (PXIL), and Hindustan Power Exchange Ltd).

IEX and PXIL also have a disproportionately high share of several market segments. But most importantly, the cost of purchasing electricity from these exchanges differs as each develops its own market clearing prices (MCP).

The situation needs to change, especially as soaring peak power demand and an alarming rise in pollution have spurred the need for renewable energy. India's peak power demand reached 238 gigawatts (GW) in August 2023, rising to 243GW in September.

According to the CEA's projections, installed renewable energy capacity is likely to grow from 179GW in October 2023 to 777GW by fiscal year (FY) 2029-30, to cater to peak demand that is likely to reach 335GW by then.

Integrating that much renewable energy into the grid requires a change in electricity procurement by power distribution companies (DISCOMs). They need to shift from long-term Power Purchase Agreements (PPAs) to a more dynamic power market. Despite renewable energy generators offering lower rates, DISCOMs pay more for fossil fuel-generated electricity to honour their PPAs. In contrast, a dynamic power market enables optimum trading and utilisation of renewables to meet the growing power demand, manage intermittency, facilitate price transparency, promote competition and drive innovation and advancement in renewable technologies.

No wonder the Central Electricity Regulatory Commission (CERC) has taken measures to correct the fragmented market and pricing structure by pushing for market coupling. The mechanism aggregates buy and sell bids from all power exchanges to discover a uniform MCP. As a result, it will keep price variations in check, allow optimal allocation of transmission corridors and make transactions efficient.

Such a move will likely introduce fair competition, leading to increased trading volumes. Although, there is a risk that it may diminish the role of individual exchanges, impacting the innovations in product design and associated clearing algorithms.

The CERC's market coupling proposal extends its reach beyond just linking power exchanges; it intertwines with interstate generators (ISGS) scheduling through Grid-India's Security Constrained Economic Dispatch (SCED). Essentially, it will ensure that the electricity generated in one place efficiently goes to the demand centre, leading to a stable power grid, optimum utilisation of renewable energy and encouraging more electricity trading through a market mechanism.

Given India's complex two-tier electricity market structure, comprising ISGS and private generators, CERC will need to tailor market coupling solutions, starting with pilots to suit both.

Implementing market coupling requires a holistic approach to electricity market design, encompassing long-term capacity markets, short-term markets and ancillary services markets.

Seamless integration will also depend on selecting a proficient Market Coupling Operator (MCO) that adapts rules for fair competition, safeguards existing exchanges and establishes robust monitoring mechanisms. It will collect the bids and discover the price while also being responsible for registrations, deposits, payment securities, settlement of financial dues and so on. The debate on who should be the MCO—Grid-India, a new entity or a roster system that gives each exchange a turn—is ongoing.

Adaptable regulations that accommodate evolving market segments, foster participation from demand-side resources, refine market signals to mirror actual supply-demand dynamics and develop sophisticated algorithms that fortify the efficacy of market coupling.

Currently, the three exchanges have different processes and algorithms for MCP. The design and implementation of sophisticated algorithms for market clearing, congestion management and price determination will be crucial for uniform price discovery. These algorithms should consider factors such as transmission constraints, complex generator and demand-side bids, unit commitment decisions, technical constraints on ramping, minimum up/down time and ancillary services.

Market coupling also intersects with the wider canvas of the renewable energy landscape. A sustainable energy ecosystem requires regulatory frameworks that value renewables' contribution to grid stability and optimise ancillary services.

There is also a need for regulatory interventions that prevent panic buying situations leading to ceiling rate hits while maintaining market competitiveness and transparency. High temperatures and increased power demand led to the power market's ceiling rate hitting the limit of Rs10 per kilowatt-hour in April 2023.

Lack of planning for resource adequacy by load serving entities (DISCOMs) led to above situation where the buyers place bids for a high quantum (even more than their requirement to overcome partial clearance situation) and at ceiling rate to maximise chances of clearance. As a result, even though the generators are willing to sell at their respective marginal rate (which is lower than ceiling rate), the rate discovered becomes the ceiling rate. Additionally, there is no check for adequate sale bids available on exchanges and it is left to sellers' choice.

