

NEWS ITEMS ON CAG/ AUDIT REPORTS

1. Local governance calls for out-of-box audit approach: CAG *(financialexpress.com)* February 29, 2024

To address issues like shortage of trained local auditors, Murmu said that the nascent field of local government audit is still evolving and needs considerable capacity building.

The Comptroller and Auditor General of India (CAG) in collaboration with state governments is extending audit support to the country's 2.62 lakh local bodies to help them improve governance and help them utilise central grants fully to provide improved services, CAG Girish Chandra Murmu said.

Every year, local bodies lose a significant portion of central grants for not adhering to three basic norms: regular elections, audit of accounts and steps to augment own revenues.

Even as the 16th Finance Commission (FC) will start work to suggest grants to promote national goals during FY27-FY31, FE analysis of the first four of the 15th FC's six-year award showed that states have lost Rs 1.3 trillion or roughly 15% of the Central government grants for not meeting conditionalities for the incentives. Half of this was on account of urban and rural local bodies.

The 15th Finance Commission grant awarded Rs 4.36 trillion to support local governments for a five-year ending FY26.

Since India's local governments depend on the Central and State governments for funds, functions and functionaries, "this reality calls for an out-of-box audit approach", Murmu said.

This third tier of government implements several centrally sponsored schemes and projects. Given its growing importance, the Finance Commission allows for direct devolution of funds of around 4.2% of the total divisible pool to the third tier.

CAG is constantly innovating and expanding its audit exercises and has started conducting district centric audits, encompassing multiple villages and cities. "The primary focus of the district audits is on service delivery – the last mile connecting the government with its people. Services like supply of potable and clean water, sanitation, and management of solid waste are the few crucial services provided by the local governments. The objective of our audit is to assess how well local governments are discharging these functions," the CAG said.

Currently, CAG does a full audit of local bodies in West Bengal, Kerala and Karnataka while providing support for such audits in other states. Going forward, the CAG plans to put out annual performance and compliance audits of local bodies for each state similar to the exercise at the state and national levels to increase transparency and data availability.

To address issues like shortage of trained local auditors, Murmu said that the nascent field of local government audit is still evolving and needs considerable capacity building.

India had recently established the International Centre for Audit of Local Governance, or iCAL. “iCAL will serve as a Centre of Excellence for capacity building of local government auditors at the national and the international levels,” he said. <https://www.financialexpress.com/policy/economy-local-governance-calls-for-out-of-box-audit-approach-cag-3408390/>

2. CAG keen to harness AI, data analytics for local government audits too, says Govt Auditor GC Murmu (*thehindubusinessline.com*) Updated - February 28, 2024

Partners ICAI to upskill 12th pass students to maintain accounts of local governments

The Comptroller and Auditor General of India (CAG) has partnered with CA Institute to develop a set of online courses for building government accounting skills among rural youth and prepare a pool of certified accountants whose services can be utilised by local governments for maintaining complete accounts, GC Murmu, CAG of India, has said. The online courses are essentially targeted at students who have 12th standard and are keen to skill themselves in area of government accounting.

The CAG, which is the Supreme Audit Institution of India (SAI), is also looking to harness the power of data analytics, artificial intelligence and digital platforms to enhance the effectiveness and efficiency of its local government audit processes. “We have started in a limited way and now have data analytics centres. We have hired professionals from outside. We are now cleaning data. Till the data is cleaned and standardised, these emerging technologies cannot be implemented fully”, he said.

The data analytics approach will be easily extended to urban local bodies and it is also possible to do this at rural local government level (at Zila parishad), but may not be at village level, he said.

Asked as to how quickly CAG would look to ramp up use of Analytics and AI, Murmu said as quickly as possible. “It all depends on how quickly we can prepare the accounts of rural local bodies. Analytics can be quickly run”, he said.

Tie-up with ICAI

On the recent tie-up with ICAI, Murmu said that as the youth get skilled in government accounting and get diplomas, they will get lot of job opportunities outside also. “In the GST regime, they can also help small business to fulfil the accounts. We will upgrade the courses in due course of time. This is parallel skill development and like an accounting skill mission”, Murmu said after inaugurating an international conference on strengthening of grassroots democracy here on Wednesday.

Over the last two years, CAG has been upping its focus on audits of local governments (including panchayats). India has large number of urban and rural local bodies and

there are 2,62,000 such bodies in rural India. India has three levels of government — Centre, States and Local Government (urban and rural local bodies). Union Finance Commissions are providing direct devolution of around 4.2 percent of the total divisible pool to the third tier of local governments.

Murmu said in his address at the international conference that SAI India is committed to strengthening the audit of local governments. Recognising that governance challenges at the grassroots may be unique to contiguous geographic areas, SAI India has embarked on audit of local governments focusing on districts — administrative decisions encompassing multiple villages and cities, Murmu said.

CAG has taken up audits of local government bodies at all States including West Bengal, Kerala and Karnataka (which had on its own given the mandate to CAG). Pilots are underway in all States other than these three States, where work has been already completed.

The objective of CAG's local government audits is to assess how well local governments are discharging the functions which have been devolved as per the constitution and legislations. This paradigm of local audit is dynamic and evolving. The initial framework and guidance are being modified and updated through consultations with stakeholders and feedback from audit teams.

Meanwhile, Murmu at the international conference underscored the need to explore institutionalising international standards for local governance audits “within our respective national, legal and regulatory frameworks”. This can involve incorporating relevant provisions into legislations, regulations, and guidelines governing local governance and audit practices, he said. <https://www.thehindubusinessline.com/news/national/cag-keen-to-harness-ai-data-analytics-for-local-government-audits-too-says-govt-auditor-gc-murmu/article67895162.ece>

3. **Grassroots democracy is the cornerstone of a vibrant & inclusive society, says CAG Murmu** (*thesedaysindia.com*) Feb 29, 2024

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| THESE DAYS | National | Thursday February 29, 2024 | 2 | |
| Grassroots democracy is the cornerstone of a vibrant and inclusive society, says CAG Murmu | | | | |
| <p>—Local governance in India calls for out-of-box audit approach: CAG</p> <p>—The primary focus of CAG's district audits is on service delivery - the last mile connecting the government with its people: Murmu</p> <p>NEW DELHI, FEB 28 (INS INDIA): Good local governance that relies on the core principles of transparency, inclusivity and accountability is the cornerstone of grassroots democracy, the Comptroller & Auditor General of India, Shri Girish Chandra Murmu, said here today while addressing the three-day international conference on Strengthening of Grassroots Democracy. “These principles are not mere ideals, but the bedrock upon which the edifice of good governance stands,” he said.</p> <p>Inaugurating the three-day international conference on Strengthening of Grassroots Democracy at the CAG's headquarters, Shri Murmu said that “local governments are the most important link</p> | <p>in the governance spectrum”. These institutions are necessary for the advancement of society and for improving the lives of citizens, he said. “It is at this level that the aspirations, concerns and needs of the people are most acutely felt and addressed. It is here that local level planning of developmental programs are undertaken,” he said, adding that, “these bodies are the first ones to respond to calamities and pandemics and are vital for the implementation of the Sustainable Development Goals.”</p> <p>This is the first time that the Supreme Audit Institution of India is organizing a seminar on local self-governments. Since India's local governments depend on the Central and State governments for funds, functions and functionaries, “this reality calls for an out-of-box audit approach”, Murmu said. India has 2,62,000 local institutions. This third tier of government implements several centrally-sponsored schemes and projects. Given its growing importance, the Union Finance</p> |  <p>Commission allows for direct devolution of funds of around 4.2% of the total divisible pool to the third tier.</p> <p>Shri Murmu said that the supreme audit institutions can play a vital role in strengthening local bodies and establish robust audit mechanisms for compliance monitoring within its respective mandates. Stressing on the critical importance of carrying out audit impact analyses, he said that interventions such as follow-up audits, periodic reviews and evaluation would ensure that SAIs</p> | <p>the CAG's strong focus and commitment towards accountable governance. SAI India is constantly innovating and expanding its audit exercises and has started conducting district centre audits, encompassing multiple villages and cities.</p> <p>“The primary focus of the district audits is on service delivery - the last mile connecting the government with its people. Services like supply of potable and clean water, sanitation, and management of solid waste are the few crucial services provided by the local governments. The objective of our audit is to assess how well local governments are discharging these functions,” the CAG said.</p> <p>To address issues like shortage of trained local auditors, Shri Murmu said that the nascent field of local government audit is still evolving and needs considerable capacity building. SAI India had recently established the International Centre for Audit of Local Governance, or ICAL. “ICAL will serve as a Centre of Excellence</p> | <p>for capacity building of local government auditors at the national and the international levels,” he said.</p> <p>Stressing on the importance of digital technology for audit purposes, Shri Murmu said, “In an increasingly interconnected world, audit methodologies must evolve to keep pace with the complexities of modern governance”. “By harnessing the power of data analytics, artificial intelligence, and digital platforms, we can enhance the effectiveness and efficiency of our audit processes, and ultimately deliver greater value to society,” he said. In the context of local audit guidelines, he said there is a need for setting international standards on local governance. He welcomed the ASOSAI's move to form a Working Group on Regional and Municipal Audit.</p> <p>“As the incoming chair of ASOSAI for 2024-27, SAI India recognizes this proposed Working Group as a stimulus for spurring development of regional/municipal audit in the Asian region,” he said.</p> |

<https://www.thesedaysindia.com>

4. Good local governance cornerstone of grassroots democracy: CAG Murmu (*thehindu.com*) Feb 28, 2024

As India's local governments depend on the Centre and States for funds, functions, and functionaries, CAG Girish Chandra Murmu said it called for an out-of-box audit approach

The Comptroller and Auditor General (CAG) of India, Girish Chandra Murmu, on Wednesday said good local governance that relied on the core principles of transparency, inclusivity, and accountability, was the cornerstone of grassroots democracy.

After inaugurating the three-day international conference on 'Strengthening of Grassroots Democracy', Mr. Murmu said that local governments were the most important link in the governance spectrum and that they were necessary for the advancement of society and improving the lives of citizens.

Representatives from supreme audit institutions of Malaysia, Maldives, Malta, Morocco, Nepal, Oman, Poland, South Africa, and Uganda, with India being the host country, are participating in the conference.

"It is at this level that the aspirations, concerns, and needs of the people are most acutely felt and addressed. It is here that local level planning of developmental programmes are undertaken," Mr. Murmu said adding that "these bodies are the first ones to respond to calamities and pandemics and are vital for the implementation of the Sustainable Development Goals".

As the country's local governments depend on the Central and State governments for funds, functions, and functionaries, he said it called for an out-of-box audit approach. India has about 2.62 lakh local institutions. This third tier of government implemented several centrally-sponsored schemes and projects. Given its growing importance, the Union Finance Commission allowed for direct devolution of funds of about 4.20% of the total divisible pool to the third tier, he said.

Mr. Murmu said the supreme audit institutions could play a vital role in strengthening local bodies and establish robust audit mechanisms for compliance monitoring within its respective mandates. Underscoring the importance of carrying out audit impact analyses, he said interventions such as follow-up audits, periodic reviews, and evaluation would ensure that the audit institutions' recommendations were implemented for oversight and accountability.

"Transparency, inclusivity and accountability are the core principles underpinning the essence of our welfare societies...at the grassroots level, where governance meets the everyday lives of citizens, these principles are not mere ideals, but the bedrock upon which the edifice of good governance stands," he said.

"The primary focus of the district audits is on service delivery - the last mile connecting the government with its people. Services like supply of potable and clean water, sanitation, and management of solid waste are the few crucial services provided by the

local governments. The objective of our audit is to assess how well local governments are discharging these functions,” Mr. Murmu said.

