NEWS ITEMS ON CAG/ AUDIT REPORTS

1. Coastal Security Cries For Attention in South Asian Countries

(menafn.com) 28 Nov 2023

In a paper on the devastating sea-borne terrorist attack on Mumbai on November 26, 2008, in which 179 people, including 29 foreigners, were killed, the RAND Corporation observed that India and other littoral States of the Indian Ocean have failed to fully grasp the importance and intricacies of coastal security.

Abhijit Singh of the New Delhi-based Observer Research Foundation (ORF) who had written in 2017 and 2023 about the state of coastal security in India, appreciates the improvements made since“26/11” but he also points out the gaps and loopholes. His overall verdict is that even 15 years after 26/11 India's coastal security is“sub-optimal.”

Another interesting observation he makes is that States tend to go for costlier Blue Water navies in preference to Coast Guards.“The Indian Navy tends to view big-ticket initiatives as the building blocks of the security architecture,” Singh notes. Mighty Blue Water navies enjoy national and international prestige and geopolitical relevance, which Coast Guards do not.

Sadly, this is so despite increasing threats from small boats disguised as fishing vessels that are used by criminals indulging in smuggling, drug running, human trafficking, and ferrying terrorists. Illegal and unauthorized fishing are another major problem. Northern Sri Lanka
faces the problem of poachers from Tamil Nadu with no solution in sight.

In its paper on the 26/11 attack, RAND Corporation says that the Indian authorities had unspecific intelligence about the coming of a terror squad from Karachi in Pakistan to the Mumbai coast by boat, but it was either not conveyed to the local police or the local police did not act upon the intelligence. However, after the 26/11 mayhem, India improved its coastal security by forming new and specialized agencies that were expected to work in a coordinated manner.

The task was onerous as India has a 7517 km Indian coastline (including the islands of Andamans, Nicobar and Lakshadweep islands).

The Indian Central government set up a three-tier security arrangement comprising the Indian Navy (IN), the Indian Coast Guard (ICG) and the State Marine Police. Coastal police stations and a surveillance infrastructure under a Coastal Security Scheme (CSS) were set up. Radar stations came up along the coastline. Automatic Identification Systems and Joint Operation Centres (JOCs) were established.“Sagar Kavach” exercises, involving the Navy, ICG and the State coastal police, were held.

“And yet, 15 years after 26/11, the overall state of India's coastal security remains suboptimal,” Abhijit Singh remarks. To illustrate, he cites a case in April 2017 when a Russian couple on a sailing boat drifted close to the Mumbai harbour without being noticed by any security agency. They were spotted and reported to the police by fishermen. In another case in 2017, a foreign ship hit a fishing boat off Thiruvananthapuram in Kerala and escaped as no Indian vessel went in pursuit.

Again in 2017, a Comptroller and Auditor General's report said that in Odisha State on the east coast, patrol boats were under-utilized and shore-based infrastructure, including manpower, showed shortages. Funds remained unspent.

Further, country-wide, there was a 90% shortfall in patrolling, especially at night. There was a decline in physical checks on fishing vessels by the Coastal Police. In the coastal police stations, 75% of the sanctioned posts were unfilled. RAND Corporation advocates the arming of security personnel in ports and other sensitive installations with modern weapons to match the terrorists'arsenal.

There is an over-reliance on high-end technology and less on human intelligence collected by the State coastal police forces and fishermen, Singh points out. He advocates a greater involvement of the local police and fishermen and urges the authorities to train, equip and motivate them. But there is a problem in engaging fishermen. They are reluctant to install any identification systems on their boats.

The States' marine police display a lack of enthusiasm because State governments, barring Tamil Nadu's, themselves give marine security low priority. Singh points out government reports to show that in Andhra Pradesh, none of the coastal police stations had their own captive jetties. Though the port of Vishakhapatnam was allotted interceptor boats they were mostly non-operational.

And on top of it all, there were problems of coordination between the multiplicity of agencies involved in coastal security.

“Despite the best efforts of the National Committee for Strengthening Maritime and Coastal Security (NCSMCS), the coordination of coastal security is ad hoc,” Abhijit Singh observes.

He refers to a recent Intelligence Bureau audit that said that the vast majority of minor ports in India have little or no security cover.“ Few out of the 227 minor ports in India have proper security cover. As many as 187 minor ports have minimal security cover and 75 no security cover at all,” Singh quite the report as saying.

Sri Lankan Coastal Defence

Sri Lanka has a coastline of 1340 km. But it is lightly defended, partly due to the step-motherly treatment traditionally given to the navy and partly due to the loss of the island's maritime tradition.

According to archaeologist Dr Somadeva, in ancient times, Sri Lanka-built vessels were going back and forth between the island and Gujarat in Western India. But the country lost the sea-going spirit over time due to the advent of the Arabs and then the Portuguese, Dutch and British.

The decline of sea-faring in Sri Lanka enabled the European powers to penetrate the coasts unopposed. When pushed to a corner by intrepid local rulers, the European powers could get reinforcements from their other overseas posts because they had ships and navies.

The kingdoms of Kotte and Sitawaka were overrun by the Portuguese because the latter kept getting reinforcements from Goa and Cochin. The local kings had no ships or navies to intercept the Portuguese at sea. At one stage, Kotte and Sitawaka could secure the help of the Zamorin of Calicut in Kerala who had a navy, but when the Moplah Muslim Admirals of the Zamorin's navy were betrayed by the Sitawaka ruler, the Zamorin stopped sending his navy to help him. A Portuguese take-over thereafter was only a matter of time.

The lack of naval capability continued in later years. For decades after independence, Sri Lankan governments gave priority to land warfare, when the only threat was from the LTTE which was surviving and building up its arsenal because of its sea links with South India and other places in South East Asia.

It was only towards the end of the final Eelam War IV that the navy got due importance. It was given Offshore Patrol Vessels (OPVs) and a large fleet of fast, light and suitably armed small boats. The OPVs given by India and intelligence inputs from the US helped the Lankan forces to annihilate the LTTE in May 2009.

Like the navy, the Coast Guard (SLCG) too got step motherly treatment. SLCG was founded only in 1998-99 and that too only due to the then Fisheries Minister Mahinda Rajapaksa. The Coast Guard functioned under the Fisheries Ministry. In 2002, the then UNP-led government disbanded the Coast Guard. It was revived only after the war in 2009 when President Mahinda Rajapaksa got the Coast Guard Act passed.

Subsequently, SLCG stations came up in Kankesanthurai, Oluvil and other coastal areas. In 2015, India gifted the ship Varaha to the SLCG.

India also provided a naval floating dock to the Lankan navy, and two Dornier aircraft to the Air Force. In 2018, the SLCG commissioned Fast Patrol Vessels. The US Navy donated high-endurance cutters.