Market coupling holds immense potential in transforming India's energy landscape. Still, collaborative efforts among policymakers, regulators and market players are key to realising its full benefits, fostering a resilient, efficient and sustainable power market to revolutionise electricity procurement beyond long-term PPAs and meet the nation's burgeoning energy needs through renewables. https://www.financialexpress.com/opinion/fix-indias-power-market-to-add-more-renewables/3349077/

12. Climate finance strategies for developing nations *(hindustantimes.com)* December 28, 2023

Global warming's shadows loom largest over the developing world, where climate crisis hits hardest. Floods, droughts, and unpredictable weather underscore the urgent need for sustainable solutions. Renewable energy offers hope, but financial constraints block many developing nations from embracing it. Overcoming these hurdles isn't just about fighting climate crisis; it's about ensuring equity in accessing crucial tools for survival and progress.

Developing nations face distinct vulnerabilities in the wake of climate crisis, stemming from a combination of geographical, socio-economic, and infrastructural factors. Across the Caribbean, Pacific Islands, and Southeast Asia, escalating storms and rising sea levels wreak havoc, causing widespread destruction. South Asian countries are witnessing erratic monsoons disrupt agricultural cycles, impacting food security for millions, while also grappling with devastating floods and landslides, causing significant loss of life and property. African nations, especially in the Sahel region, suffer prolonged droughts, leading to water scarcity and food insecurity while recurrent famines in the Horn of Africa intensify humanitarian crises. Regions across the globe are enduring severe economic tolls as well, such as experiencing extensive crop failures due to unpredictable weather and diseases like malaria and dengue fever surge also put a strain on the already stretched healthcare systems.

Renewable energy solutions being imperative to mitigate these impacts several developing countries have set certain impressive targets, such as the UAE's Energy Strategy 2050 aims for a blend of renewable, nuclear, and clean energy to meet both economic and environmental goals, targeting 44% clean energy. Indonesia commits to carbon neutrality by 2060, retiring coal plants by 2050. Chile expects 70% of electricity from renewables by 2050, while Vietnam targets 15-20% renewable energy by 2030, primarily solar and wind power. Brazil pledges to double global energy efficiency improvement to 4% yearly until 2030. The African Union anticipates rapid growth in solar and wind power, aiming for 70% solar, 20% wind, and 10% hydro by 2050. India's plan includes adding 50 GW of renewable energy annually for the next 5 years, aiming for 500 GW by 2030.

Despite these aspirations, limited capital investment dissuades scaling up renewable infrastructure, deterring private investors with high initial costs and lengthy payback periods. Accessing affordable financing, especially for less creditworthy nations, remains challenging due to high interest rates and loan difficulties, perpetuating reliance on polluting energy.

Effective financing mechanisms, research, development, and technology deployment, can cut costs. Collaboration with international bodies and developed nations offering favourable terms, grants, and technical aid is crucial to navigate this transition. Adequate financing doesn't just build infrastructure; it fosters innovation, capacity, and sustainable economic growth, creating jobs in robust energy ecosystems.

Thus, when it comes to overcoming financial barriers developing countries are deploying various strategies in renewable energy adoption.

Domestic initiatives like feed-in tariffs in India, tax incentives in Kenya, and streamlined permitting processes in Brazil attract private investment. Successful case studies include Morocco's Noor Ouarzazate Solar Complex and Costa Rica's near-complete reliance on renewables, demonstrating effective public-private partnerships and supportive national policies. International organisations play a vital role as well, the UN's Green Climate Fund aids nations like Bangladesh in financing climate projects, while World Bank initiatives support Nepal's renewable energy expansion. Financial aid, exemplified by India's collaboration with the International Solar Alliance, fosters funding and technology transfer for sustainable energy solutions. Corporate partnerships also contribute significantly, such as General Electric's wind energy projects in Vietnam and Enel Green Power's endeavours in South Africa showcase successful collaborations driving renewable energy adoption in developing nations.

Furthermore, several countries actively assist others in transitioning to renewable energy. For instance, Germany's International Climate Initiative (IKI) supports renewable energy ventures in Latin America, Africa, and Asia through financial and technical assistance. The United States Power Africa Initiative promotes electricity access and renewable energy in sub-Saharan Africa, facilitating clean energy projects like solar and wind power initiatives. Denmark, renowned for its expertise in wind energy, collaborates with nations such as Vietnam and Indonesia, providing technological knowledge in wind energy technologies and aiding in wind farm development. China's Belt and Road Initiative (BRI) invests in renewable energy projects spanning Asia, Africa, and Europe, including solar and wind initiatives in countries like Pakistan and Kazakhstan. The European Union extends support to neighbouring countries through initiatives like the European Neighborhood Policy and the Energy Community, helping transition Western Balkan and Eastern European nations to cleaner energy sources. Additionally, Japan's overseas investments in renewable energy, particularly in solar power projects in the Philippines and Bangladesh, contribute to these countries' renewable energy goals.