The CAG has recently established the International Centre for Audit of Local Governance, or iCAL. “iCAL will serve as a centre of excellence for capacity building of local government auditors at the national and the international levels,” Mr. Murmu said. He welcomed the Asian Organisation of Supreme Audit Institutions’ move to form a Working Group on Regional and Municipal Audit. <https://www.thehindu.com/news/national/good-local-governance-cornerstone-of-grassroots-democracy-cag-murmu/article67895933.ece>

5. Transparency bedrock of good governance: CAG (*tribuneindia.com*) Feb 29, 2024

Inaugurates three-day conference on strengthening grassroots democracy

Comptroller and Auditor General (CAG) of India Girish Chandra Murmu inaugurated a three-day international conference on strengthening of grassroots democracy at the CAG’s headquarters on Wednesday.

While addressing the conference, the CAG remarked that good local governance that relies on the core principles of transparency, inclusivity and accountability is the cornerstone of grassroots democracy. “These principles are not mere ideals, but the bedrock upon which the edifice of good governance stands,” he added.

The CAG said that local governments were the most important link in the spectrum of governance. These institutions were necessary for the advancement of society and improving the lives of citizens, he stated.

He said, “It is at this level that the aspirations, concerns and needs of the people are most acutely felt and addressed. It is here that local-level planning of developmental programmes is undertaken.”

“These bodies are the first ones to respond to calamities and pandemics and are vital for the implementation of the sustainable development goals,” he stated.

The CAG said that India’s local governments depend on the Centre and state governments for funds, functions and functionaries, calling for an ‘out of the box’ audit approach. H India has 2,62,000 local institutions. This third tier of government implements several centrally-sponsored schemes and projects. Given its growing importance, the Union Finance Commission allows for direct devolution of funds of around 4.2 per cent of the total divisible pool to the third tier.

The CAG also released a book titled ‘Local Governance in India – Initiatives and Opportunities’ at the inaugural function. The book highlights India’s challenges and key advancements in the sphere of local governance.

Besides India which is the host country, the event is bringing together representatives from audit institutions of 10 countries — Georgia, Malaysia, Maldives, Malta, Morocco, Nepal, Oman, Poland, South Africa and Uganda.

Book launched

The CAG also released a book titled ‘Local Governance in India – Initiatives and Opportunities’ at the inaugural function. The book highlights India’s challenges and key advancements in the sphere of local governance. <https://www.tribuneindia.com/news/delhi/transparency-bedrock-of-good-governance-cag-595564>

6. Global audit framework for local bodies in the works: CAG (*economictimes.indiatimes.com*) Feb 28, 2024

The apex government auditors of various nations, including India, are firming up a global framework for auditing regional and municipal bodies to gauge the performance of such grass-root level institutions that play a crucial role in taking various welfare programmes to the common man, comptroller and auditor general (CAG) of India Girish Chandra Murmu said on Wednesday.

India is planning to host a conference of the supreme audit institutions (SAIs) of Asia in September where a preliminary draft framework for such auditing standards could be deliberated on, Murmu said on the sidelines of a three-day International Conference on Strengthening of Grassroots Democracy in the national capital.

Better audit standards will not just result in greater transparency but also effective last-mile delivery of various schemes. As many as 262,000 local bodies exist in rural India alone, Murmu said. Local bodies directly get a 4.2% of the Union government’s total divisible tax pool, which runs into billions of rupees annually.

Once the framework is finalised, every member of the International Organization of Supreme Audit Institutions can adopt it. The global body currently has 195 members, five associate members and two affiliate ones.

The conference, organised by India for the first time, is being attended by the senior functionaries of the SAIs of various nations.

District-centric audit

Recognising governance challenges at the grassroots level, the CAG has embarked on audits of local governments focusing on districts— administrative divisions encompassing multiple villages and cities. The primary focus of the district-centric audit is on service delivery, the last mile connecting the government with its people, Murmu said in his speech at the conference.

“At the grassroots level, where governance meets the everyday lives of citizens, these (audit) principles are not mere ideals but the bedrock upon which the edifice of good governance stands,” he said, calling for more effective scrutiny of auditing at local level institutions.

“From our experience, we find the functioning of local governments different from that of the federal and provincial governments in India.... This reality calls for an ‘out of the box’ audit approach,” he said.

Pool of auditors

Murmu said the CAG has tied up with the Institute of Chartered Accountants of India (ICAI) to offer a diploma course to students in an effort to prepare a specialised pool of auditors for local bodies. Students can opt for this course after the 12th class and can become the official account keepers for panchayats and municipalities. <https://economictimes.indiatimes.com/industry/services/consultancy/-/audit/global-audit-framework-for-local-bodies-in-the-works-cag/articleshow/108067598.cms?from=mdr>

7. SAI India committed to strengthen local governments audits, says CAG Murmu (*business-standard.com*) Feb 28, 2024

CAG stressed the importance of transparency and accountability, stating, "These bodies are also vital for implementation of SDGs etc

The Comptroller and Auditor General of India (CAG), Girish Chandra Murmu, inaugurated a three-day international conference on 'Strengthening Grassroots Democracy and Accountability' at CAG headquarters in Delhi on Wednesday.

This conference which will be held from February 28 to March 1, 2024, brings together representatives from Supreme Audit Institutions (SAIs) of ten countries: Georgia, Malaysia, Maldives, Malta, Morocco, Nepal, Oman, Poland, South Africa, and Uganda, with India hosting.

During his address, CAG Girish Chandra Murmu emphasized, "Grassroots democracy is the cornerstone of a vibrant and inclusive society. It is at this level that the aspirations, concerns, and needs of the people are most acutely felt and addressed. Local-level planning of developmental programs should be undertaken here, ensuring increased participation. In fact, the committees at this level are the first respondents to calamities and pandemics as local governments are the most important link in the governance spectrum."

The CAG also mentioned that India has a substantial number of urban and rural local bodies, with approximately 2,62,000 such bodies at the rural level. These entities at the third tier of governance are actively involved in managing various schemes and projects related to Sustainable Development Goals (SDGs).

"It is in this context, that SAI India is committed to strengthening the audit of local governments. From our experience, we find the functioning of local governments different from that of the Federal and Provincial Governments in India, in terms of their dependence on the two higher tiers for functions, funds, and functionaries. This reality calls for an 'out-of-the-box' audit approach," he said.

CAG stressed the importance of transparency and accountability, stating, "These bodies are also vital for implementation of SDGs etc. For this vital form of governance to thrive, transparency and accountability are inextricably intertwined with it, ensuring the voices of the people are heeded at the very foundation of governance."

"Although auditing of local bodies is carried out differently, audit operations at local levels, in many countries, are carried out by SAIs of the country. As a supreme audit institution, we can contribute through robust audit mechanisms within our respective mandates to foster oversight and accountability at the local government level," he said.

He further emphasized the purpose of the conference to enhance the well-being of ordinary citizens and proposed regular exchanges between SAIs to strengthen local governance audit systems and contribute to effective and accountable local governance processes.

"Every audit finding, every recommendation is the potential for positive, tangible difference in the lives of people an imperative for the advancement of society. We have come together to share our ideas, experiences and knowledge, in this realm. Our exchanges and collaborations, will undoubtedly serve as a force multiplier in strengthening local governance, thus amplifying the voice of the citizenry and strengthening grassroots democracy," he said.

"Regular exchanges between SAIs to share experiences, lessons learned, and best practices in local governance auditing through regional forums, conferences, and virtual platforms, will go a long way in strengthening grass root democracy," he said.

He also said that these measures will help us all strengthen our local governance audit systems and contribute to more effective and accountable local governance processes.

"The work we do here goes beyond the confines of this conference hall. It ripples out into the communities we serve, leaving an indelible mark on the democratic fabric of our societies. By fostering transparency, upholding integrity, embracing innovation, and prioritizing the needs of the people, we can build a future where governance truly serves the common good," he added. https://www.business-standard.com/india-news/sai-india-committed-to-strengthen-local-governments-audits-says-cag-murmu-124022800595_1.html

8. CAG, ICAI to launch online courses to strengthen local bodies' accounting (*indianexpress.com*) Updated: February 29, 2024

This third tier of governance is dealing with many schemes/projects concerning SDGs. Union Finance Commissions are providing direct devolution of around 4.2% of the total divisible pool. Murmu said.

The Comptroller and Auditor General of India (CAG) has partnered with the Institute of Chartered Accountants of India (ICAI) to develop a set of online courses to create a pool of certified accountants to strengthen accounting system at panchayat and municipal bodies, CAG Girish Chandra Murmu said Wednesday.

Addressing the inaugural session of the International Conference on Strengthening of Grassroots Democracy, Murmu said, “SAI (Supreme Audit Institution) India has also partnered... to develop a set of online courses, pitched at the required level of knowledge and skills for maintaining the accounts of different categories of local governments. Thereby, creating a pool of certified accountants whose services can be used by local governments in maintaining complete and standardised accounts.”

Observing that the grassroots democracy is the “cornerstone” of a vibrant and inclusive society, Murmu said, “India has large number of urban and rural local bodies, particularly at rural level 2,62,000 such bodies exist. This third tier of governance is dealing with many schemes/projects concerning SDGs. Union Finance Commissions are providing direct devolution of around 4.2% of the total divisible pool.”

“It is in this context, that SAI India is committed to strengthening the audit of local governments. From our experience, we find the functioning of local governments different from that of the federal and provincial governments in India in terms of their dependence for functions, funds, and functionaries on the two higher tiers. This reality calls for an ‘out-of-the-box’ audit approach,” Murmu said.

He said, “in an increasingly interconnected world, audit methodologies must evolve to keep pace with the complexities of modern governance.”
<https://indianexpress.com/article/india/cag-icai-to-launch-online-courses-to-strengthen-local-bodies-accounting-9187143/>

9. CAG Murmu Champions Transparency, Accountability in Local Governance at Global Conference (*bnnbreaking.com*) 28 Feb 2024

Discover how Girish Chandra Murmu emphasizes the importance of empowering local governments and strengthening grassroots democracy through innovative audit methods and international cooperation.

In a significant push for enhancing grassroots democracy, Girish Chandra Murmu, the Comptroller and Auditor General (CAG) of India, underscored the critical role of good local governance during his opening remarks at an international conference. The event, themed 'Strengthening of Grassroots Democracy,' became a pivotal platform for discussing the enhancement of local governance through transparency, inclusivity, and accountability. Murmu highlighted the indispensable role local governments play in societal advancement by addressing the direct needs of citizens, crafting developmental programs, and effectively responding to emergencies and pandemics.

Empowering Local Governance

Murmu pointed out the dependency of India's local governments on financial allocations from central and state governments. He advocated for pioneering audit methods to bolster these local bodies, emphasizing the importance of the direct devolution of funds to the third tier of government as endorsed by the Union Finance Commission. The CAG's address shed light on the necessity for supreme audit institutions to develop robust audit mechanisms, thereby ensuring efficient service delivery in critical areas such as water supply, sanitation, and waste management.

Innovations in Audit for Accountability

During the conference, Murmu announced the establishment of the International Centre for Audit of Local Governance (iCAL). This initiative aims to augment the auditing capabilities of local government auditors worldwide, fostering a stronger framework for accountability and service delivery at the grassroots level. Murmu advocated for regular exchanges between Supreme Audit Institutions (SAIs) to refine local governance audit systems and bolster grassroots democracy, emphasizing the vital role of audits in promoting effective governance.

Strengthening Grassroots Democracy

The conference not only highlighted the importance of transparency and accountability in local governance but also set the stage for international collaboration among supreme audit institutions. By focusing on innovative audit approaches and the direct involvement of local governments in development and crisis response, the event underscored the essential role of grassroots democracy in societal advancement. Murmu's emphasis on empowering local governments through better audit mechanisms and international cooperation presents a forward-looking approach to enhancing public service delivery and ensuring the welfare of citizens at the grassroots level.