But still, Sri Lanka needs to do a lot more to fully secure its coastline. That Sri Lanka is an island should never be lost sight of. https://menafn.com/1107496577/Coastal-Security-Cries-For-Attention-In-South-Asian-Countries

2. Tunnel rescue: How the 'talent' of rat-hole miners proved to be useful *(telegraphindia.com)* November 29, 2023

Manual digging was the best option to go through the final eight to 10 metres of the collapsed rubble and the skills of rat-hole miners were ideal for that task, officials and geologists monitoring the 17-day rescue effort said

The Uttarkashi tunnel rescue effort, delayed by unforeseen obstacles and a machine failure, breached the final metres of rubble using the "talent" of so-called rat-hole miners — workers engaged in a dangerous profession declared illegal nine years ago.

Manual digging was the best option to go through the final eight to 10 metres of the collapsed rubble and the skills of rat-hole miners were ideal for that task, officials and geologists monitoring the 17-day rescue effort said.

“It is an extremely hazardous profession, but they (rat-hole miners) have the skills to pass through extremely narrow spaces and dig there,” said Sanjay Rana, a geophysicist in New Delhi whose company provided a ground penetrating radar and other services to the rescue effort.

The practice of rat-hole mining emerged decades ago in coal mines, specifically for the extraction of coal from narrow seams. In this mining method, pits as small as 5sqm are dug vertically into the ground to reach the coal seam. Horizontal tunnels are then created into the seam.

“The shafts are so small that miners… have to squeeze in and crawl on their knees to extract coal using small implements such as pickaxes,” the Comptroller and Auditor General of India had noted in its 2018 report on the Union mining department.

Experts say rat-hole mining shafts and pits are dangerous because water can at times gush into mines and narrow spaces can flood quickly. In July 2012, 30 workers were trapped inside a mine in Meghalaya and 15 died.

The National Green Tribunal, an apex environmental court, had in April 2014, responding to a petition from a students’ union in Meghalaya, declared rat-hole mining as illegal and directed the state to stop the practice and the transport of illegally mined coal.

Officials acknowledged the use of these proscribed workers in the rescue effort. “The NGT has prohibited coal mining by this technique,” said Vishal Chauhan, member of the National Highways Authority of India. “But this is a skill used... this is a special life-saving situation. They are technicians helping us.”

Syed Ata Hasnain, member of the National Disaster Management Authority, said the rescue effort had used their “talent and capability.”

Yet, experts who have studied rat-hole mining in Meghalaya say the illegal practice has continued. In another incident in Meghalaya in 2018, 15 workers died after being trapped in a rat-hole mine.

The 2018 incident in the East Jaintia Hills provided evidence that rat-hole mining continued in the area despite the ban, Polakshi Bhattacharya Baruah, an assistant professor in economics at the Assam Don Bosco University, said in a 2021 study on health complaints among rat-hole miners.

For their study, Baruah and her collaborator Barsha Arengh relied on 110 miners who received wages ranging from Rs 300 per day to Rs 1,200 per day for their rat-hole mining tasks. The wage depended on hours spent in the mine and amount of coal extracted.

They noted that 71 per cent of the miners reported back pain, 64 per cent suffered from respiratory issues, and 57 per cent had skin problems. While the study flagged the health complaints among rat-hole miners, medical experts say only a controlled study would help determine whether any of the complaints were linked to their occupation.

A geologist tracking the rescue effort said after the drilling machine broke down after it hit metallic objects in the rubble that manual digging was considered the best option because there was a chance that another machine might again hit obstacles.

"With only 10 metres left, manual digging was the fastest option," the geologist said. https://www.telegraphindia.com/india/tunnel-rescue-how-the-talent-of-rat-hole-miners-proved-to-be-useful/cid/1983259

STATES NEWS ITEMS

3. Account report for 2015-18 submitted: DJB to high court *(timesofindia.indiatimes.com)* November 29, 2023

New Delhi: Delhi Jal Board has informed the high court that it has submitted final annual account report for a three-year period, from 2015 to 2018, with the national auditor.

However, the annual accounts for 2018-21 are yet to be audited by the Comptroller& Auditor General (CAG) or the Accountant General, Central Revenue as the draft reports, though shared with the auditors, have to be approved by the water utility agency'sBoard.

Once the Board finalises the draft reports, the final reports will be sent to CAG, the counsel for DJB assured Delhi High Court, responding to a PIL seeking direction to the national auditor to examine the DJB accounts claiming its financial audit has allegedly not been carried out for the last six years.

"At the cost of repetition, it is reiterated that DJB is a big organization, having more than 100 divisions. Firstly, data of accounts maintained at division level is compiled at Head Quarter level. There are on an average 3,000 accounting transactions in each division and approximately 3 lakh and more transactions has to be compiled by the Finance Department of Head Quarter before preparation of each and every Annual Account of the financial year," submitted DJB in an affidavit.

DJB also told the court that to expedite the entire process in a time-bound manner, it will appoint a nodal officer for supervision of work of Annual Accounts, adding that the observations of CAG/AGCR "will be replied as early as possible and preferably within a period of 3 months after receiving the same."

HC has now posted the matter for further hearing in January next year. Delhi BJP leader Harish Khurana's petition sought direction to DJB to maintain proper accounts and other relevant records and prepare an annual statement of the profit and loss with proper balance sheets from 2015 onwards as prescribed under the law and to direct CAG to conduct audit of the board.

The petition, filed in 2021, had relied on response to RTI applications to claim that DJB has not maintained financial accounts properly. The plea said since the authorities have failed to perform the functions laid down under the law, the petitioner was approaching the court.

"It is mandatory to maintain financial accounts and conduct an annual audit of the accounts, in order to ascertain effective functioning of the state and local bodies. Maintaining financial accounts and conducting an annual audit of the accounts, help to secure accountability, transparency of the state and local bodies functioning towards the general public," the plea added. https://timesofindia.indiatimes.com/city/delhi/account-report-2015-18-djb-high-court/articleshow/105576832.cms

4. Gurugram: Illegal miners resort to new method to evade police action *(tribuneindia.com)* November 28, 2023

To escape action by the Haryana Police, the mining mafia has switched to "hit and slide" methodology, rather than resorting to explosions in the Aravallis.

The mafia, comprising gangs from Nuh, has identified over 50 hillocks on the Haryana-Rajasthan border. While one side of these hillocks falls in Haryana, the other lies in Rajasthan.

The mafia deploys heavy machinery and local "hill experts" to hit these hillocks on the Rajasthan side, leading to the falling of stones and landslips on the Haryana side. They later flee with stones that had rolled down the hillock. The mining is carried out late in the night to reduce the chances of being caught. As both men and machines are deployed on the Rajasthan side, Haryana cops generally don't get suspicious as they take these landslips as natural occurrences.

It was this method that had led to a hillock collapse at Deeg recently, burying alive a dumper driver belonging to Nuh.

The revelation has been made by mafia kingpin Shahbuddin, who was allegedly involved in the hillock collapse at Deeg and was nabbed by the Nuh police yesterday.

According to a senior investigator, they categorically chose the hills and areas that lied in the crusher zones where the Rajasthan Government had allowed mining.

Jurisdiction confusion over these hillocks makes timely action against them a difficult task. A CAG report had highlighted that over 60 per cent cases of illegal mining in the region were registered in the areas near the Haryana border.

