

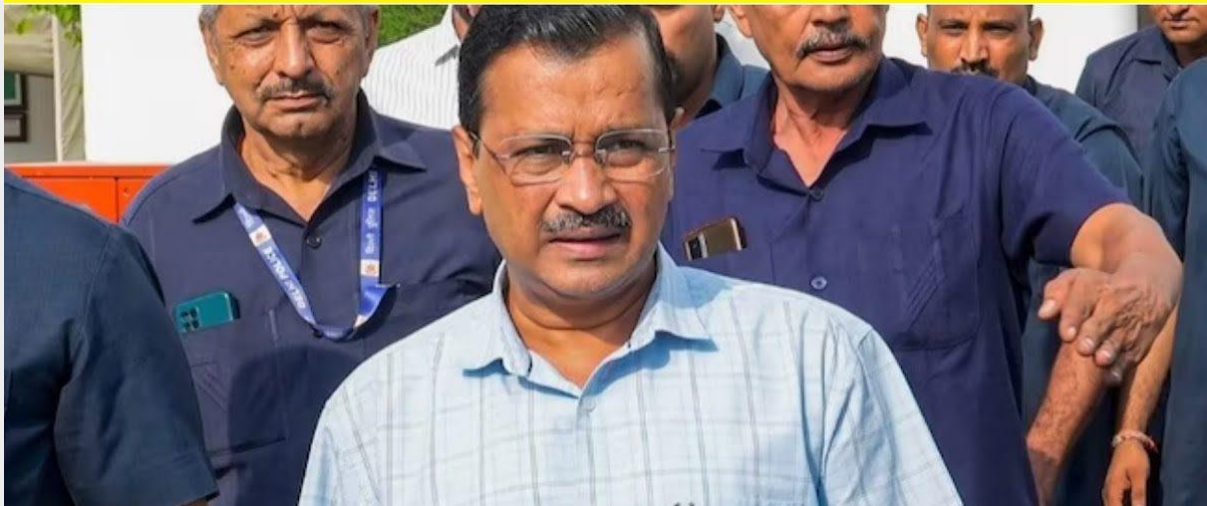
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1. Kejriwal arrested: What is the Delhi excise policy case, and what is the Delhi CM accused of?

Why in News?

Delhi Chief Minister Arvind Kejriwal was arrested in the Delhi excise policy case, in which he had been issued multiple summons by the Enforcement Directorate (ED). Earlier in the day, the Delhi High Court had refused to grant him interim protection from coercive action.

FOR FIRST TIME, SITTING CM ARRESTED



What is the Delhi excise policy case?

Two cases, one by CBI and one on alleged money laundering being investigated by ED, have been registered in relation to the excise policy.

The case arose out of a report submitted by Delhi Chief Secretary Naresh Kumar to Lieutenant Governor (LG) Vinai Kumar Saxena in July 2022, pointing to alleged procedural lapses in the formulation of the policy.

The report said "arbitrary and unilateral decisions" taken by then Delhi Deputy CM Manish Sisodia in his capacity as Excise Minister had resulted in "financial losses to the exchequer" estimated at more than Rs 580 crore.

It alleged that “kickbacks...received by the AAP Delhi government and AAP leaders” from owners and operators of alcohol businesses for preferential treatment such as discounts and extensions in licence fee, waiver on penalties and relief due to disruptions caused by the Covid-19 pandemic, etc. were used to “influence” the Assembly elections held in Punjab and Goa in early 2022. The AAP went on to form the government in Punjab.

This report was referred to the CBI, and led to Sisodia’s arrest. Then, once the CBI named Sisodia and 14 other accused in its FIR, including AAP communications in-charge Vijay Nair, the ED told a court in March that the alleged proceeds of crime amounted to more than Rs 292 crore, and that it was necessary to establish the modus operandi.

The ED alleged that the “scam” was to give the wholesale liquor business to private entities and fix a 12% margin, for a 6% kickback. In its first prosecution complaint in November 2021, the ED said the policy was “formulated with deliberate loopholes” that “promoted cartel formations through the back door” to benefit AAP leaders.

The ED also alleged that AAP leaders received kickbacks to the tune of Rs 100 crore from a group of individuals identified as the “South Group”.

Recently, K Kavitha, Bharat Rashtra Samithi (BRS) leader and daughter of former Telangana Chief Minister K Chandrasekhar Rao, was arrested allegedly for being part of this ‘South Group’. Others alleged to be part of the group include Ongole MP Magunta Srinivasulu Reddy’s son Raghav Magunta, P Sarath Chandra Reddy, son of P V Ramprasad Reddy and co-founder of Hyderabad-based Aurobindo Pharma. According to the ED, this group “secured uninhibited access, undue favours, attained stakes in established wholesale businesses and multiple retail zones (over and above what was allowed in the policy)”.

And what are the accusations against Kejriwal?

It was after Kavitha’s arrest that the Enforcement Directorate alleged — for the first time — that Chief Minister Arvind Kejriwal was a conspirator in the case, on March 18.

“ED investigation revealed that Ms K Kavitha along with others conspired with the top leaders of AAP including Arvind Kejriwal and Manish Sisodia for getting favours in the Delhi excise policy formulation and implementation. In exchange for these favours, she was involved in paying Rs 100 crore to the leaders of AAP,” alleged the ED spokesperson on Monday. “By the acts of corruption and conspiracy in the formulation and implementation of Delhi Excise Policy 2021-22, a continuous stream of illegal funds in the form of kickback from the wholesalers was generated for AAP.”

Earlier, in a supplementary prosecution complaint, the ED had alleged that Kejriwal himself spoke to one of the main accused, Sameer Mahendru, over a video call and asked him to continue working with co-accused Vijay Nair whom he referred to as “his boy”.

What has Kejriwal said?

Kejriwal has maintained that the ED summonses to him are being sent “at the behest of the BJP”.

In the Delhi HC, Senior advocate Abhishek Manu Singhvi, appearing for Kejriwal, said the ED was “attempting, at this stage, to create a non-level playing field” and the summons issued to the AAP convenor was “vague, arbitrary and amount to a fishing and roving inquiry” in as much as it does not disclose the capacity in which he is being summoned – as an individual, a CM or national convenor of AAP.

Relevance: GS Prelims & Mains Paper II; Governance

Source: The Indian Express

2. INDIA - MOZAMBIQUE - TANZANIA TRILATERAL EXERCISE IMT TRILAT- 2024

Why in news?

The second edition of India Mozambique Tanzania (IMT) Tri Lateral (TRILAT) Exercise, a joint maritime exercise is scheduled from 21-29 Mar 24. The first edition of IMT TRILAT exercise was conducted in Oct 22.



The current edition of the exercise is planned in two phases. As part of the harbour phase scheduled from 21-24 Mar 24, Naval ships Tir and Sujata will engage with the respective Navies at the ports of Zanzibar (Tanzania) and Maputo (Mozambique). The sea phase of the exercise is scheduled from 24-27 Mar 24 covering practical aspects of countering asymmetric threats, Visit Board Search and Seizure procedures, boat handling, manoeuvres and firing exercise. A joint EEZ surveillance is also planned during the sea phase.

Relevance: GS Prelims; Bilateral Relations

Source: Indian Express