As the curtains drew on the three-day international conference, the dialogue around strengthening grassroots democracy through good local governance gained new momentum. The establishment of iCAL and the call for innovative audit approaches underscore a global commitment to enhancing the efficiency, transparency, and accountability of local governments. This reflects a growing recognition of the pivotal role that local governance plays in addressing the immediate needs of the people, managing development programs effectively, and responding adeptly to calamities. Murmu's visionary leadership in advocating for these enhancements marks a significant step forward in the global effort to empower grassroots democracy. <https://bnnbreaking.com/politics/cag-murmu-champions-transparency-accountability-in-local-governance-at-global-conference>

10. CAG training auditors for village audits (*timesofindia.indiatimes.com*) Feb 28, 2024

NEW DELHI: The Comptroller and Auditor General has initiated an online certificate course in partnership with the Institute of Chartered Accountant to create a pool of certified accountants that can help local bodies in rural areas to audit their accounts and can also help the federal auditor in its audit of Panchayati Raj institutions.

Speaking at the three-day international conference on strengthening of grassroots democracy at CAG's headquarters here, CAG GC Murmu said this will help in strengthening local governance audit systems and contribute to more effective and accountable local governance processes.

“Good local governance that relies on the core principles of transparency, inclusivity and accountability is the cornerstone of grassroots democracy,” Murmu said at the conference that is being attended by auditors from ten countries, including Maldives, Malaysia, South Africa, Nepal, Morocco, Georgia, Poland and Uganda.

The CAG has started conducting district centric audits, encompassing multiple villages and cities. Murmu said: “The primary focus of the district audits is on service delivery -- the last mile connecting the govt with its people. Services like supply of potable and clean water, sanitation, and management of solid waste are the few crucial services provided by the local govt. The objective of our audit is to assess how well local bodies are discharging these functions.”

In view of shortage of trained local auditors and the fact that local govt audit is still evolving and needs considerable capacity building, the CAG has established the International Centre for Audit of Local Governance, or iCAL. “iCAL will serve as a Centre of Excellence for capacity building of local govt auditors at the national and the international levels,” Murmu said.

There are 2.6 lakh local bodies across the country and a substantial chunk of central schemes are being spent by the third tier Panchayati Raj institutions. The divisible pool of taxes available to states for implementing several centrally-sponsored schemes is to the tune of Rs 8.5 lakh crore. <https://timesofindia.indiatimes.com/india/cag-training-auditors-for-village-audits/articleshow/108079679.cms>

11. कैग-आईसीएआई की साझेदारी से तैयार होगा प्रमाणित अकाउंटेंट का समूह : जीसी मुर्मू (virarjun.com) 29 Feb 2024

नियंत्रक एवं महालेखा परीक्षक (कैग) गिरीश चंद्र मुर्मू ने बुधवार को कहा कि आईसीएआई के सहयोग चलाई जा रही कौशल विकास पहल से ग्रामीण इलाकों में प्रमाणित अकाउंटेंट का एक समूह तैयार करने में मदद मिलेगी। ग्रामीण क्षेत्रों के स्थानीय निकाय और छोटे व्यवसाय जीएसटी रिटर्न दाखिल करने के लिए प्रमाणित अकाउंटेंट की सेवाओं का लाभ ले सकते हैं। देश की अग्रणी लेखापरीक्षण संस्था कैग ने विभिन्न तरह के स्थानीय निकायों के खातों के संचालन के लिए जरूरी स्तर के ज्ञान और कौशल पर आधारित ऑनलाइन पाठ्यक्रम तैयार करने के लिए भारतीय सनदी लेखाकार संस्थान (आईसीएआई) के साथ साझेदारी की है। इस साझेदारी से प्रमाणित अकाउंटेंट का एक समूह तैयार करने में मदद मिलेगी जिनकी सेवाओं का उपयोग स्थानीय सरकारें पूर्ण और मानकीकृत खातों के संचालन में कर सकती हैं। <https://epapervirarjun.com/>

12. कैग-आईसीएआई की साझेदारी से तैयार होगा प्रमाणित अकाउंटेंट का समूह: जी सी मुर्मू (hindi.theprint.in) 28 February, 2024

नियंत्रक एवं महालेखा परीक्षक (कैग) गिरीश चंद्र मुर्मू ने बुधवार को कहा कि आईसीएआई के सहयोग चलाई जा रही कौशल विकास पहल से ग्रामीण इलाकों में प्रमाणित अकाउंटेंट का एक समूह तैयार करने में मदद मिलेगी।

ग्रामीण क्षेत्रों के स्थानीय निकाय और छोटे व्यवसाय जीएसटी रिटर्न दाखिल करने के लिए प्रमाणित अकाउंटेंट की सेवाओं का लाभ ले सकते हैं।

देश की अग्रणी लेखा-परीक्षण संस्था कैग ने विभिन्न तरह के स्थानीय निकायों के खातों के संचालन के लिए जरूरी स्तर के ज्ञान और कौशल पर आधारित ऑनलाइन पाठ्यक्रम तैयार करने के लिए भारतीय सनदी लेखाकार संस्थान (आईसीएआई) के साथ साझेदारी की है।

इस साझेदारी से प्रमाणित अकाउंटेंट का एक समूह तैयार करने में मदद मिलेगी जिनकी सेवाओं का उपयोग स्थानीय सरकारें पूर्ण और मानकीकृत खातों के संचालन में कर सकती हैं।

इस अवसर पर मुर्मू ने संवाददाताओं से कहा कि जिन लोगों ने मान्यता-प्राप्त बोर्ड की 10+2 योजना के तहत सीनियर सेकेंडरी स्कूल परीक्षा उत्तीर्ण की है, वे आईसीएआई का डिप्लोमा सर्टिफिकेट पाठ्यक्रम कर सकते हैं।

मुर्मू ने कहा, “यह एक सर्टिफिकेट पाठ्यक्रम है जिसका संचालन आईसीएआई पेशेवर रूप से करता है और इसका बहुत महत्व है। मेरा मत है कि अगर ये लोग लेखांकन सीखेंगे, तो उनके पास बाहर भी बहुत काम होगा। वे जीएसटी को लेकर व्यवसायों की मदद कर सकते हैं।”

उन्होंने कहा कि अभी यह पाठ्यक्रम केवल सरकारी लेखांकन के लिए है लेकिन आगे चलकर कुछ और पाठ्यक्रम भी शुरू किए जा सकते हैं। <https://hindi.theprint.in/india/economy/group-of-certified-accountants-will-be-prepared-with-the-partnership-of-cag-icai-gc-murmu/667307/?amp>

13. CAG मुर्मू का कहना- एसएआई इंडिया स्थानीय सरकारों के ऑडिट को मजबूत करने के लिए प्रतिबद्ध (*jantaserishta.com*) 28 Feb 2024

भारत के नियंत्रक और महालेखा परीक्षक (सीएजी), गिरीश चंद्र मुर्मू ने बुधवार को दिल्ली में सीएजी मुख्यालय में 'जमीनी स्तर पर लोकतंत्र और जवाबदेही को मजबूत करने' पर तीन दिवसीय अंतर्राष्ट्रीय सम्मेलन का उद्घाटन किया। 28 फरवरी से 1 मार्च, 2024 तक आयोजित होने वाला यह सम्मेलन दस देशों के सर्वोच्च लेखा परीक्षा संस्थानों (नों एसएआई) के प्रतिनिधियों को एक साथ लाता है: जॉर्जिया, मलेशिया, मालदीव, माल्टा, मोरक्को, नेपाल, ओमान, पोलैंड, दक्षिण अफ्रीका और युगांडा। , भारत की मेजबानी के साथ। अपने संबोधन के दौरान, सीएजी गिरीश चंद्र मुर्मू ने इस बात पर जोर दिया, "जमीनी स्तर पर लोकतंत्र एक जीवंत और समावेशी समाज की आधारशिला है।

यह इस स्तर पर है कि लोगों की आकांक्षाओं, चिंताओं और जरूरतों को सबसे अधिक तीव्रता से महसूस किया जाता है और संबोधित किया जाता है। स्थानीय स्तर की योजना बढ़ी हुई भागीदारी सुनिश्चित करते हुए यहां विकासात्मक कार्यक्रम चलाए जाने चाहिए। वास्तव में, इस स्तर पर समितियां आपदाओं और महामारी के लिए पहली प्रतिक्रियाकर्ता हैं क्योंकि स्थानीय सरकारें शासन स्पेक्ट्रम में सबसे महत्वपूर्ण कड़ी हैं।" सीएजी ने यह भी उल्लेख किया कि भारत में शहरी और ग्रामीण स्थानीय निकायों की पर्याप्त संख्या है, ग्रामीण स्तर पर लगभग 2,62,000 ऐसे निकाय हैं। शासन के तीसरे स्तर की ये संस्थाएँ सतत विकास लक्ष्यों (क्ष्यों एसडीजी) से संबंधित विभिन्न योजनाओं और परियोजनाओं के प्रबंधन में सक्रिय रूप से शामिल हैं। "यह इस संदर्भ में है, कि SAI इंडिया स्थानीय सरकारों के ऑडिट को मजबूत करने के लिए प्रतिबद्ध है। हमारे अनुभव से, हम स्थानीय सरकारों की कार्यप्रणाली को उनकी निर्भरता के संदर्भ में भारत में संघीय और प्रांतीय सरकारों से भिन्न पाते हैं। कार्यों, निधियों और पदाधिकारियों के लिए दो उच्च स्तर। यह वास्तविकता 'आउट-ऑफ़-द-बॉक्स' ऑडिट दृष्टिकोण की मांग करती है," उन्होंने ने कहा।

सीएजी ने पारदर्शिता और जवाबदेही के महत्व पर जोर देते हुए कहा, "ये निकाय एसडीजी आदि के कार्यान्वयन के लिए भी महत्वपूर्ण हैं। शासन के इस महत्वपूर्ण रूप को फलने-फूलने के लिए, पारदर्शिता और जवाबदेही इसके साथ अंतर्निहित हैं, जिससे यह सुनिश्चित होता है कि लोगों की आवाज पर ध्यान दिया जाता है।" शासन की बुनियाद।" "हालांकि स्थानीय निकायों की ऑडिटिंग अलग तरीके से की जाती है, लेकिन कई देशों में स्थानीय स्तर पर ऑडिट संचालन देश के एसएआई द्वारा किया जाता है। एक सर्वोच्च ऑडिट संस्था के रूप में, हम निगरानी को बढ़ावा देने के लिए

अपने संबंधित शासनादेशों के भीतर मजबूत ऑडिट तंत्र के माध्यम से योगदान कर सकते हैं। और स्थानीय सरकार के स्तर पर जवाबदेही, "उन्होंने" ने कहा।

उन्होंने ने आम नागरिकों की भलाई को बढ़ाने के लिए सम्मेलन के उद्देश्य पर जोर दिया और स्थानीय शासन लेखा परीक्षा प्रणालियों को मजबूत करने और प्रभावी और जवाबदेह स्थानीय शासन प्रक्रियाओं में योगदान देने के लिए एसएआई के बीच नियमित आदान-प्रदान का प्रस्ताव दिया। "प्रत्येक ऑडिट निष्कर्ष, प्रत्येक सिफारिश लोगों के जीवन में सकारात्मक, ठोस अंतर लाने की क्षमता रखती है जो समाज की उन्नति के लिए अनिवार्य है। हम इस क्षेत्र में अपने विचारों, रों अनुभवों और ज्ञान को साझा करने के लिए एक साथ आए हैं। हमारे आदान-प्रदान और सहयोग, निस्संदेह स्थानीय शासन को मजबूत करने में एक शक्ति गुणक के रूप में काम करेगा, इस प्रकार नागरिकों की आवाज को बढ़ाया जाएगा और जमीनी स्तर पर लोकतंत्र को मजबूत किया जाएगा," उन्होंने ने कहा।