The Nuh police have approached the Rajasthan Police seeking cooperation in curtailing the menace of illegal mining in the Aravallis. Nuh SP Narender Birjania has announced that the police will act irrespective of the revenue jurisdiction. Taking first step in this direction, a team of Nuh police went ahead impounding a Poclain machine near a hillock in Rajasthan.

“These people take undue advantage of the jurisdiction confusion. We have got in touch with the Rajasthan Police and sought their cooperation in eliminating the menace,” said Nuh SP Narender Nirjania.

‘Hit and slide’ technique

-The mafia deploys heavy machinery and local “hill experts” to hit hillocks in border areas on the Rajasthan side

-This leads to falling of stones from the hillock, besides causing landslips on the Haryana side of the border

-They later flee with stones that had rolled down the hillock

-The mining is carried out late in the night to reduce the chances of being caught by the authorities

Confusion over jurisdiction

These people take undue advantage of the jurisdiction confusion. We have got in touch with the Rajasthan Police and sought their cooperation in eliminating the menace. — Narender Nirjania, Nuh SP

https://www.tribuneindia.com/news/haryana/criminal-nexus-illegal-miners-resort-to-new-method-to-evade-police-action-566884#google_vignette

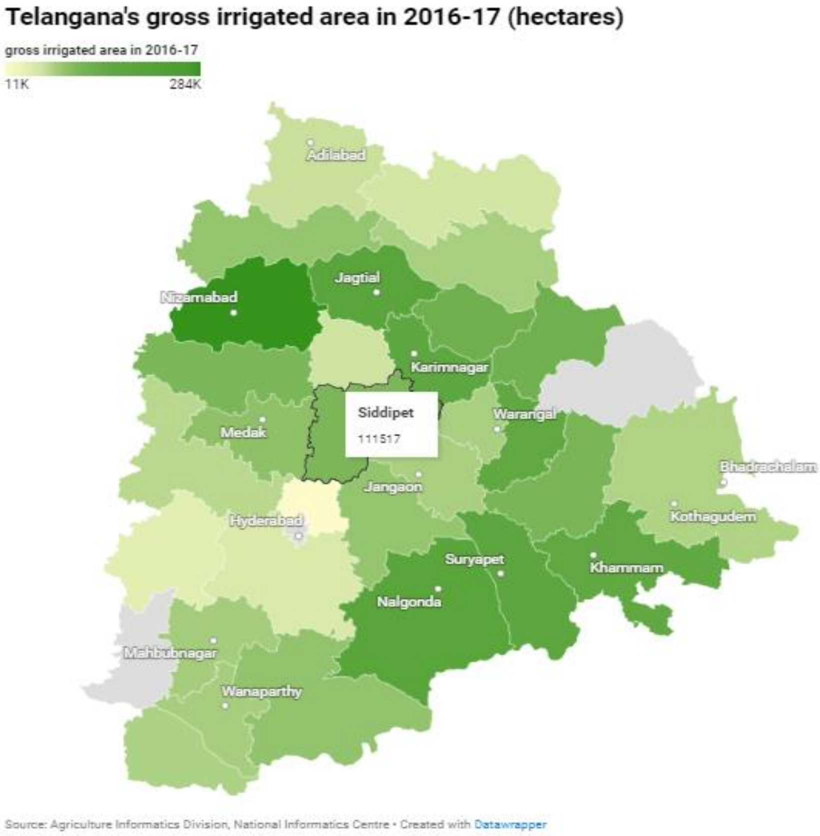
5. Telangana’s irrigated area has increased: What role have irrigation projects played? *(thenewsminute.com)* 28 Nov 2023

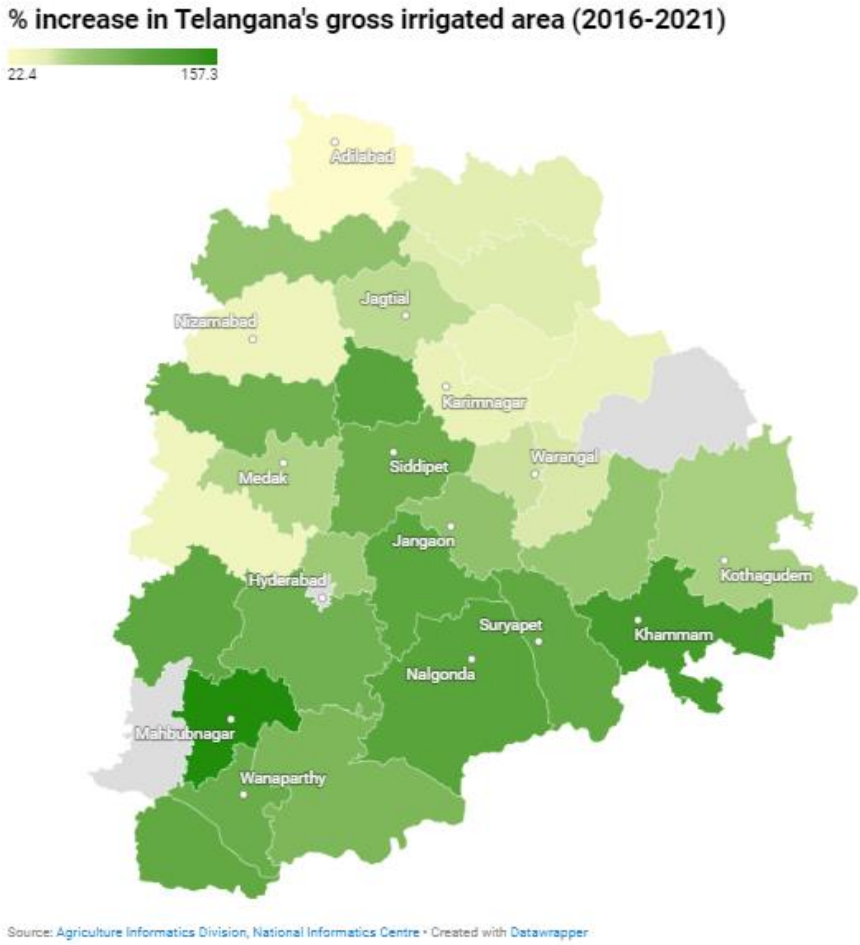
While the net irrigated area in Telangana has more than doubled since 2014, farmers’ rights activists say that all of this growth cannot be attributed to major irrigation projects as touted by the BRS government.

Since 2014, Telangana has seen a considerable rise in irrigated agricultural land. The net irrigated area – the actual land where irrigation was used for growing crops in an agricultural year – went up by 95%, from 17.26 lakh hectares in 2014-15 to 33.64 lakh hectares in 2020-21. The gross irrigated area – total area under crops, counted as many times as the number of times it is irrigated – went up nearly 123% from 25.28 lakh hectares to 56.37 lakh hectares.