International investment in renewable energy has significantly increased since the 2015 Paris Agreement, yet the surge has been primarily concentrated in developed nations, according to a report by the United Nations Conference on Trade and Development (UNCTAD). UNCTAD Secretary-General Rebeca Grynspan highlighted the critical need for a substantial rise in sustainable energy system investments in developing countries to meet global climate objectives by 2030. Global foreign direct investment (FDI) faced a 12% decline in 2022, amounting to $1.3 trillion, following a robust recovery in 2021 post the sharp dip induced by COVID-19 in 2020, as outlined in the report. This downturn was primarily a result of reduced financial flows and transactions in developed nations, driven by concurrent crises including the Ukraine conflict, escalating food and energy prices, and mounting debt pressures.

Overcoming the multifaceted challenges of renewable energy adoption in developing nations requires a united global effort. The climate crisis disregards borders, demanding a collective response from nations regardless of economic status. Supporting these nations in their transition to renewable energy is not only an act of goodwill but a responsibility crucial for the planet's survival.

The challenges faced by developing nations in adopting renewable energy are formidable, yet the power of concerted efforts and collaboration remains potent. The urgency to combat climate crisis calls for a united front, with nations, international bodies, corporations, and communities joining forces to pave the way for a brighter, cleaner future. The significance of overcoming financing challenges extends beyond borders, promising transformative change, cleaner air, stronger economies, and a more resilient global landscape. At this critical juncture, the choice is clear: to invest in a future where renewable energy is a necessity, empowering developing nations to lead the charge towards a sustainable tomorrow. https://www.hindustantimes.com/ht-insight/economy/climate-finance-strategies-for-developing-nations-101703744573652.html

13. Study finds land availability limited to achieve biodiversity targets and apply climate mitigation strategy *(downtoearth.org.in)* December 28, 2023

Limitations in land availability could pose challenges in implementing biodiversity targets and a specific climate mitigation strategy, according to a new study published in journal Frontiers in Climate.

Countries have pledged 120 million square kilometres for land-based carbon dioxide removal (CDR) to achieve Net Zero goals. CDR involves activities removing carbon dioxide (CO_2) from the atmosphere and durably storing it in geological, terrestrial or ocean reservoirs or products.

Countries have already committed in their nationally determined contributions (NDCs) to deploy additional CDR activities in the range of 100–650 metric tonnes of carbon dioxide equivalent ($MtCO_2$) annually by 2030. Land-based CDRs include afforestation or reforestation, peatland management, and soil carbon sequestration, among others.

In 2022, nations agreed on a biodiversity “30x30” target, which aims to safeguard 30 per cent of the world’s terrestrial and marine areas by 2030. As of 2023, protected areas cover roughly 16 per cent of the world’s terrestrial area and 8 per cent of the world’s marine area.

“Climate change commitments and biodiversity conservation policies depend on land use. While some climate change mitigation strategies are also beneficial for biodiversity conservation, other land-based mitigation strategies are likely to conflict with the need to establish more protected areas due to the limited amount of land available,” the researchers wrote in their paper.

Of the available ice-free land of 130 million square kilometres (Mkm2), roughly 50 Mkm2 is used for agriculture and 30 Mkm2 for agroforestry.

As of 2023, roughly 12.3 Mkm2 of land is under protected areas. Per the 30x20 framework target, this figure has to be increased to 30 per cent, or 23 Mkm2, by 2030.

Further, according to the paper, the international community has pledged to restore nearly 10 Mkm2 of degraded land, including around 20 per cent of existing cropland and 10 per cent of forest land.

Though the “30x30” target is ambitious, it may still not be enough to stop biodiversity loss as researchers estimate that a minimum of 44 per cent of global land (64 Mkm2) should come under protected areas to conserve biodiversity.

Also, CDR activities alone cannot fulfill the Paris Agreement goal of limiting global warming to 1.5 or 2 degrees Celsius.

Further, the researchers raise doubts about the current commitments. For example, one question was how countries aim to allocate an additional 20.8 Mkm2 of land for establishing protected areas and restoring degraded land while also expanding food production and land-based CDR.

Large-scale deployment of CDR would require significant land-use changes, undermining the 30x30 goal. “This in turn would result in further biodiversity loss and could exacerbate competition for land used for food crops,” the paper reads.