उन्होंने कहा, "क्षेत्रीय मंचों, चों सम्मेलनों और आभासी प्लेटफार्मों के माध्यम से स्थानीय शासन ऑडिटिंग में अनुभव, सीखे गए सबक और सर्वोत्तम प्रथाओं को साझा करने के लिए एसएआई के बीच नियमित आदान-प्रदान, जमीनी स्तर के लोकतंत्र को मजबूत करने में एक लंबा रास्ता तय करेगा।" उन्होंने ने यह भी कहा कि ये उपाय हम सभी को हमारी स्थानीय शासन लेखापरीक्षा प्रणालियों को मजबूत करने और अधिक प्रभावी और जवाबदेह स्थानीय शासन प्रक्रियाओं में योगदान करने में मदद करेंगे।

"हम यहां जो काम करते हैं वह इस कॉन्फ्रेंस हॉल की सीमाओं से परे जाता है। यह उन समुदायों में फैलता है जिनकी हम सेवा करते हैं, हमारे समाज के लोकतांत्रिक ताने-बाने पर एक अमिट छाप छोड़ते हैं। पारदर्शिता को बढ़ावा देकर, अखंडता को बनाए रखते हुए, नवाचार को अपनाते हुए और जरूरतों को प्राथमिकता देते हुए लोगों की मदद से, हम एक ऐसे भविष्य का निर्माण कर सकते हैं जहां शासन वास्तव में आम लोगों की भलाई के लिए काम करेगा।"

<https://jantaserishta.com/delhi-ncr/cag-murmu-says-sai-india-committed-to-strengthening-the-audit-of-local-governments-3138203>

14. कैग-आईसीएआई की साझेदारी से तैयार होगा प्रमाणित अकाउंटेंट का समूह: जी सी मुर्मू (hindi.latestly.com) 29 Feb 2024

नियंत्रक एवं महालेखा परीक्षक (कैग) गिरीश चंद्र मुर्मू ने बुधवार को कहा कि आईसीएआई के सहयोग चलाई जा रही कौशल विकास पहल से ग्रामीण इलाकों में प्रमाणित अकाउंटेंट का एक समूह तैयार करने में मदद मिलेगी।

ग्रामीण क्षेत्रों के स्थानीय निकाय और छोटे व्यवसाय जीएसटी रिटर्न दाखिल करने के लिए प्रमाणित अकाउंटेंट की सेवाओं का लाभ ले सकते हैं।

देश की अग्रणी लेखा-परीक्षण संस्था कैग ने विभिन्न तरह के स्थानीय निकायों के खातों के संचालन के लिए जरूरी स्तर के ज्ञान और कौशल पर आधारित ऑनलाइन पाठ्यक्रम तैयार करने के लिए भारतीय सनदी लेखाकार संस्थान (आईसीएआई) के साथ साझेदारी की है।

इस साझेदारी से प्रमाणित अकाउंटेंट का एक समूह तैयार करने में मदद मिलेगी जिनकी सेवाओं का उपयोग स्थानीय सरकारें पूर्ण और मानकीकृत खातों के संचालन में कर सकती हैं।

इस अवसर पर मुर्मू ने संवाददाताओं से कहा कि जिन लोगों ने मान्यता-प्राप्त बोर्ड की 10+2 योजना के तहत सीनियर सेकेंडरी स्कूल परीक्षा उत्तीर्ण की है, वे आईसीएआई का डिप्लोमा सर्टिफिकेट पाठ्यक्रम कर सकते हैं।

मुर्मू ने कहा, “यह एक सर्टिफिकेट पाठ्यक्रम है जिसका संचालन आईसीएआई पेशेवर रूप से करता है और इसका बहुत महत्व है। मेरा मत है कि अगर ये लोग लेखांकन सीखेंगे, तो उनके पास बाहर भी बहुत काम होगा। वे जीएसटी को लेकर व्यवसायों की मदद कर सकते हैं।”

उन्होंने कहा कि अभी यह पाठ्यक्रम केवल सरकारी लेखांकन के लिए है लेकिन आगे चलकर कुछ और पाठ्यक्रम भी शुरू किए जा सकते हैं। <https://hindi.latestly.com/agency-news/a-group-of-certified-accountants-will-be-prepared-with-the-partnership-of-cag-icai-gc-murmur-2086981.html>

15. कैग-आईसीएआई की साझेदारी से तैयार होगा प्रमाणित अकाउंटेंट का समूह: जी सी मुर्मू (*ibc24.in*) February 28, 2024

नियंत्रक एवं महालेखा परीक्षक (कैग) गिरीश चंद्र मुर्मू ने बुधवार को कहा कि आईसीएआई के सहयोग चलाई जा रही कौशल विकास पहल से ग्रामीण इलाकों में प्रमाणित अकाउंटेंट का एक समूह तैयार करने में मदद मिलेगी।

ग्रामीण क्षेत्रों के स्थानीय निकाय और छोटे व्यवसाय जीएसटी रिटर्न दाखिल करने के लिए प्रमाणित अकाउंटेंट की सेवाओं का लाभ ले सकते हैं।

देश की अग्रणी लेखा-परीक्षण संस्था कैग ने विभिन्न तरह के स्थानीय निकायों के खातों के संचालन के लिए जरूरी स्तर के ज्ञान और कौशल पर आधारित ऑनलाइन पाठ्यक्रम तैयार करने के लिए भारतीय सनदी लेखाकार संस्थान (आईसीएआई) के साथ साझेदारी की है।

इस साझेदारी से प्रमाणित अकाउंटेंट का एक समूह तैयार करने में मदद मिलेगी जिनकी सेवाओं का उपयोग स्थानीय सरकारें पूर्ण और मानकीकृत खातों के संचालन में कर सकती हैं।

इस अवसर पर मुर्मू ने संवाददाताओं से कहा कि जिन लोगों ने मान्यता-प्राप्त बोर्ड की 10+2 योजना के तहत सीनियर सेकेंडरी स्कूल परीक्षा उत्तीर्ण की है, वे आईसीएआई का डिप्लोमा सर्टिफिकेट पाठ्यक्रम कर सकते हैं।

मुर्मू ने कहा, “यह एक सर्टिफिकेट पाठ्यक्रम है जिसका संचालन आईसीएआई पेशेवर रूप से करता है और इसका बहुत महत्व है। मेरा मत है कि अगर ये लोग लेखांकन सीखेंगे, तो उनके पास बाहर भी बहुत काम होगा। वे जीएसटी को लेकर व्यवसायों की मदद कर सकते हैं।”

उन्होंने कहा कि अभी यह पाठ्यक्रम केवल सरकारी लेखांकन के लिए है लेकिन आगे चलकर कुछ और पाठ्यक्रम भी शुरू किए जा सकते हैं। <https://www.ibc24.in/business/group-of-certified-accountants-to-be-formed-through-cag-icai-partnership-gc-murmu-2392511.html>

16. On irregularities in vertical devolution (*thehindu.com*) 29 Feb 2024

Agitations by different State governments in New Delhi have highlighted many disquieting issues in the practice of fiscal federalism in India. In light of this, the 16th FC must take initiative to correct historical wrongs in vertical devolution

The recent agitations by the governments of Kerala and Karnataka, and the support extended by several State governments, have highlighted many disquieting issues in the

practice of fiscal federalism in India. These agitations show that the newly constituted 16th Finance Commission (FC) would have to proceed seriously and innovatively to justly address complaints of increasing vertical and horizontal inequalities in devolution.

Within the domain of vertical devolution — that is the sharing of resources between the Union and States — there are two disturbing trends that need urgent redressal. First, the Union government has sought to keep an increasing share of its proceeds out of the divisible pool so that they need not be shared with States. Secondly, it has also not been devolving the shares of net proceeds to the States as mandated by successive FCs.

The shrinking divisible pool

The net divisible pool, or net proceeds, is that part of the gross tax revenue from which a share would have to be vertically devolved by the Union to all States. Such shares are assigned by each FC for a fiveyear period. Earlier, all corporation taxes and customs duties were fully absorbed by the Union, and only income taxes and excise duties were shared with the States. However, with changes over the years, culminating in a constitutional amendment in 2000, all taxes of the Union were added to the net proceeds. But there was a catch — cesses and surcharges under Article 270 and Article 271 were kept out of the net proceeds. In the past, such exclusion of cesses and surcharges were based on specific FC recommendations. But the amendment in 2000 provided a constitutional basis for it. Presently, the net proceeds consists of the gross tax revenue after the deduction of cesses, surcharges and the cost of collection of taxes.

Over the past decade or more, several cesses and surcharges were introduced by the Union government. When the Goods and Services Tax (GST) was initiated in 2017, the expectation was that many cesses and surcharges would be discarded and subsumed into the GST system. On the contrary, new cesses and surcharges continued to be introduced, and many old cesses and surcharges remained outside the GST system. For instance, the Agriculture Infrastructure and Development Cess was introduced as recent as in 2021²². Similarly, when the Health and Education Cess was introduced in 2017¹⁸, it just replaced the Primary Education and Secondary Education cess on direct taxes. The expansion of cesses and surcharges have led to the exclusion of an increasing share of the gross tax revenue from net proceeds. Interestingly, there is conflicting information released by the government on the quantum of cesses and surcharges. In December 2022, responding to a question raised in the Rajya Sabha, the government stated that the share of cesses and surcharges in the gross tax revenue was 18.2% in 2019²⁰, 25.1% in 2020²¹ and 28.1% in 2021²². But responding to another question in the Lok Sabha in March 2023, the government stated that the corresponding shares were 15.6% in 2019²⁰, 20.5% in 2020²¹ and 18.4% in 2021²².

To obtain more accurate estimates of cesses and surcharges, this article uses disaggregated data from budget documents between 2009¹⁰ and

2024²⁵. The collection of each type of cess and surcharge was separately recorded and added up, after giving due consideration to their occasional abolishment and/or merger with other taxes. The total collection of cesses and surcharges rose from ₹70,559 crore in 2009¹⁰ to ₹6.6 lakh crore in 2023²⁴ (RE) and ₹7 lakh crore in 2024²⁵ (BE). These collections include the GST compensation cess, which is given to the States as per

statutory requirements. If we deduct the GST compensation cess, the collection of cesses and surcharges rose from ₹70,559 crore in 200910 to ₹5.1 lakh crore in 202324 (RE) and ₹5.5 lakh crore in 202425 (BE). Considered as a share of the gross tax revenue, cesses and surcharges fell from 11.3% in 200910 to 9.5% in 201415, but then rose to 15.3% in 201819, a peak of 20.2% in 202021 and 16.3% in 202223. As per the tentative figures for 202324, cesses and surcharges are estimated at 14.8% of the gross tax revenue, which is still higher than the corresponding shares in 2009-10 or 2014-15.

Between 200910 and 202324, a cumulative total of ₹36.6 lakh crore was collected by the Union government as cesses and surcharges. An additional ₹5.5 lakh crore is projected to be collected as cesses and surcharges in 202425. This amount was not shared with States and was used solely by the Union government.

Rise in tied transfers

The Union government may argue that a part of this amount was used to finance centrally sponsored schemes and central sector schemes, while another part was used to provide nonplan grants or capital transfers to States. The problem, however, is that such transfers are not untied as is the case with the devolution of State's share in central taxes. In centrally sponsored schemes, about 40% of the cost must be borne by the State governments. Even in central sector schemes, the contribution of the Union government is often meagre, and the

State governments are forced to contribute significantly larger amounts to run the schemes meaningfully.