This data from the Union Agriculture Ministry’s land use statistics resonates with the Bharat Rashtra Samithi (BRS) government’s claims of more than doubling the irrigated area in the state, keeping with the promise of providing neellu (water resources) to farmers after bifurcating from Andhra Pradesh in 2014. However, farmers’ rights activists say that much of this increase is due to a rise in groundwater levels and not necessarily due to the massive irrigation projects such as Kaleshwaram and Palamuru-Rangareddy Lift Irrigation schemes, as touted by the government.

According to the Telangana State Development Planning Society’s (TSDPS) annual weather report for 2022-23, the state has seen record excess rainfall in recent years. This year’s annual rainfall of 1387.8 mm (53% excess) is the highest recorded rainfall in the last 19 years, it said. The second (1322.4 mm in 2020-21) and third highest records (1180.5 mm in 2021-22) were in the previous two years.





The BRS government has launched multiple ambitious irrigation projects in its past two terms since Telangana was formed. The Palamuru-Rangareddy Lift Irrigation Scheme is aimed at irrigating upland areas of undivided Mahabubnagar, Rangareddy, and Nalgonda districts for a command area of 4.04 lakh hectares, while the controversial Kaleshwaram project is meant to create new command area of around 18.26 lakh acres (7.39 lakh hectares) in the undivided districts of Adilabad, Karimnagar, Medak, Nalgonda, Rangareddy, Warangal, and Nizamabad.

However, much of the present increase in irrigated areas can be attributed to rising groundwater levels and lakes filling up since 2018 thanks to heavy rains, as well as water stored in reservoirs that have been completed as part of the irrigation projects, said Ravi Kanneganti, an activist from the farmers' rights organisation Rythu Swarajya Vedika. "Even if a few reservoirs were completed, due to the absence of a proper canal system, the water hasn't reached farms," he said.

Between 2013 and 2023, Telangana's extractable groundwater went up by 56% from 472 tmc ft to 739 tmc ft, according to state government estimates. The groundwater estimation committee, consisting of state and Union government officials, said that this year, groundwater extraction was expected to be at 38.56% (285 tmc ft), with 90% of the extracted water (256.5 tmc ft) expected to be used towards irrigation. In 2023, groundwater recharge was estimated to have been largely contributed to by rainfall

(35%) and surface water irrigation (31%), followed by groundwater irrigation (13%), tanks and ponds (7%), water conservation structures (10%), and canals (4%).

Do costs outweigh benefits in the state govt's pet projects?

Recently in September, Chief Minister K Chandrashekar Rao launched the first phase of the Palamuru-Rangareddy project on the Krishna river in Nagarkurnool district by switching on a massive pump set, one of 31 such machines. Phase I is aimed at providing drinking water to 1226 villages, and in phase II, water will be provided for irrigation. “Only one motor was started ceremonially in Palamuru. With the ongoing Krishna river water sharing dispute between Telangana and Andhra Pradesh, it will take a long time before Palamuru water reaches as far as Nalgonda,” Ravi said.

Kaleshwaram, on the other hand, is an even bigger project built at a cost of over Rs 1 lakh crore. The state government has borrowed over Rs 80,000 crore from various banks and financial institutions, which is expected to cost over Rs 10,000 crore annually to pay off over the next 12 to 13 years.

A 2022 draft performance audit report on the ongoing Kaleshwaram project by the Comptroller and Auditor General of India (CAG) pulled up the state government for miscalculating the benefit-cost ratio (BCR) of the project in its detailed project report (DPR) by overestimating benefits while underestimating costs, calling the project economically unviable. The report expressed concerns over the state government being able to finance the debt servicing and operational costs of the project and asked it to come up with a plan to identify income sources for the Kaleshwaram Irrigation Project Corporation Ltd (KIPCL), a special purpose vehicle that was set up to raise funds for Kaleshwaram.

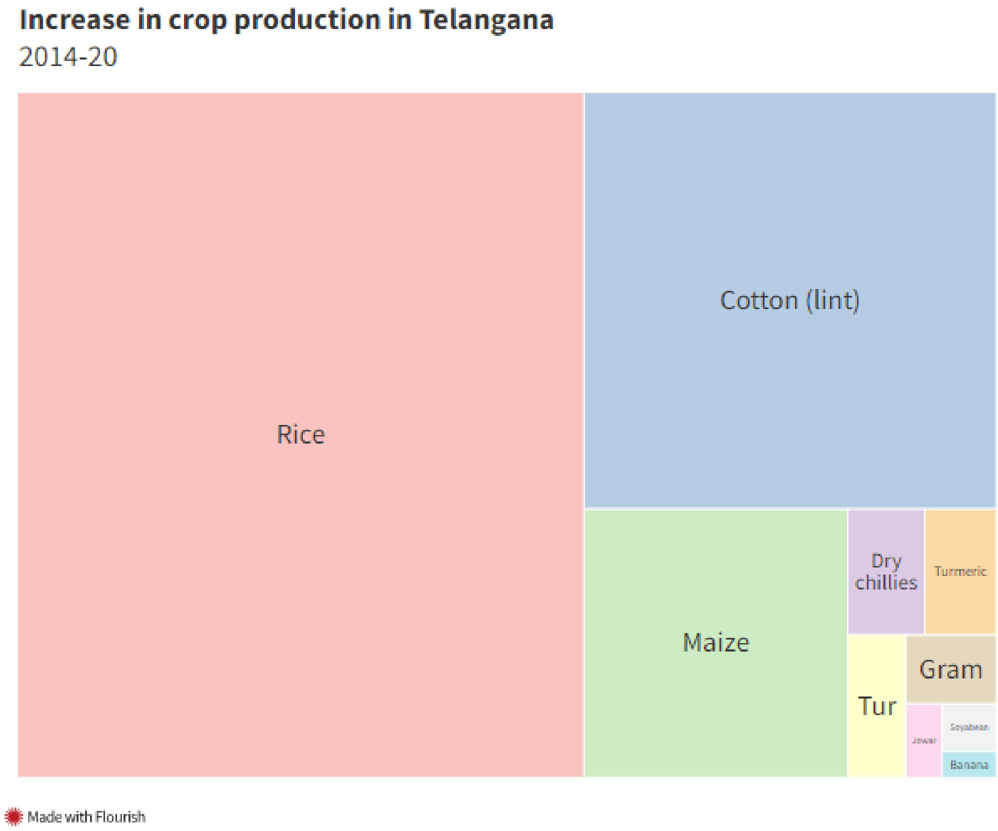
Kaleshwaram has become the target of much criticism and ridicule amid the 2023 Telangana Assembly election campaigns, with opposition parties Congress and BJP alleging large-scale corruption and mismanagement of the engineering works, especially after a few piers of the Medigadda Lakshmi Barrage – the starting point of the Kaleshwaram project – sank in October.

K Laxminarayana, professor at the University of Hyderabad’s School of Economics, said that the government may have to resort to increasing water cess and taxes on drinking water in its attempt to pay off the loans. In 2021, the 15th Finance Commission too had suggested imposing ‘user charges’ to generate enough revenue to cover the operation and maintenance costs of the project.