When the two targets are compared, CDR policies are less important. Under the relevant treaty rules of international environmental law, emphasis is placed on emission reduction activities such as the rapid phasing-out of fossil fuels and minimising livestock farming, the researchers highlighted. In contrast, establishing protected areas is the primary measure for conserving biodiversity.

However, the researchers argued that certain land-based CDR approaches, such as ecosystem restoration and the protection of existing sinks, could benefit biodiversity. There is no legal clause preventing the implementation of land-based CDR techniques and protected areas on the same parcels of land.

The team recommended that governments focus on those CDR policies that effectively absorb greenhouse gases while also protecting biodiversity.

“The threat to biodiversity posed by climate change itself is far greater. If countries continue to emit greenhouse gases under a business-as-usual scenario, there would be severe consequences for all ecosystems and species,” the experts wrote.

https://www.downtoearth.org.in/news/climate-change/study-finds-land-availability-limited-to-achieve-biodiversity-targets-and-apply-climate-mitigation-strategy-93590

14. ACB investigates 'scam' of ₹60 lakh at municipal office in Viratnagar *(timesofindia.indiatimes.com)* Dec 28, 2023

Jaipur: The Anti Corruption Bureau (ACB) has initiated an investigation into alleged violation of rules by the chairman and executive officer of the municipal office in Viratnagar, resulting in a loss of Rs 60 lakh to the exchequer.

Acting on the directives of the ACB Headquarters, the Jaipur Nagar II Unit is conducting the inquiry. The alleged violation involves procurement irregularities of approximately Rs 60 lakh under the Rajasthan Public Procurement Transparency Act, wherein purchases were made without proper entries in the goods receipt and stock register, and bills were paid to the firm.

"Prima facie evidence indicates a loss of about Rs 60 lakh to the exchequer and legal action will be taken after the completion of investigation," an officer said.

Additional director general of the ACB (also holding an additional charge as Director General), Hemant Priyadarshi stated, "The ACB received information from confidential sources, leading to an investigation by the Jaipur Nagar Second Unit. The investigation reveals violations of the rules of the Rajasthan Public Procurement Transparency Act at the Municipal Office in Viratnagar, resulting in an illegal benefit of about Rs 60 lakh to the firm through bill payments without proper documentation."

The ACB is overseeing the legal investigation and further probe under the Prevention of Corruption Act will be carried out under ACB deputy inspector general of police, Ravi. https://timesofindia.indiatimes.com/city/jaipur/acb-investigates-scam-of-60-lakh-at-municipal-office-in-viratnagar/articleshow/106335394.cms

15. 'Operation Jungle Safari' unearths extensive irregularities at eco-tourism centers in Kerala *(newindianexpress.com)* 28 December 2023

In the raid conducted at 36 divisional forest offices and 38 select eco-tourism centers, it was found that there are widespread evasions of the amount collected from tourists in eco-tourism centers.

THIRUVANANTHAPURAM: In a statewide vigilance inspection titled 'Operation Jungle Safari' at the eco-tourism centres under the Kerala Forest Department, the officials on Wednesday, unearthed widespread irregularities. In the raid conducted at 36 divisional forest offices and 38 select eco-tourism centres, it was found that there are widespread evasions of the amount collected from tourists as forest entry fees in eco-tourism centres and that it has not been properly entered in the register books.

The surprise inspection began at 11 am on Wednesday and it is expected to continue on Thursday too. In addition, a large portion of the profit received from the canteen/forest product marketing conducted as part of eco-tourism, it has been revealed, is not shown in the account of the eco-development committee.

Moreover, a tender for road work had been called through the divisional forest offices, following which a contractor had been selected. An agreement has also been made without adhering to the rules and procedures. Fake bills were prepared and money was re-transferred from the divisional forest office as part of the tender proceedings, an official said.

On an ordinary day, the forest department officials collect fair ranging from Rs 40 and Rs 2,000 from tourists at the eco-development centres to allow entry into eco-tourism areas. Though electronic ticketing devices are usually used for this purpose, the officials concerned have deliberately embezzled the funds collected from tourists arriving in large vehicles. Such tourists were given a single receipt that furnished fee details for a lesser number of tourists than their actual strength.

Vigilance director T K Vinod Kumar said in a statement that if any information about corruption comes to the attention of the public, they should contact Vigilance toll-free number 1064, 8592900900, or WhatsApp number 9447789100. https://www.newindianexpress.com/cities/thiruvananthapuram/2023/dec/28/operation-jungle-safari-unearths-extensive-irregularities-at-eco-tourism-centers-in-kerala-2645542.html