Even when State governments contribute a lion's share in implementing a central project, the Union government often tries to usurp credit by insisting on displaying the Prime Minister's photograph or other forms of labelling. Recent disputes over labelling in the Ayushman Bharat wellness centres is one such example. Similarly, several grants given to the States are contingent on fulfilment of conditionalities — and some of these conditionalities include the insistence on labelling. Finally, most capital transfers given to the States are loans, which must be repaid to the Union government

The bottom line is that none of the transfers to the States outside the FC recommendations are either unconditional or suitable to meet their contextspecific needs. Instead, they tend to reaffirm a centralising tendency in the fiscal realm — one that effectively tends to push the UnionState relationship into a patronclient relationship. Any purported deviation from the guidelines or a failure to meet the imposed conditionalities can lead to the denial of such resources.

The share of States in central taxes is, thus, a gold standard in any assessment of fiscal federalism. It is a matter of deep worry, then, that the Union government increasingly pays less of untied transfers to States and retains more of the gross tax revenue as cesses and surcharges. The substitution of such untied transfers with central schemes does not ameliorate the loss; instead, it inserts rigidities in UnionState relations and ends up diluting the spirit of cooperative fiscal federalism.

The CAG indictments

Cesses and surcharges have also been subjected to critical scrutiny by the Comptroller and Auditor General (CAG). All cesses must be transferred to a reserve fund in the Public Account of India after their collection. In its reports the CAG has uncovered numerous instances of either nontransfer or short transfer of the collected amounts to the respective funds. A CAG report in 2023 noted that if ₹52,732 crore was collected towards the Health and Education Cess in 2021-22, only ₹31,788 crore (or 60%) was transferred to the reserve fund of Prarambhik Shikha Kosh. The Research and Development Cess must be transferred to the Fund for Technology Development and Application. A CAG report in 2019 noted that the total collection of Research and Development Cess between 1996-97 and 2017-18 was ₹8,077 crore, but only ₹779 crore (or 9.6%) was transferred to the Fund.

The Swatchh Bharat Cess must be transferred to the Rashtriya Swachhata Kosh. The extent of short transfer to the Kosh between 2015-16 and 2017-18 was ₹4,891 crore. The extent of short transfer between 2010-11 and 2017-18 under the Road Cess was ₹72,726 crore and under the Clean Energy Cess was ₹44,505 crore.

Nontransfers and short transfers of cesses defeat the logic of their collection. It also reaffirms the view that cesses and surcharges are just a ruse to divert increasing quantum of funds away from the divisible pool to meet other financial requirements of the Union government.

Deviations from FC recommendations

Speaking in Parliament on February 8, 2024, the Union Finance Minister claimed: “whatever the Finance Commission has recommended [as the rate of devolution], I follow it to the last word”. How robust is this claim?

We have seen that a significant portion of the gross tax revenue is retained by the Union government as cesses and surcharges. One may disagree with such a retention, but it has some basis in constitutional provisions. However, what has happened to the recommendation of the FCs that a certain share of the net proceeds must be shared with all States? These shares were stipulated as 32% by the 13th FC (2010 to 2015), 42% by the 14th FC (2015 to 2020), and 41% by the 15th FC (2020 to 2025).

Annual estimates of net proceeds can be obtained by deducting cesses, surcharges, and costs of collection of taxes from the gross tax revenue. These estimates of net proceeds can be compared against the “States’ share of central taxes” in each year to check if they amounted to the FC-stipulated percentage of the net proceeds. It turns out that the Union government has not been sharing even the FC-recommended shares of net proceeds with the States. The States’ share of central taxes as a percentage of net proceeds was below the recommendations of the respective FCs for most years (see Chart 2). The average of the annual shares of devolution was 31.1% during the 13th FC period, 40.3% during the 14th FC period and 38.1% during the 15th FC period. The shortfall was widest during the ongoing period of the 15th FC, for which the claim of “to the last word” has been offered.

If we add cesses and surcharges to the net proceeds — to create a revised divisible pool — the share of devolution would fall even further to 28% during the 13th FC period, 35.1% during the 14th FC period and 31.7% during the 15th FC period. What do these shortfalls visavis FC recommendations amount to in quantum terms? Between 200910 and 202425 (BE), the cumulative amount not devolved to the States was ₹5.61 lakh crore (see Chart 3). The total amounts not devolved to the States were ₹44,922 crore during the 13th FC period, ₹1.36 lakh crore during the 14th FC period and a whopping ₹3.69 lakh crore during the

15th FC period (including 202425 BE). The failure to devolve these funds to States must be treated as a striking constitutional impropriety.

Even when State governments contribute a lion's share in implementing a central project, the Union government often tries to usurp credit

The agenda of reform

To conclude, sharing of resources from the divisible pool, and the extent of cesses and surcharges, must be matters of critical importance for the 16th FC. The FC must take initiative to correct historical wrongs in vertical devolution through compensations to the States. It must instruct the Union government to publish accurate estimates of “net proceeds” in the budget documents. It must also arrange to provide shortfalls in devolution over the last decade as a lump sum untied grant to States. On its part, the Union government must legislatively act to have strict limits on the collection of cesses and surcharges; cesses and surcharges should automatically expire after a short period and must not be rechristened under another name. Apart from addressing rightful complaints on the inequalities in horizontal devolution, the stance of the 16th FC on vertical devolution would be critical to the survival of fiscal federalism in India. <https://www.pressreader.com/india/the-hindu-kozhikode-9WWA/20240229/282402699328719>

STATES NEWS ITEMS

17. The CAG blames the delay in implementation of the wetlands project on Punjab's failure to give the state's share *(irshadgul.com)* 29 Feb 2024

The Comptroller and Auditor General (CAG) has flagged a major delay in the implementation of a central project to conserve Harika, Kanjli, Ropar, Nangal and other wetlands in Punjab under the National Aquatic Ecosystem Plan.

The project, approved by the Union Ministry of Environment, Forests and Climate Change in 2016-17, could not achieve its target because the Punjab government did not release the state's share even five years after it received the central funds, says the annual labor review of Forest Departments by the Office of the Chief Accountant (Accounting) for the financial year 2022-23. The state government has returned part of the central funds with interest to the central ministry.

The objectives of the scheme were to maintain and improve the hydrological regime to preserve aquatic biodiversity of the wetlands, to improve and maintain the wetland

habitat to preserve various life forms, and to build capacity and promote ecotourism to position itself as a model and conservation.

Central and state governments are expected to jointly fund ₹3.05 crore project on a 50:50 split basis to “conserve wetlands of international importance” in the country. The delay occurred mainly during the time of the previous government in the country.

According to the annual review report, the Union Ministry of Environment and Forests has sanctioned the central share ₹1.52 crore in 2016-17 and the state government has not announced the corresponding share till date.

While the Punjab State Council of Science and Technology was earlier responsible for the conservation and management of wetlands, the state government, through a notification issued on 21 March 2018, established the Punjab State Wetlands Authority. The Department of Forests and Wildlife has been designated as the nodal department.

The report said that a provision was also made for the state share in the financial years 2017-18, 2018-19 and 2020-21 for this scheme, but it could not be utilized due to non-release of funds by the state government. The department has also written several times for release of funds without any result.

Due to the non-use of the state share, it was not possible to submit certificates of use to the state of the Republic.

“Non-submission of utilization certificates has resulted in denial of further assistance by the Union government,” said a report sent to the state authorities last month, pointing out that the core share was also not utilized to its full extent.

They announced that they are waiting for a response from the state authorities.

The review report also questioned the delay in utilization of funds under the national program for the Green India Mission, aimed at increasing tree cover, improving ecosystem services such as carbon sequestration and storage, biodiversity and increasing livelihood income from forests. <https://irshadgul.com/the-cag-blames-the-delay-in-implementation-of-the-wetlands-project-on-punjabs-failure-to-give-the-states-share-ig-news/>

18. कैग ने खादी बोर्ड में पाई वित्तीय अनियमितताएं (amarujala.com) 29

Feb 2024

चंडीगढ़। हरियाणा विधानसभा के बजट सत्र के दौरान कैग ने हरियाणा खादी व ग्रामोद्योग बोर्ड की साल 2020 की रिपोर्ट पेश की। इस दौरान कैग ने कई वित्तीय अनियमितताओं का खुलासा किया है। कैग ने पाया कि बोर्ड ने अपने कर्मचारियों की पेंशन व अन्य सेवानिवृत्ति लाभ बैंक में जमा करती है, लेकिन इसमें करीब 142.28 लाख रुपये का अंतर मिला है। इसका आज तक मिलान नहीं हो सका है।

कैग के मुताबिक खादी विकास और ग्रामोद्योग आयोग की योजना के मुताबिक करीब 5.34 करोड़ रुपये का कर्ज दिया गया था, लेकिन इस राशि को वसूला नहीं गया। यह राशि छह साल से बकाया है। अब इस राशि की वसूली की संभावना कम है। बोर्ड को इन बकाया ऋणों के लिए प्रावधान करना चाहिए था। खादी बोर्ड की मार्केटिंग इकाई साल 2008 से निष्क्रिय है। बोर्ड की करीब 222.83

लाख रुपये की राशि सरकारी लेनी है और 173.83 लाख की रुपये की राशि देनी है। लेकिन यह राशि किस समयावधि की बकाया है। इसका वास्तविक समय कार्यालय के रिकॉर्ड में उपलब्ध नहीं है। इसी वजह से आंकड़ों की सत्यता प्रमाणित नहीं की जा सकी। इस मुद्दे को अलग-अलग कैग की रिपोर्टों में समय-समय पर उठाया गया, लेकिन बोर्ड की ओर से कोई कार्रवाई नहीं की गई।

खादी विकास और ग्रामोद्योग आयोग की एक इकाई जून 2003 में बंद हो गई थी। इकाई की बैलेंस शीट में दिखाए गए देनदार साल 2003 पहले से हैं। यह राशि करीब 3.58 लाख है। चूंकि देनदार 2003 के पहले के हैं और 17 साल बीत चुके हैं। ऐसे में वसूली की संभावना दूर-दूर तक नहीं है। वहीं, कैग ने यह भी पाया कि बोर्ड की कोई आंतरिक ऑडिट सिस्टम नहीं है। नकद, स्टॉक और अन्य मूल्यवान कामों को निपटाने वाले कर्मचारियों का कोई रेटेशन तैयार नहीं किया गया है। अचल संपत्तियों का साल 2015-16 के बाद से कोई भौतिक सत्यापन नहीं किया गया है। <https://www.amarujala.com/chandigarh/cag-found-financial-irregularities-in-khadi-board-chandigarh-news-c-16-pk11010-364423-2024-02-29>

19. हरियाणा हाउस पैनल ने कहा, एचएसआईआईडीसी के पूर्व एमडी के फैसलों की जांच करें (*jantaserishta.com*) 29 Feb 2024

हरियाणा: सार्वजनिक उपक्रमों पर विधानसभा समिति ने हरियाणा राज्य औद्योगिक और बुनियादी ढांचा विकास निगम (एचएसआईआईडीसी) के पूर्व प्रबंध निदेशक के कार्यकाल के दौरान लिए गए सभी निर्णयों की सतर्कता जांच की सिफारिश की है।