“Collecting huge amounts from farmers would be nearly impossible. They are only able to earn around Rs 25,000 per acre, but the entire expenditure is going up to Rs 1 lakh per acre annually, making it unviable,” he said. The CAG report said that the capital cost alone of irrigating the targeted command area of Kaleshwaram would amount to almost Rs 6.5 lakh per acre, apart from annual costs including debt servicing, energy and operational costs that would amount to over Rs 1 lakh per acre.

Anvesh Reddy, a Kisan Congress leader from Nizamabad, said that one likely reason for the amount of irrigated area not changing much over the years in some districts like Nizamabad is because they were already equipped with irrigation facilities such as the Sriram Sagar Project, and had not come under any new ayacut.

Meanwhile, crop output has also considerably increased over the past few years. The extent of land over which crops like tur, gram, and rice are sown has grown multifold, as has the crop output, according to data available with the Union Agriculture Ministry for 2014-20.



‘No improvement for the lot of tenant farmers’

Kiran Vissa, co-founder of Rythu Swarajya Vedika, pointed to a recent study by his organisation, which found that 36% of 7,774 farmers surveyed across 20 districts were tenant farmers. Extrapolated to the entire state, the number of tenant farmers could be as high as 22 lakh, he said, most of whom remain outside the ambit of the state government’s farmer welfare programmes.

“Government support is mainly targeted towards land patta holders whose accounts are linked to all the benefits. Even if the production and yield improve, it’s the landowner who gets the Rythu Bandhu support, and even if the government procures the crop, it’s the landowner who is paid directly. Tenant farmers are unsure when and how much they will be paid. Many of them are forced to sell their produce to private traders at lower prices,” he said. https://www.thenewsminute.com/telangana/telanganas-irrigated-area-has-increased-what-role-have-irrigation-projects-played

SELECTED NEWS ITEMS/ARTICLES FOR READING

6. India's second indigenous aircraft carrier gets go-ahead from Defence Procurement Board *(newindianexpress.com)* November 28, 2023

In an important move towards government approval for India's second indigenous aircraft carrier (IAC-2), the Defence Procurement Board (DPB) has moved ahead with the proposal of the Indian Navy.

Sources confirmed the decision of the DPB and added that this, along with other proposals, will be placed before the Defence Acquisition Council (DAC) soon.

The DPB is the body constituted to vet the capital proposals of the services which are eventually placed before the Defence Minister-chaired DAC. As per procedure, it is the DAC that grants the Acceptance of Necessity (AoN) which sets the procedure for acquisition. The Defence Acquisition Council is the highest decision-making body on issues related to policy and capital procurement and is chaired by the Defence Minister.

As reported earlier by TNIE, the files for another indigenous aircraft carrier were already at an advanced stage and will get the government approvals. Besides, plans for a third and larger aircraft carrier have been set in motion, the source said.

In addition, TNIE reported in February that in order to maintain its operational capabilities, the Indian Navy will continue the study for its third indigenous aircraft carrier which will be larger than IAC-2. The Navy’s confirmation for IAC-2 on the lines of the IAC-1 commissioned as INS Vikrant were given with the documentation completed in December 2022.

It was on the sidelines of Aero India 2023 that Chief of Naval Staff Admiral R Hari Kumar said, “Initially we will go for the repeat order with improved capabilities. And in the meantime, we will go for a study of larger carriers. By the time a third aircraft is commissioned, the life-span of INS Vikramaditya may end.” Some changes were made to the initial plans of IAC-2 which was supposed to be bigger than IAC-1 in size. “The size of INS Vikrant is 44,000 tonnes and we wanted the IAC-2 to be around 65,000 tonnes.”

The move for a repeat order of IAC-1 is based on multiple factors, including construction time, cost and the trajectory of indigenization of aviation assets. As per the Navy, a new aircraft carrier equipped with newer technologies will have to take into account the fresh versions of landing through catapult system. The ship-building facility will have to be upgraded.

Talking to TNIE, officials had said that given the Chinese belligerence in the Indian Ocean, the country will have to extend its air power into far-off areas such as the Malacca Strait on one side, and the Gulf of Aden on the other. “The concentration of force is a principle of war. If you have two operationally ready carriers, you can be active in two areas. If needed, you can move them, bringing a different environment to the battle,” said a source.

An aircraft carrier is a floating airfield and adds to the surge capability as the fighter jets operating from land will always have their limitations. “Operationally, new technologies and drones are coming in which can be launched from the carrier. The Indian Navy requires three carriers because if one of them goes for maintenance, the force still has two carriers for months. An aircraft carrier has lengthy maintenance schedules,” said the source.

This has been the case with the refit of India’s lone aircraft carrier INS Vikramaditya which started in the beginning of 2021 and was completed around August this year. With one aircraft carrier still under maintenance and one yet to be inducted, the Indian Navy will be operating a carrier for some more time. The Navy has been maintaining the three carriers-based force structure so that it can operate two of them in maritime zones on each side of the Indian coastline — eastern and western coasts.

INS Vikramaditya was originally a Russian carrier Admiral Gorshkov which was commissioned in 2013 after total refurbishing. The 44,500-tonne INS Vikramaditya has an airfield with an overall length of about 284 metres. As reported by TNIE in December, the Navy completed all the documentation work on the repeat orders and it is expected that the approvals from the government will come soon. The new aircraft carrier is also expected to be of 45,000 displacements with STOBAR (short take-off but arrested recovery or short take-off, barrier-arrested recovery) technology.

Why India needs three aircraft carriers
An aircraft carrier is a floating airfield. Fighter jets operating from land have their limitations.

By the time the 3rd aircraft carrier is commissioned, the life-span of INS Vikramaditya may end, leaving the Navy with 2 carriers.

The Indian Navy requires three aircraft carriers because of the maintenance factor.

The move for a repeat order of IAC-1 is based on construction time, cost and indigenization of aviation assets.
https://www.newindianexpress.com/nation/2023/nov/28/indias-second-indigenous-aircraft-carrier-gets-go-ahead-from-defence-procurement-board-2636973.html

7. Defence ministry inks Rs 2956 crore contract with BHEL to procure 16 super rapid gun mount for Navy *(moneycontrol.com)*

November 28, 2023

The defence ministry on November 28 sealed a Rs 2,956 crore deal with state-run Bharat Heavy Electricals Ltd to procure 16 upgraded super rapid gun mount (SRGM) and accessories for Indian Navy. The SRGM is a medium caliber anti-missile and anti-aircraft defence weapon system that provides a sustained rate of fire and high accuracy.

The ministry said the upgraded SRGMs will be installed onboard Indian Navy's in-service and newly built ships. "The Ministry of Defence has signed a contract with M/s Bharat Heavy Electricals Limited (BHEL), Haridwar on November 28 for procurement of 16 Upgraded Super Rapid Gun Mount (SRGM) along with associated equipment/accessories for Indian Navy under Buy (Indian) category at a total cost of Rs 2956.89 crore," it said in a statement.

It said the upgraded SRGM will be manufactured by BHEL at its Haridwar Plant. "The weapon system is capable of multiple engagements in multi-threat scenarios and has a proven record of very good performance against missiles and highly maneuverable fast attack crafts," the ministry said.

It said the upgraded SRGMs will be installed onboard Indian Navy's in-service ships as well as newly built platforms. "The project will generate an employment of two and half lakh mandays over a period of five years and encourage active participation of various Indian industries including MSME, thus significantly contributing to the government's efforts to achieve 'Atmanirbharta' in defence," it said. https://www.moneycontrol.com/news/business/defence-ministry-inks-rs-2956-crore-contract-with-bhel-to-procure-16-super-rapid-gun-mount-for-navy-11824211.html

8. Indian Navy and Coast Guard set to procure 15 C-295s in groundbreaking joint venture *(republicworld.com)* November 28, 2023

In a significant stride toward the "Make in India" initiative within the defence sector, the Indian Coast Guard (ICG) and Indian Navy are poised to acquire 15 C-295 transport aircraft through a joint venture between Tata Advanced Systems and Airbus. The proposals for this acquisition,in advanced stages at the defence ministry, outline the Navy procuring nine planes, while the Indian Coast Guard is set to acquire six.

These transport aircraft will undergo augmentation with essential radars and sensors, transforming them into maritime patrol planes under the purview of the Defence Research and Development Organisation's Centre for Airborne Systems (CABS), according to defence officials. Rakesh Pal, the Director General of the Indian Coast Guard, shared insights into the force's projects, stating, “There are plans for acquiring long-range maritime surveillance aircraft, which the Air Force has taken, and the contracts will be signed with TASL (Tata Advanced Systems Limited), wherein we are about to get six C295 transport aircraft.”

Advancements in helicopter fleet
Notably, the Indian Coast Guard is on the verge of signing contracts for nine advanced-light helicopters, the ALH Dhruv, manufactured by Hindustan Aeronautics Limited. He added, "The Ministry of Defence is giving us adequate funds to ensure that our acquisition processes are all fasttracked."

The recent induction of the first C-295 transport aircraft by the Indian Air Force, manufactured in Spain, marked a crucial development. While the initial 16 aircraft will be supplied in fly-away condition from Spain, the subsequent 40 will be produced in India at a Tata facility in Vadodara, Gujarat.

If the government approves the order from the Navy and Coast Guard, it will propel the Tata Airbus order book to 71, an expansion from the existing 56. The C-295, already employed by some operators in maritime patrol roles, is set to play a pivotal role in bolstering India's defence capabilities. This strategic move aligns with the broader vision of fostering indigenous manufacturing prowess, making strides toward self-reliance, and fortifying the nation's security infrastructure. https://www.republicworld.com/defence/indian-armed-forces/indian-coast-guard-and-navy-set-to-procure-15-c-295s-in-groundbreaking-joint-venture.news

9. Time is ripe to pay fertilizer subsidies directly to farmers *(thehindubusinessline.com)* November 29, 2023

Such transfers will arm farmers with the choice to cut back on fertilizer use, where possible, and spend on other essentials such as high-yielding seeds or mechanisation

With a long-lasting El Nino wreaking havoc on farm fortunes, the Centre seems to be having trouble keeping its subsidies under check. After extending the period of Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY) at an annual cost of about ₹2-lakh crore, it is said to be looking to raise its outlay towards the Mahatma Gandhi Rural Employment Guarantee Scheme (MGNREGA) from the budgeted ₹60,000 crore to ₹1-lakh crore this fiscal.

A report in this newspaper said that plans are afoot to raise the annual cash payout to farmers under the PM-KISAN scheme from ₹6,000 to ₹7,500, with an outlay of ₹1-lakh crore instead of the ₹60,000 crore budgeted. All this is in addition to the ₹2-lakh crore in fertilizer subsidies that is expected to be spent this year. While economising on outlays towards MGNREGA or PMGKAY may prove politically inexpedient, the government must seriously consider switching fertilizer subsidies from paying to industry to direct cash transfers to farmers, as a supplement to PM-KISAN payouts. India’s fertilizer subsidy outgo has bloated relentlessly in recent years, climbing from ₹1.28-lakh crore in FY21 to an estimated ₹2-lakh crore this fiscal, with actuals invariably overshooting budget estimates. Demand for conventional fertilizers such as urea and Di Ammonium Phosphate (DAP) has been growing at a fair clip, with farmers shying away from all government attempts to migrate them to organic farming methods or to nano products.

India’s import dependence for fertilizers has been rising, with tightening state controls (branding, distribution and pricing) deterring domestic output. This has exposed the fertilizer subsidy bill to the vagaries of global feedstock prices, geopolitical events and currency risk. With urea retailing at a fraction of the sale prices for other fertilizers, farmers have continued with extremely skewed nutrient use too. The durable solution to these problems lies in the government aligning the selling prices of urea and other fertilizers to more realistic levels based on their actual production or import costs. But with urea currently priced at less than a fifth of its production cost and phosphatic fertilizers at less than half of theirs, it would be too much to expect farmers to withstand the shock from such a re-adjustment.

Farmers can be shielded from this escalation, if the government does away with the current system of industry-routed fertilizer subsidies and moves to direct cash transfers of the subsidy into farmers’ accounts. Such transfers will arm farmers with the choice to cut back on fertilizer use, where possible, and spend on other essentials such as high-yielding seeds or mechanisation. With the PM-KISAN scheme already whittling down its beneficiaries to about 8 crore small and marginal farmers, the task of identifying beneficiaries has also been made easier. Even at an annual outlay of ₹1.50-lakh crore, the scheme could deliver a cash benefit of over ₹18,500 per farmer, far higher than the PM-KISAN payout. https://www.thehindubusinessline.com/opinion/editorial/time-is-ripe-to-pay-fertilizer-subsidies-directly-to-farmers/article67583360.ece

10. Centre extends PMGKAY free ration scheme for another five years till 2029 *(business-standard.com)* November 29, 2023

The Centre has decided to extend the Prime Minister Garib Kalyan Yojana (PMGKAY) to provide food grains free of cost to over 800 million Indians for five more years, Union minister Anurag Thakur announced on Wednesday.

At a cabinet briefing, Thakur said the extension will cost the exchequer Rs 11.8 trillion. The extension will be applicable from January 1, 2024. A decision in this regard was taken in the meeting of the Cabinet, chaired by Prime Minister Narendra Modi, on Tuesday.

Earlier this month, the food ministry announced the extension of the PMGKAY scheme for one year starting January 1, 2023.

In December last year, the Centre decided to subsume the PMGKAY, launched in 2020 to provide additional food grains free of cost, with the National Food Security Act (NFSA).

Under the NFSA, up to 75 per cent of the rural and 50 per cent of the urban populations are covered under two categories -- Antyodaya Anna Yojana (AAY) and priority households.

While AAY households, which constitute the poorest of the poor, are entitled to 35 kg of foodgrains per family per month, priority households get 5 kg per person per month.