यह सिफारिश भारत के नियंत्रक और महालेखा परीक्षक (सीएजी) की टिप्पणी के बाद आई है कि सेक्टर 16, गुरुग्राम में एक आवंटी को 57.77 करोड़ रुपये का "अनुचित" लाभ दिया गया था। समिति की रिपोर्ट आज राज्य विधानसभा में पेश की गयी। एचएसआईआईडीसी ने 11 जून, 2010 को प्रस्ताव के अनुरोध (आरएफपी) के खिलाफ नीलामी के माध्यम से 587.56 करोड़ रुपये में एक आवंटी को गुरुग्राम के सेक्टर 16 में 12.2 एकड़ का वाणिज्यिक भूखंड आवंटित किया। चूंकि आवंटी भूखंड पर निर्माण पूरा करने में विफल रहा था। आरएफपी नियम और शर्तों के अनुसार, विस्तार शुल्क के भुगतान पर आवंटी को निर्धारित पांच साल की अवधि, 10 जून, 2017 तक का विस्तार दिया गया था। चूंकि विस्तारित अवधि के दौरान भी निर्माण पूरा नहीं हुआ था, इसलिए भूखंड कानूनी रूप से फिर से शुरू होने योग्य था। जनवरी 2018 में, आवंटी ने बहाली नोटिस के खिलाफ एक अभ्यावेदन प्रस्तुत किया जिसमें दावा किया गया कि परियोजना को ग्रीन रेटिंग फॉर इंटीग्रेटेड हैबिटेट असेसमेंट (जीआरआईएचए) द्वारा पूर्व-प्रमाणित किया गया था और भवन निर्माण का 90 प्रतिशत से अधिक पूरा हो चुका था। आवंटी ने दो साल का और विस्तार मांगा।

मार्च 2018 में, तत्कालीन HSIIDC एमडी ने GRIHA मानदंडों को अपनाने और लागू विस्तार शुल्क के भुगतान का हवाला देते हुए परियोजना के लिए दो साल का विस्तार (10 जून, 2019 तक) दिया।

सीएजी ने पाया कि विस्तार अनियमित था क्योंकि क्योंकि यह संपदा प्रबंधन प्रक्रिया (ईएमपी) के प्रावधानों से परे था। इसके अलावा, GRIHA प्रमाणीकरण वैकल्पिक था और 90 प्रतिशत से अधिक निर्माण पूरा होने का आवंटी का दावा रिकॉर्ड पर नहीं था।

10 जून, 2019 को विस्तार अवधि समाप्त होने पर, आवंटी ने फिर से विस्तार के लिए अनुरोध किया, जिसे एचएसआईआईडीसी के निदेशक मंडल (बीओडी) ने जून 2022 तक के लिए मंजूरी दे दी।

सीएजी ने निष्कर्ष निकाला कि आरएफपी से परे विस्तार देना और सामग्री विस्तार शुल्क न लगाना आवंटी को 57.77 करोड़ रुपये से अधिक का अनुचित लाभ देने के समान है।

समिति के समक्ष सुनवाई के दौरान, एचएसआईआईडीसी ने कहा कि मामले की परिस्थितियों और विकास के समग्र हित को देखते हुए तत्कालीन एमडी द्वारा विस्तार दिया गया था। हालाँकि, इसमें कहा गया है कि ईएमपी मानदंडों के तहत कवर नहीं किए गए किसी भी मामले पर निर्णय लेने के लिए बीओडी सक्षम है। असंतोष व्यक्त करते हुए, समिति ने पाया कि तत्कालीन एमडी "ऐसे मुद्दों से निपटने के लिए सक्षम नहीं थे" और ऐसी शक्तियाँ एचएसआईआईडीसी के बीओडी के पास निहित थीं। थीं पैनल ने पाया कि पिछले मामलों को भी इसी तरह से निपटाया गया था। रिपोर्ट में कहा गया है, "इसलिए, समिति एचएसआईआईडीसी के तत्कालीन एमडी के कार्यकाल के दौरान लिए गए सभी निर्णयों की सतर्कता जांच शुरू करने की सिफारिश करती है।"

<https://jantaserishta.com/local/haryana/haryana-house-panel-said-investigate-the-decisions-of-former-md-of-hsiidc-3139150>

20. Probe HSIIDC ex-MD's decisions: Haryana House panel (*tribuneindia.com*)_Feb 29, 2024

The Vidhan Sabha Committee on Public Undertakings has recommended a Vigilance inquiry into all decisions taken during the tenure of a former Managing Director of the Haryana State Industrial and Infrastructure Development Corporation (HSIIDC).

CAG observation

The Comptroller and Auditor General (CAG) concluded that granting extension beyond request for proposal (RFP) norms and non-levying of material extension fee were tantamount to granting undue favour of over Rs 57.77 crore to the allottee

The recommendation comes following the Comptroller and Auditor General of India (CAG) observation that an "undue" favour of Rs 57.77 crore was allowed to an allottee in Sector 16, Gurugram. The report of the committee was tabled in the state Assembly today. The HSIIDC allotted a 12.2-acre commercial plot in Sector 16 of Gurugram to an allottee for Rs 587.56 crore through an auction against a request for proposal (RFP) on June 11, 2010. As the allottee failed to complete construction on the plot within the prescribed five-year period, an extension up to June 10, 2017, was granted to the allottee on the payment of extension fee, as per RFP terms and conditions. As the construction was not completed even during the extended period, the plot was liable to be legally resumed. In January 2018, the allottee submitted a representation against the resumption notice claiming that the project had been pre-certified by the Green Rating for Integrated Habitat Assessment (GRIHA) and more than 90 per cent of the building construction had been completed. The allottee sought a further extension of two years.

In March 2018, the then HSIIDC MD granted two-year extension (up to June 10, 2019) for the project, citing the adoption of GRIHA norms and the payment of applicable extension fee.

CAG observed that the extension was irregular as it was beyond the provisions of Estate Management Procedure (EMP). Moreover, the GRIHA certification was optional and

the allottee's claims of the completion of more than 90 per cent construction was not on record.

Upon the expiry of the extension period on June 10, 2019, the allottee again requested for the extension, which was granted by the Board of Directors (BoD) of the HSIIDC up to June 2022.

The CAG concluded that granting extension beyond RFP and non-levying of material extension fee were tantamount to granting undue favour of over Rs 57.77 crore to the allottee.

During the hearing before the committee, the HSIIDC said the extension was granted by the then MD considering the circumstances of the case and in the overall interest of development. However, it added that the BoD was competent to decide any matter not covered under EMP norms. Expressing dissatisfaction, the committee observed that the then MD "was not competent to deal with such issues" and that such powers vested with the BoD of the HSIIDC. The panel observed that previous cases were also dealt with in the same manner. "Therefore, the committee recommends to initiate a Vigilance inquiry into all decisions taken during the tenure of the then MD of the HSIIDC," said the report. <https://www.tribuneindia.com/news/haryana/probe-hsiidc-ex-mds-decisions-house-panel-595498>

21. ACB to probe IAS officer in Rs 200cr tender scam, govt tells assembly (*timesofindia.indiatimes.com*) 28 Feb 2024

GURGAON: State govt has given the Haryana AntiCorruption Bureau (ACB) permission to carry out an investigation against an IAS officer in a Rs 200-crore tender scam in Faridabad, urban local bodies minister Kamal Gupta said in the state assembly on Tuesday.

A total of 19 officials of the Municipal Corporation of Faridabad (MCF), including the IAS officer, were named in five FIRs registered between March 24, 2022 and Sept 5, 2023 for their alleged involvement in the scam.

The ACB and Comptroller and Auditor General (CAG) in their reports have named 27 officials — including five IAS officers who either recommended or approved payments to a contractor for work that had not been done — but not all of them have been booked, Gupta disclosed in a written reply in the assembly.

The IAS officers named in the report include Mohammad Shayin, Atul Dwivedi, Sonal Goel, Anita Yadav and Yash Garg. Govt, however, granted permission to the ACB to investigate only one of them — Goel, a former MCF commissioner — under the Prevention of Corruption Act in Feb 7 last year, Gupta said.

The minister's statement came in reply to a question raised by Congress MLA Neeraj Sharma from NIT Faridabad. Sharma had asked for names of the officials against whom an inquiry was underway and the reasons for not conducting inquiry against all the officials allegedly involved.

According to a March 2021 CAG report, a contractor was paid first Rs 23.8 crore for development work which was never executed on the ground. The same contractor was again paid Rs 183.8 crore between April 2015 and June 2020, again for works which he didn't carry out.

CAG stated Faridabad councillors in May 2020 submitted a complaint to then MCF commissioner that 388 development projects such as repairing drains, supplying building material and laying interlocking tiles were allotted to a contractor but not executed on the ground. A departmental enquiry was ordered in July 2020. The contractor was paid another Rs 7.7 crore even while the inquiry was underway.

The probe revealed contractor Satbir Singh was allotted several works on the basis of quotations given by him, bypassing the e-tendering process. He slightly changed the names of his firms, but the taxpayer identification number (TIN) remained the same.

Sources said payment vouchers were allegedly prepared by officials in connivance with the contractors. Fake entries were allegedly recorded and no inspection reports were found included in the files.

In March 2021, the panel completed its probe and informed MCF that the contractor and junior engineer concerned could not prove that even a single project out of 388 was carried out. CAG also filed a report noting these discrepancies the same month and referred to the panel's report.

"It is concerning that the contractor was paid Rs 7.7 crore even after the scam came to light," MLA Sharma said. <https://timesofindia.indiatimes.com/city/gurgaon/acb-to-probe-ias-officer-in-200cr-tender-scam/articleshow/108088284.cms>

22. जब Budget की राशि खर्च नहीं हुई तो अनुपूरक बजट क्यों? CAG ने उठाए नीतीश सरकार पर सवाल (livehindustan.com) 29 Feb 2024

CAG ने खुलासा किया है कि बिहार में बजट का 78 फीसदी पैसा ही खर्च हो पा रहा है। पूरी राशि खर्च नहीं हो रही है, तो अनुपूरक बजट क्यों लिया जा रहा है। इस गलती से वित्तीय बोझ बढ़ेगा।

बिहार में बजट का 78 फीसदी पैसा ही खर्च हो पा रहा है। बुधवार को विधानमंडल के दोनों सदनों में नियंत्रक व महालेखा परीक्षक (कैग) की विनियोग लेखा रिपोर्ट में यह खुलासा हुआ है। रिपोर्ट में कहा गया है कि जब बजट की पूरी राशि खर्च नहीं हो रही है तो अनुपूरक बजट क्यों लिया जा रहा है। रिपोर्ट के अनुसार वर्ष 2022-23 के दौरान अनुपूरक बजट को जोड़ते हुए कुल 301686 करोड़ व्यय का प्रावधान था। उसमें से मात्र 77.95 फीसदी राशि (235176 करोड़) ही व्यय हुआ।

इस वर्ष के बजट में मूल प्रावधान 237691 करोड़ व्यय करने का था। व्यय उस स्तर तक पहुंचा ही नहीं, फिर भी 63995 करोड़ के अनुपूरक अनुदान का प्रावधान कर लिया गया। पिछले पांच वर्षों में वास्तविक व्यय मूल प्रावधान के 65.49 से 77.95 फीसदी के बीच ही रहा। खर्च के मामले में करीब सभी विभागों की एक सी स्थिति है।

उदाहरण स्वरूप कृषि विभाग के लिए 3758 करोड़ व्यय का प्रावधान था लेकिन वास्तविक व्यय 2073 करोड़ ही हुआ। ऐसे में 704 करोड़ अनुपूरक अनुदान की उपयोगिता ही नहीं बची। रिपोर्ट में बजट प्रबंधन की कमियों और पीडी खाता की राशि मामले पर सरकार को ध्यान दिलाया गया है।