"The Central Government fully bears the food subsidy for procuring, allocating, transporting and delivering the foodgrains to the designated depot in the States with the help of the two food subsidy schemes, namely, Food Subsidy to FCI and Food Subsidy to Decentralized Procurement (DCP) States," the ministry had then said.

These two food subsidy schemes have been subsumed as PMGKAY for effective and uniform implementation of the NFSA and to strengthen the country's food security network.

"Under this scheme, free foodgrains are being distributed through Targeted Public Distribution System (TPDS) from January 1 2023. The additional cost of making food grains free of cost to the NFSA beneficiaries is being borne by the Government of India," the statement said. https://www.business-standard.com/economy/news/centre-extends-pmgkay-free-ration-scheme-for-another-five-years-till-2029-123112900442_1.html

11. Capex outlay for highway sector to rise 25% to Rs 3.2 trillion in FY 25 *(financialexpress.com)* November 29, 2023

The capital expenditure outlay for the Ministry of Road Transport and Highways (MoRTH) is likely d to increase 25% on year in the next financial year to Rs 3.2 trillion, according to an official source. This implies the key infrastructure sector that has long witnessed a famine of private risk capital and lately been solely funded out of Budget rather than borrowings, will continue with the same model to keep capex pace in the next fiscal year.

The outlay is being finalised after taking into account the higher funding requirements for ongoing programmes like Bharatmala, and newer schemes being launched, the official said

The pre-budget meeting of MoRTH with the Ministry of Finance on revised estimates for 2022-23 and budgetary estimates for 2024-25 has already been held, the source said.

The quantum of increase expected for 2024-25 is similar to what was seen in the allocation for the currebt financial year, the official who did not wish to be named, pointed out. In 2023-24, the ministry has been provided Rs 2.58 trillion for spending, 25% more than Rs 2.05 trillion it spent in 2022-23.

In the first seven months of this year the ministry has spent Rs 1.66 trillion or 64% of its outlay and constructed 4474 km of highways. The highway construction typically picks up in the second half of the financial year and most of the work gets completed at the end of last quarter. The target of highway construction for this year is 13,800 km which could necessitate additional funds for the year in the revised estimates for the year.

Some of the increase expected for 2024-25 will cover the inflation part of road construction activities while the revised cost estimate of the flagship highway building programme Bharatmala awaits the nod of the Cabinet Committee on Economic Affairs (CCEA). The cost of Bharatmala has risen to Rs 10.6 trillion from Rs 5.35 trillion when it was first approved by the CCEA in October 2017.

Bharatmala envisages development of 34,800 km of national highways corridors. Till date work for 26,348 km of stretches have been awarded that would cost Rs 8.24 trillion. Of the total target, 14,300 km of highways under the project have been constructed.

As the award of highway construction projects under Bharatmala are coming to an end, the government is examining the next project to take on. There is talk of Bharatmala 2 programme while some reports suggest that something more ambitious is also being examined.

The ministry, like other departments, has also drawn up a 25-year plan of action to coincide with the completion of 100 years of independence. A part of this programme mentions a 20-year plan to build 50,000 km of highways over the next 20 years at the cost of Rs 20 trillion.

Even though 2024 is the election year and the government will be presenting an interim budget, the expenditure budget will mention detailed expenditure for the full year under various heads. Along with the interim budget the Appropriation Bill, that authorises the government to withdraw money from the consolidated fund of India for expenditure, will be the Appropriation (Vote on Account) Bill.

When the budget for the full year is passed by the new government the allocation numbers may slightly change. https://www.financialexpress.com/business/roadways/capex-outlay-for-highway-sector-to-rise-25-to-rs-3-2-trillion-in-fy-25/3320207/

12. India on path to triple renewable energy capacity by 2030 but faces financing hurdle: Report *(moneycontrol.com)* NOVEMBER 29, 2023

The International Energy Agency (IEA) says the world must triple its renewable energy capacity and double energy efficiency by 2030 to decrease the need for fossil fuels and limit global warming to 1.5 degrees Celsius by the end of the century.

India's 14th National Electricity Plan (NEP) sets it on a path to more than triple its renewable energy capacity by 2030, but the country needs a whopping USD 293 billion to achieve this, according to a report released by global energy think tank Ember on Wednesday.

The International Energy Agency (IEA) says the world must triple its renewable energy capacity and double energy efficiency by 2030 to decrease the need for fossil fuels and limit global warming to 1.5 degrees Celsius by the end of the century.

Led by the US, the European Union (EU), and the UAE, over 60 countries now support the commitment to triple renewable energy and double energy efficiency. While the G20 nations have endorsed tripling renewable energy capacity by 2030 under India's presidency, the UAE, hosting this year's UN climate conference, advocates for a global agreement on this at COP28.

Ember's analysis reveals that India requires an additional financing of USD 101 billion (one billion=Rs 100 crore) to further expand its renewable energy capacity and align with the IEA's proposed net-zero scenario. The IEA's Net Zero Emissions by 2050 Scenario outlines a global pathway to achieve net zero CO_2 emissions by 2050, with advanced economies reaching net zero emissions ahead of others.

In climate terms, net zero means achieving a balance between the greenhouse gases put into the atmosphere and those taken out. The Ember report suggests that India is already planning a substantial increase in renewable energy, making it feasible to achieve the goal of tripling renewable energy capacity.

However, if the country aims to follow the IEA's plan and achieve "net-zero" status (where it doesn't produce more greenhouse gases than it removes), it needs to set even higher goals.

This implies that India would need to generate around 32 per cent of its energy from solar and 12 per cent from wind by 2030. To achieve this, India will need to add an additional capacity of 115 GW of solar and 9 GW of wind by 2030, on top of the targets set in its NEP14 plan. This will increase India's total renewable capacity to 448 GW of solar and 122 GW of wind by 2030.

India's current goal is to reach 500 GW of installed electricity capacity from non-fossil fuel sources by 2030. Between 2023 and 2030, the country requires USD 293 billion to meet its current goals for solar and wind power, the report said.

However, to further expand the country's renewable energy capacity to align with the IEA net-zero pathway, it will need an additional USD 101 billion. The think tank highlighted issues such as payment delays and unfavourable rules and regulations that deter investors from providing the necessary funding to achieve these goals.

The financial requirements to achieve both the NEP14 target and the IEA net-zero scenario far surpass the current investment and funding capacities available in India, the report said.

Neshwin Rodrigues, Ember's India Electricity Policy Analyst, said, Despite investment risks, India needs financing to build capacity in renewables, storage, and transmission to meet the NEP14 targets.

To further enhance ambitions to align with the global net-zero pathway, securing significantly more financing at competitive rates will be crucial to ensure India's viability in reaching this goal.

Access to this finance is critical for India to avoid constructing new coal capacity to meet its rising demand in this decade. https://www.moneycontrol.com/news/business/economy/india-on-path-to-triple-renewable-energy-capacity-by-2030-but-faces-financing-hurdle-report-11826361.html

13. Climate Despair *(financialexpress.com)* November 29, 2023

The backdrop for the climate talks at the 28th Conference of Parties (CoP28) that will kick off in Dubai this Thursday is one of rising despair. With 2023 emerging as the hottest year so far, the expectation was that the global community would push an ambitious greenhouse gas emission reduction agenda at CoP28, even as it pays adaptation the attention it deserves. But, there are too many cracks for the optimism to sustain. UAE, the host nation, has handed the presidency of the CoP to Sultan Ahmed al-Jaber, the nation’s industry and advanced technology minister. The irony is that he is also the chief executive of a large fossil fuel company. The world must end its addiction to fossil fuels if it is to keep to the Paris Agreement pathway of limiting warming by 2100 to well below 2oC.

CoP28, however, threatens a major setback to developing consensus on this—leaked documents show that the UAE is willing to use its presidency to strike oil and gas deals with developed nations. The developed world has been calling for a complete phase-out of coal, targeting primarily India and China. Yet, the share of coal in Germany's power generation is now close to 30%, up from the low of 20% that was reached some years ago. And the US is unlikely to meet its 2030 deadline for a complete phase-out of coal. Instead, there is growing endorsement of emission abatement technologies, which currently neither have the scale to make a significant difference nor the affordability to ensure wide usage.

Then, there is the matter of ambition outrunning mitigation action in the West. The latest UN global stock-take report says efforts so far to meet the Paris goals are inadequate and the window for meaningful action is narrowing. Rich nations must shoulder the bulk of the blame, as they are set to emit around 3.7 giga tonnes extra carbon dioxide in 2030, against the targets set in their nationally determined contributions—representing a 38% overshoot. There is already much distrust of the rich nations within the Global South, and it seems CoP28 may not do much to bridge the chasm.

The other contentious issue is that of the loss and damage fund. The first mention of the fund in official CoP text was in 2007, and it took 15 years for the parties to the UNFCC to agree to have the fund (at Sharm el Sheikh, in 2022). The transitional committee set up to decide the shape of the fund has had only a marginal progress. Earlier this month, the CoP28 presidency and the G77 nations agreed to house the fund, in the interim, at the World Bank. However, many loose ends remain—from ensuring rich nations' participation and the Global South's oversight to the definition of who shall qualify for receiving relief. The rich nations have argued that the existing definitions of 'developing nations' are decades old. This could leave India in the lurch, if rich nations were to club it together with China. The short point is that CoP28 needs a new direction if it is to be a credible platform for climate action. And that can only happen with the Global South mounting a strategic resistance to the rich nations, including petro states, hijacking the agenda to preserve their interests in the short run. https://www.financialexpress.com/opinion/climate-despair-cop28-unlikely-to-bridge-divide-between-rich-nations-and-global-south/3320111/

14. India must join G7 Climate Club *(thehindubusinessline.com)*

November 28, 2023

India's strong submission to UNFCCC's Global Stocktake nudges developed countries towards their unfulfilled climate commitments. As COP28 nears, and climate reports, action plans submissions and statements heat up, the upcoming launch of the expanded G7 Climate Club is seeing definitive action.

Amidst the insurmountable climate challenge, climate clubs appear a workable solution for speed and ambition. On the sidelines of the UN General Assembly in the Climate Ambition Summit, German Chancellor Olaf Scholz declared the upcoming launch of a climate club at COP28 to make "decarbonised industry production our business model." Likely to be announced on December 1, 2023, at COP28, this club will expand the announced G7 Climate Club.

Why the Climate Club?

The Terms of Reference of the proposed 'inclusive' club involve three main pillars: (a) ambitious and transparent mitigation policies, (b) transforming industry; and (c) climate cooperation and partnerships. The Climate Club will act to mitigate climate change, principally to reduce carbon emissions. The target of these actions will be manufacturing industry of members and more so, of non-members.

What could the climate club, focussed on mitigation of industrial emissions, entail? The G7 Climate Club currently appears to be an EU dominated affair. A recent EU Parliamentary research paper, exhorts the G7 to quickly move on the Climate Club, and signals the directions the Climate Club can take.

Carbon-leakage, aka loss of competitiveness in international markets, which resulted into the much-opposed CBAM (Carbon Border Adjustment Mechanism) remains a key concern for the current members of the Climate Club as well. Are we then looking at a geographically enlarged CBAM, with all member countries joining the bandwagon? Imports from non-members could face carbon taxes at the Club's borders.

Internal carbon leakage seems to be another key concern for the Climate Club proponents. What if some members impose lower carbon prices than the high-priced EU ETS (Emissions Trading System)? The EU industry will still suffer lack of competitiveness and manufacturing could shift to those members. The answer then seems to be all members imposing the highest carbon price, domestically and on imports. As of now the EU ETS price is hovering short of €100. This model of exclusivity and protectionism-based Climate Club would further splinter the trade rules fabric. Secondly, it could impact the member countries' adaptation or mitigation actions as per their own NDCs (Nationally Determined Contributions).

The Climate Club narrative has so far focussed only on a common carbon tax. But there is a glimmer of hope for developing countries in the more realistic lens that is also on the table. It acknowledges CBDR-RC (Common but Differentiated Responsibilities and Respective Capabilities) as an underlying principle, and that developing countries have little contribution in the current climate mess.

It goes beyond the standard 'carbon-leakage' and competitiveness paradigm and brings in much needed aspects of cooperation, climate finance deliberations, knowledge sharing which at some point must reach the level of technology transfer.

This approach speaks to a framework based on equal decision-making power, leading to transfer of finance, technology, and capacity building. The need to make the Club more broad-based and increase its legitimacy may spur this flexible version.

A facilitative Climate Club respecting domestic policy space may not be easy to implement, but that is the only one that can give the desired climate results.

Growing participation

Which countries are joining this Climate-Club-in-the-making? Australia is reported to have negotiated an entry into the club. Switzerland has also agreed to join the club provided it has no financial consequences. Additionally, several other countries have reportedly agreed to join the Climate Club. Apart from the G7, Argentina, Chile, Colombia, Denmark, Indonesia, Kenya, Luxembourg, the Netherlands, Singapore and Uruguay are slated to participate.

However, for a club which is established to decarbonise global industrial production, major industrial producers such as China and India are missing. Many commentators say that without India and China — the two large current emitters — any climate club is bound to be ineffective in lowering industrial emissions.

An interest in the G7 Climate Club was sparked in India, during the visit of Chancellor Scholz in May 2022. India is one of the few countries (including developed and developing) that has fulfilled its Nationally Determined Contributions under the Paris Agreement.

Although least responsible for the current climate mess, India has taken aggressive steps and punched way above its weight in climate action. On both counts, India must not find itself outside this negotiating room which could be the new rule-maker for climate action.

India must use its presence in the climate club to assert the principle of Common but Differentiated Responsibility. It must use its weight to be part of a climate club which is created with mutual respect and a single-minded focus on climate action.

Left to themselves, the G7 may just push through a larger CBAM-like beast, further destabilising the already fragile rules-based global trading order. https://www.thehindubusinessline.com/opinion/india-must-join-g7-climate-club/article67584339.ece