कैग ने चेताया है कि राज्य सरकार की बकाया गारंटी राशि 25 हजार करोड़ से अधिक हो गई है, लेकिन न तो गारंटी मोचन निधि का गठन किया है और न ही गारंटी की अधिकतम सीमा निर्धारण के लिए किसी तरह के नियम बनाए गए हैं। यह चूक सरकार पर वित्तीय भार बढ़ा सकता है।

कैग ने अपने रिपोर्ट में राज्य सरकार द्वारा दिये गये ऋण और उसके वसूली पर भी सवाल उठाया है। पिछले कई सालों से 19811 करोड़ ऋणों के मूलधन और ब्याज की वसूली नहीं की गयी है। कैग ने बजट प्रावधानों के वर्णन में विसंगति और गलत वर्गीकरण की तरफ भी इशारा किया है। वर्ष 2022-23 के लिये राज्य सरकार के बजट दस्तावेजों में वेतन, लघुकार्य और व्यवसायिक और विशेष सेवाओं के संबंध में व्यय का सही वर्गीकरण नहीं दर्शाया गया है।

<https://www.livehindustan.com/bihar/story-when-the-budget-amount-is-not-spent-then-why-supplementary-budget-cag-raised-questions-on-nitish-government-9423411.html>

23. स्पोर्ट्स सिटी लोट्स ग्रीन प्रोजेक्ट से हट सकता है प्रतिबंध

(indinon.com) 29 Feb 2024

स्पोर्ट्स सिटी लोट्स ग्रीन प्रोजेक्ट से हट सकता है प्रतिबंध

नोएडा। पूर्वी विधानसभा की लोक लेखा समिति (पीएसी) की सिफारिशों के आधार पर नोएडा प्राधिकरण सेक्टर 150 में स्पोर्ट्स सिटी प्रोजेक्ट पर लगा प्रतिबंध हटा सकता है। पिछले साल नवंबर में हुई एक बैठक के दौरान, पीएसी ने प्राधिकरण को लोट्स ग्रीन्स के संशोधित ले-आउट योजना को मंजूरी देने और सभी मानदंडों को पूरा करने पर निर्माण कार्य की अनुमति देने को कहा था। इसमें स्पोर्ट्स सिटी के बोर्डर के अनुसार खेल सुविधाओं के लिए 70: खेल 28, प्रतिशत आवासीय और 2 प्रतिशत कॉमर्शियल गतिविधियां शामिल हैं। प्राधिकरण की आगामी बोर्ड बैठक में रखे जाने की संभावना है। नोएडा प्राधिकरण के सीईओ लोकेश एम

ने कहा, स्पोर्ट्स सिटी के इस मामले को बोर्ड बैठक लाने की योजना बना रहे हैं। डेवलपर का संशोधित नक्शा चर्चा के लिए रखा जाएगा। यही नहीं डेवलपर को निर्माण कार्य कर सके। इसके लिए सीएजी रिपोर्ट प्रकाशित होने के बाद जनवरी 2021 में 201वीं बोर्ड बैठक के निर्णयों को वापस लेना होगा। दरअसल, नियंत्रक महालेखा परीक्षक (सीएजी) की एक ऑडिट रिपोर्ट के बाद 2021 से नोएडा प्राधिकरण द्वारा स्पोर्ट्स सिटी की रजिस्ट्री पर रोक लगा दी गई थी। जिसमें योजना के लिए भूमि आवंटन प्रक्रियाओं के बारे में आपत्तियां उठाई गई थी। ऐसे में प्राधिकरण ने तब तक किसी भी भवन की मंजूरी नहीं देने का फैसला किया है, जब तक डेवलपर खेल सुविधाओं



का निर्माण नहीं कर लेते और स्पोर्ट्स सिटी योजना के मानदंडों का पालन नहीं करते। लोट्स द्वारा संशोधित मानचित्र प्रस्तुत किया गया। जिसमें 70: खेल बकाया मुगलान पर कोई राहत नहीं मिलेगी। प्राधिकरण के रिकॉर्ड के अनुसार, डेवलपर और उसके कंसोर्टियम भागीदारों को 1200 करोड़ रुपये से अधिक का बकाया

सदस्य के रूप में लोट्स ग्रीन्स ने एक संघ का गठन किया और भूमि को 24 भागों में विभाजित किया। इनमें से 13 परियोजनाओं के ले-आउट को प्राधिकरण से मंजूरी मिल गई है। निर्माण प्रतिबंध और प्लेट रजिस्ट्री प्रतिबंध हटाने पर, विभिन्न परियोजनाओं में आवंटित प्लॉटों के लगभग 10,000 घर खरीदारों को राहत मिलेगी। पीएसी ने पिछले साल स्पोर्ट्स सिटी पर पांच बार बैठक की थी और अंत में प्राधिकरण को निर्देश दिया कि जहां भी पर्याप्त जमीन उपलब्ध हो, स्पोर्ट्स सिटी परियोजनाओं पर प्रतिबंध हटा दिया जाए। समिति को अवगत कराया गया कि जिन चार स्पोर्ट्स सिटीज को जमीन आवंटित की गई है, उनमें से

कोयल एक सेक्टर 150 में परियोजना (एससी-02) है, जिस पर फिलहाल कुछ निर्णय लिया जा सकता है। दो स्पोर्ट्स सिटी परियोजनाओं के दो प्रमुख डेवलपर्स - लॉजिक्स और थी सी दिवालिया प्रक्रिया का सामना कर रहे हैं, जबकि एटीएस के पास पूरी जमीन नहीं है। सेक्टर 78, 79, और 101 में भूमि पार्सल और सेक्टर 150 में एक अन्य भूमि पार्सल क्रमशः थी सी और लॉजिक्स को आवंटित किए गए थे। सेक्टर 150 और सेक्टर 152 में एक-एक भूमि पार्सल क्रमशः लोट्स ग्रीन्स और एटीएस होल्स को आवंटित किया गया था। चारों डेवलपर्स ने भूमि को 74 मूखड में विभाजित किया और उन्हें सहायक कंपनियों को आवंटित कर दिया।

<http://indinon.com>

24. Meghalaya Government Faces Overspending Challenge, Reports Excess Expenditure of Rs 3,439 Crore

(sentinelassam.com) 28 Feb 2024

Meghalaya grapples with a Rs 3,439.41 crore overspend in the 2022-23 fiscal year, as per the CAG report.

SHILLONG: The Meghalaya Government has revealed unexpected expenditures exceeding Rs 3,439.41 crore. This shocking breach of the fund approval threshold set by the State Assembly includes seven grants and a single non-grant. The State Auditor and Comptroller General (CAG) brought attention to this issue in a recent financial report for the 2022-23 fiscal year released to the State Assembly.

Key findings within the Appropriation Accounts indicate the main areas of overspend include Power (Rs 382.57 crore), Pensions (Rs 203.62 crore), Sports (Rs 49.03 crore), and a non-grant Public Debt (Rs 2,786.56 crore). An alarming amount of Rs 804.75

crore was also spent without prior allocation, extra funds, or re-allocations across various areas, five grants, and a single non-grant.

The Appropriation Accounts is a report on the Government's spending in comparison to 'Charged' or 'Voted' amounts by the State Assembly from the Consolidated Fund. Despite the overspend, good news came with a reported savings of Rs 532 crore from the Meghalaya Government (2.43% of an estimated Rs 21,926 crore) during the same fiscal year.

Significant savings were noticed in several services including the Administration of Medical and Public Health, Family Welfare Services, Administration of Agriculture and related services, along with the Animal Husbandry and Veterinary Department.

Upon examining the Finance Accounts, end-year receipts amounted to Rs 17,641 crore. This sum includes Rs 9,937 crore from tax revenue, Rs 4,426 crore from aid grants, and Rs 2,796 crore from borrowed funds and other liabilities. The expenses were majorly from revenue expenditure (Rs 14,864 crore) coupled with capital expenditure (Rs 2,742 crore).

The Finance Accounts show what the state government earned and spent in a year. This includes money from revenue and capital accounts, public debt, and public account balances. They are split into two volumes. Volume I has the CAG's report, shorter statements, and 'Notes to Finance Accounts.' Volume II holds more detailed statements and add-ons. <https://www.sentinelassam.com/north-east-india-news/meghalaya-news/meghalaya-government-faces-overspending-challenge-reports-excess-expenditure-of-rs-3439-crore>

25. Gayatri Prajapati was Samajwadi Party's man for all seasons in Uttar Pradesh (*hindustantimes.com*) Feb 29, 2024

The alleged kingpin of illegal mining activities in the state during the SP regime, Prajapati is currently in the Lucknow district jail in connection with different cases.

A measure of the party's reluctance to let him go can be gauged from the fact that though the then chief minister Akhilesh Yadav had sacked Prajapati before the 2017 state assembly election, he was reinstated under pressure from top SP leaders. However, soon, he was arrested in a gang rape case in March 2017.

Indeed, his rise to political prominence under the SP's patronage was swift as his fall. A petty contractor who got whitewashing of residential and commercial complexes in Amethi done, Prajapati came into prominence in the 2012 assembly election as he emerged as a giant killer, defeating Amita Singh, wife of senior Congress leader Sanjay Singh, in Amethi.

With this victory, he won the confidence of Samajwadi Party patriarch Mulayam Singh Yadav. In February 2013, Prajapati was inducted as minister of state in the Akhilesh Yadav government and later elevated to cabinet rank.

Soon, Prajapati emerged as the face of the extremely backward communities in the Samajwadi Party. The SP tasked him with mobilising the members of the backward community, particularly the 17 communities, seeking inclusion among the Scheduled Castes.

During the 2014 Lok Sabha election campaign, the SP launched “rath yatras” across the state to woo the backward communities. Prajapati led these rath yatras and organised rallies. Though the SP fared badly in Lok Sabha election, Prajapati did not lose the confidence of SP chief and continued in the cabinet.

In 2015, the lokayukta started a probe against Prajapati in illegal mining and disproportionate assets case, but he managed to get a clean chit.

A couple of years before Prajapati’s arrest, the Comptroller and Auditor General (CAG), in its report tabled in the U.P. legislative assembly in 2015, detected large-scale illegal mining in the state. Sand and stone mining was carried out in violation of the mining plan and Environment Act, it said.

In the report, CAG observed: “The scrutiny of the records in the office of Geology and Mining revealed cases of short realisation of royalty and interest, non-levy of penalty and application fee, non-short levy of minerals on illegal mining, unauthorised extraction and non- conformity of government orders with rules.”

In another report tabled in the state assembly in 2019, CAG detected large-scale irregularities in mineral mining in the state in 2016-17.

In its audit, CAG also detected extraction of minor minerals without environment clearance. Also, the state government did not recover the cost of minerals amounting to ₹180 crore, it found.

Indicting the SP government, the CAG stated, “The necessity for filing and seeking approval of the mining plan was ignored in the cases of several lessees. In addition, a large number of lessees were allowed to extract minerals without renewal of the mining plan and were allowed to extract minerals much above the quantity approved in the plan. Also, the state government chose not to recover ₹282 crore penalties from such violators.”

It also said that the mining department did not monitor the submission of mandatory quarterly returns, realisation of difference of royalty on rate revision and assess the price of minerals and interest on belated payment of royalty. <https://www.hindustantimes.com/cities/lucknow-news/gayatri-prajapati-was-samajwadi-party-s-man-for-all-seasons-in-uttar-pradesh-101709145859193-amp.html>

SELECTED NEWS ITEMS/ARTICLES FOR READING

26. India needs a well-thought-out blue economy strategy to harness potential of oceans (*economictimes.indiatimes.com*) 28 Feb 2024

India's 'Viksit Bharat' vision seeks to transform the country into a developed nation by 2047. The maritime sector, including the blue economy, is crucial for economic growth. Initiatives like the Amrit Kaal Vision 2047, Ports for Prosperity and Ports for Progress, and the Sagarmala initiative aim to enhance port facilities and promote sustainable practices. The convergence of Industry 4.

India has embarked on a transformative journey to become a developed nation by 2047. The vision of 'Viksit Bharat' should improve living standards of citizens, create economic opportunities and impart growth momentum to the world. So, it is necessary to identify sectors with potential that are yet to be actualised.

With a coastline spanning 7,517 km and an exclusive economic zone (EEZ) of more than 2 million sq km, the maritime sector can spur India's rapid economic rise, with a focus on inclusivity, sustainability and resilience. India's blue economy has the potential to be the cornerstone of economic prosperity as it sustains the livelihood of more than 4 million people.

A blue economy strategy must harness potential of oceans and straddle traditional sectors like fisheries, shipping, offshore oil and gas, and marine biotechnology to emerging domains like offshore RE, deep-sea mining and marine biotech. A robust regulatory framework is also necessary for sustainable use of resources and to ensure alignment with international commitments, such as the Paris climate accord and SDGs.

Amrit Kaal Vision 2047, unveiled at Global Maritime India Summit 2023, provides a long-term blueprint encompassing strategic initiatives to enhance port facilities, facilitate international trade and promote sustainable practices. The event inked projects worth more than ₹23,000 crore.

The interim budget included a proposal to launch Blue Economy 2.0 to boost aquaculture and maritime activities. The Ports for Prosperity and Ports for Progress plan is heralding change. Major ports have doubled capacity in the last decade, while coastal infrastructure is being bolstered through the Sagarmala initiative.

In an era of AI, it is essential to bring about a convergence of Industry 4.0 skills and tech within the maritime sector to fast-track its growth while creating employment opportunities. The sector's global and diverse nature creates jobs for seafaring and shore-based workers, ranging from a hands-on working environment to highly skilled. Thus, focused skill development interventions are necessary given the wide range of opportunities and allied aspects like multilevel specialised risk assessments.

As a rising economic power, India is also looking to play a role beyond its geographical boundaries. It is part of Quad, with national security as the main motive. At the same time, the proposed India-Middle East-Europe Economic Corridor will shape global trade by aligning like-minded nations looking to leverage their respective strengths. To

maximise benefits of such partnerships, linkages must be strengthened and value chains integrated.

India presents an opportunity for global corporations looking to diversify their manufacturing operations and supplier base, while Indian businesses are now looking at the world as their oyster.

More importantly, we are recognised as a partner in progress without any nefarious motives. This sits well with the interconnectedness of a blue economy coupled with a rules-based approach necessary for nations to rely on one another even as they compete on several fronts.

However, a blue economy is not without its own set of issues. It ranges from environmental challenges, such as transfer of ballast water containing microorganisms found in one area to another by merchant vessels resulting in disturbance of complex food chains; impact of seabed mining on the natural habitat of marine organisms that support the fisheries, etc. Hence, India must set a high benchmark in terms of environmental regulations without strangling innovation or impacting the ease of doing business.

Recent developments have shown that tasking the Indian Navy to guard international sea lanes indicates India's willingness to flex its muscle to protect national interests and global project power. Moreover, the immense opportunity a blue economy holds fits perfectly with the PM's appeal to 'think big, dream big, act big'. In navigating these uncharted waters, India can bring about secure and responsible maritime development synonymous with economic prosperity that is inclusive, sustainable and resilient. <https://economictimes.indiatimes.com/opinion/et-commentary/viksit-bharat-india-needs-a-a-well-thought-out-blue-economy-strategy-to-harness-potential-of-oceans/articleshow/108082360.cms?from=mdr>

27. Reliance Jio, Airtel and Vodafone-Idea to government: You have lost Rs 800 crore due to these apps (*timesofindia.indiatimes.com*)
29 Feb 2024

Telecom operators in India are estimated to have spent an additional Rs 10,000 crore during the fiscal year 2022-23 to reportedly support the traffic generated by large entertainment and communication apps. This estimate comes from the Cellular Operators Association of India (COAI), the industry body representing telecom operators. COAI is the apex telecom industry body, its members include Reliance Jio, Airtel and Vodafone-Idea.

COAI's Director General, SP Kochhar told news agency PTI that the infrastructure support provided by telecom operators to the top 4-5 large traffic generator apps also corresponds to their revenue growth. Not just this, in the absence of fair share norms for these large apps, the government, COAI said, has lost approximately Rs 800 crore in revenue in 2023 alone.

List of apps "causing revenue loss" to the govt and telecom companies

As per COAI's white paper, telecom operators across the world have been demanding contributions from large traffic generator apps mainly Netflix, Amazon Prime, WhatsApp, Instagram, X etc to support the cost of network infrastructure.

The industry body submitted a white paper to the Ministry of Finance in January, highlighting the situation. Kochhar explained that the additional capital expenditure (capex) required to provide the necessary infrastructure for handling the large traffic generated by these apps amounts to around Rs 10,000 crore for the year 2023.

Had there been a proposed fair share arrangement with telecom service providers (TSPs) based on this amount, it would have resulted in enhancing the Adjusted Gross Revenue (AGR)-related license fees and Universal Service Obligation Fund (USOF) levies (which together constitute 8% of AGR or a portion of revenue used to compute the government's share) to almost Rs 800 crore for the government. However, this additional revenue is not currently being received.

Indian telecom companies not the only one

Telecom operators worldwide have been advocating for contributions from large traffic generator apps, including platforms like Netflix, WhatsApp, Instagram, and others, to help cover the costs of network infrastructure.

COAI's financial analysis reveals that the industry's capex, which stood at Rs 46,532 crore in March 2021, increased to Rs 53,661 crore in March 2022 to accommodate the traffic generated by telecom operators at that time. However, starting from 2022, infrastructure spending saw a steeper growth, reaching Rs 73,922 crore in March 2023.

While the enhanced data traffic resulting from large traffic generators does contribute to the revenue of telecom operators, it remains insufficient to cover the substantial increase in infrastructure capex. Given the current consolidated subscriber base of 114.4 crore, the additional subscriber base of 50 crore appears unachievable. Consequently, infrastructure spending is likely to continue surpassing the earnings of TSPs over the years, as TSP Average Revenue Per User (ARPU) calculations consider revenue collections from voice, data, and SMS services across the entire subscriber base. <https://timesofindia.indiatimes.com/gadgets-news/reliance-jio-airtel-and-vodafone-idea-to-government-you-have-lost-rs-800-crore-due-to-these-apps/articleshow/108096462.cms>

28. Guaranteed MSP demand is not without basis (*thehindubusinessline.com*) Updated: February 28, 2024

It will ensure uniformity in returns across crops. And with the uncertainties small farmers face, they deserve a stable income

Farmers are demanding a legal guarantee for MSP (minimum support price) which in simple terms will ensure them a fixed income, provided they are able to harvest a normal crop. This move appears justified. But first, the facts and some background to the demand for MSP.

Let's go back to the pre-2014 era. The demand for legal guarantee and implementation of Swaminathan committee recommendations started garnering support among the farming community after the 2008 economic crisis as the MSPs' increase did not seem sufficient at a time when prices of all other commodities were rising.

This is despite the fact that the UPA government raised MSP of wheat by 122 per cent and that of paddy (Grade A) by 132 per cent between 2003-04 and 2013-14. The MSP increase was 62.5 per cent in wheat and 64 per cent in paddy (Grade A) in the current tenure of the NDA government between 2013-14 and 2023-24.

It may be recalled that the demand for implementation of Swaminathan formula started yielding political dividends before the 2014 general election when the BJP promised the same on coming to power. When a similar demand came up before the 2019 elections, the Centre's top brass announced in October 2018 that MSP would be henceforth fixed at minimum 50 per cent profit over costs. On suggestions of officials, it was agreed to calculate costs on A2+Family Labour formula (which excludes imputed cost of farmer's own land) at that time.

Calculation of MSP

Meanwhile, farmers' voices were heard demanding that MSP be calculated on the Swaminathan committee's formula of C2 costs plus 50 per cent (which includes imputed costs). Some of the MSPs recommended by CACP are already drawn up on the basis of the C2 formula; hence, MSPs of some, and not all, crops will go up, if the demands of the protesters are accepted.

Whether it is 2018 or now, the arguments being trotted out against implementing MSP at 50 per cent over cost are essentially the same. It is argued that the move would lead to high inflation and inflate the financial burden of the government with traders staying away from the market. These have turned out to be exaggerated fears. For the first two or three years after October 2018, farmers complained of receiving less than the MSP. Now, market prices of most crops are ruling above MSP.

As the recent experience shows, the fiscal burden will not be significant because the legal guarantee for the 20 crops is likely to be paid for by the trade. It is another matter if the government wants to keep consumers happy through subsidised food.

The best part about a legal guarantee will be the uniformity in returns across crops. If a Punjab farmer earns similar margins, whether he grows paddy, pulses or oilseeds, why should he stick to paddy? When the focus of the government is on diversification, it becomes imperative for it ensure the final income (profit) of the farmers remains at around the same level across crops.

Why the opposition to this move? It stems from lack of complete information and the impact of fear-mongering. Here is a simple question for those opposed to farmers' demands — how will they feel if their own salaries are uncertain? If a company is to decide salaries based on its profits and losses on an ongoing basis, will that be acceptable?

Farming cannot be compared with any other manufacturing or service enterprise. India's land holding is highly fragmented and it is perhaps a conservative estimate that

86 per cent of farmers own less than five hectares of land. They deal with extraordinary variables, not just price. They deserve a ‘salary’ (fixed income but not from treasury) — more than what is given by PM Kisan Samman Nidhi Yojana. <https://www.thehindubusinessline.com/opinion/guaranteed-msp-demand-is-not-without-basis/article67896691.ece>

29. Kerala: Over 82 per cent of MP funds for SC/ST welfare went unutilised in last 4 years (*newindianexpress.com*) Feb 29, 2024

Data accessed through the Right Information (RTI) Act shows that Rs 64.58 crore of the Rs 78.30 crore designated was allowed to lapse during the period.

KOCHI: MPs from Kerala, including those in the Rajya Sabha, failed to utilise around 82.5% of their allocation under the Members of Parliament Local Area Development Scheme (MPLADS) for the welfare of Scheduled Castes and Tribes between 2019 and 2023, according to the Bhim Mission, an organisation working for the welfare of SC/ST communities in the state.

Data accessed through the Right Information (RTI) Act shows that Rs 64.58 crore of the Rs 78.30 crore designated was allowed to lapse during the the period.

“There is a rule that the MPs should utilise 22.5% of the total MP fund for the welfare of SC/ST communities. However, only 17.51% of the total funds were utilised by MPs from the state,” said Adv Saji K Cheraman, chairman of Bhim Mission.

It is also the fault of district administrations and officials, he said. “The MPs can propose and monitor initiatives and projects. It is the responsibility of officials and district-level authorities under the leadership of the district collector to give sanctions and implement the projects. They too, have failed in implementing projects or taking up proposals from MPs,” Cheraman added.

The data shows that even the funds of representatives from reservation seats went unused. “We have three representatives from the SC/ST communities. Even they haven’t used the funds properly for the welfare of the communities. Rs 2.26 crore from Remya Haridas’ (Alathur constituency) fund, Kodikunnil Suresh’s Rs 2.19 crore (Mavelikkara) and Rs 1.09 crore from Rajya Sabha MP K Soma Prasad fund were not put to use over the last four years,” said Aji M Chalakkeri, member of the mission. <https://www.newindianexpress.com/states/kerala/2024/Feb/29/kerala-over-82-per-cent-of-mp-funds-for-scst-welfare-went-unutilised-in-last-4-years>