

## **NEWS ITEMS ON CAG/ AUDIT REPORTS**

### **1. Plastic waste disposal plans draw ire of CAG** (*timesofindia.indiatimes.com*) Oct 10, 2023

Visakhapatnam: The recent compliance audit report of the comptroller and auditor general (CAG) of India report has found that several plastic producers and brand owners in Visakhapatnam had not submitted their action plans for plastic waste management.

The report, which was tabled in the state assembly on September 25, contained the CAG's observations related to various applicable environmental laws for the year ended in March 2021.

As per the plastic waste management rules, 2016, the responsibility of collection of used multi-layered plastic sachets, pouches, or packaging material lies with the producers, importers, and brand owners. They need to establish a system for collecting back the plastic waste generated. And they have to submit their plan of collection to the government authorities. But nine plastic producers and 11 brand owners had not complied with the norms and continued to operate in violation of the rules.

CAG selected Visakhapatnam district for the compliance audit as it was the most polluted city in Andhra Pradesh

The CAG report also observed that only nine plastic producers registered with the Andhra Pradesh Pollution Control Board with validity of one year. However, none of the plastic producers renewed their registrations even after a lapse of 11 months (up to November 2020) contrary to the rules. Four brand owners and two recyclers had not registered themselves with the Board as of June 2021.

The state government in June 2021 confirmed the nonsubmission of action plans by these plastic producers. It was also stated that four brand owners applied for registration with the Central Pollution Control Board. As per the CPCB's standard operating procedures, the Board issued notices to all producers, importers, and brand owners (operating without registration) for registration with the CPCB/SPCB by July 1, 2021.

As per Rule 17(1), every person engaged in recycling or processing of plastic waste shall prepare and submit an annual report to the local body concerned under intimation to the Board by April 30 every year.

However, the CAG report noticed that a private organisation registered with the Board as a plastic waste recycler working in the jurisdiction of GVMC had not submitted annual reports.

We also published the following articles recently

Bharat Soka Gakkai, an NGO, has started a plastic collection drive to fight plastic pollution. Members in DelhiNCR will deposit plastic waste at designated hubs from October 3 to 9. Recycling vans will collect the plastic waste for recycling. The initiative aims to collect and recycle 25,000 kg of plastic waste. Sanjay Kumar, director general

of Development Monitoring & Evaluation Office, Niti Aayog, emphasized the need for collective efforts to tackle plastic pollution in India.

A campaign has been launched in Dudu, Jaipur to make the district free of plastic. The campaign discourages the use of banned plastic items but encourages the use of plastic for manufacturing tiles and road construction. The district collector has instructed officials to prevent the use of single-use plastic items and has urged the public to follow suit. This initiative aligns with other efforts to combat plastic pollution, including a plastic collection drive by an NGO in Delhi-NCR.

In an effort to reduce plastic pollution, organizers of Durga Puja in Bhubaneswar, India, have pledged to have plasticfree celebrations. Many pandals (temporary structures) are using sustainable and biodegradable alternatives for decoration, idols, and prasad packaging. Organizing committees are also encouraging devotees to bring their own reusable bags and containers. Environmentalists have praised the initiative, stating that the emotional connection people have with the puja pandals makes it easier to raise awareness about the harmful effects of plastic. <https://timesofindia.indiatimes.com/city/visakhapatnam/plastic-waste-disposal-plans-draw-ire-of-cag/articleshow/104299596.cms?from=mdr>

## **2. Reappointment of state PSU heads linked to audit says Kerala government** (*newindianexpress.com*) 10 October 2023

**The finance department had previously issued multiple circulars warning PSUs about delays in finalising accounts and their failure to address audit observations.**

THIRUVANANTHAPURAM: In a significant move, the state government has firmly stated that officers in key positions within state-run public sector enterprises (PSUs) will only be considered for extensions or reappointments if the institution effectively meets audit requirements. This directive reflects the government's last-ditch attempt to motivate PSUs to finalise their annual accounts and fulfil statutory audit obligations.

The directive, issued by the Bureau of Public Enterprises (BPE) under the state government, acknowledges the significant backlog in finalising accounts among PSUs, which is a matter of concern for the government. This backlog hinders the assessment of PSU performance. As a result, the finalisation of accounts and the statutory or CAG audit of an entity within the statutory timeline will now be prerequisites for considering proposals for the extension or reappointment of the managing director, chief executive officer, and head of finance of that entity.

The order stipulates that a certificate affirming compliance, countersigned by the secretary of the relevant administrative department, must be included in the proforma for extension or reappointment. In a one-time exception, secretaries of entities with over one year of pending audits may set the earliest feasible targets for finalising all accounts.

TNIE had earlier reported that only a small portion of the 131 state government enterprises had completed their accounts on time. Data from the Bureau of Public Enterprises indicated that 82 out of the 131 active public enterprises had audit arrears

in the 2021-22 fiscal year. Four enterprises had a backlog of six years, and 52 enterprises had a backlog of two years or more.

The finance department had previously issued multiple circulars warning PSUs about delays in finalising accounts and their failure to address audit observations. The most recent warning, issued on July 20, threatened that defaulting PSUs would not receive government grants and funds. However, these warnings did not elicit a substantial response from the enterprises.

### **CAG FLAYS DELAY IN FINALISING ACCOUNTS**

BPE's order also cited criticism from the Comptroller and Auditor General (CAG) regarding delays in finalising accounts. All PSUs are required to submit annual financial statements to the Registrar of Companies (ROC) and annual accounts to the CAG. According to the CAG report on PSUs for the year ending March 2019, only 14 of the 117 working companies submitted their accounts on time. <https://www.newindianexpress.com/states/kerala/2023/oct/10/reappointment-of-state-psu-heads-linked-to-audit-says-kerala-government-2622383.html>

### **3. 18 years & counting: No nod for Suncity yet** *(timesofindia.indiatimes.com)* Oct 10, 2023

GHAZIABAD: The GDA board cancelled a plan submitted by Suncity Hi-tech Infrastructure for developing a residential project on 828 acres off NH-9, citing MoU violations and dues. The move leaves hundreds of homebuyers in a lurch.

The residential project, proposed in 2005 under the state government's hi-tech township policy for ensuring homes in an already-bustling city, was supposed to come up on 4,312 acres. However, repeated protests by farmers for more compensation stalled the land acquisition, and the developer could acquire only 828 acres over the next 18 years.

Recently, the GDA board cancelled the DPR for developing that 828 acres, too, citing the failure of the developer to pay nearly Rs 172 crore in land use conversion charges. Earlier, a CAG audit had pointed out this violation.

The board also found that 45% of the 828 acres is government land, which violates its agreement with the developer that only 25% of such land will be assimilated. It has now asked Suncity to give a representation before the state government to figure out where the project will go from here.

"Under the hi-tech township policy, rolled out in 2005, Suncity was to acquire/purchase 4,312 acres, but it failed, forcing a high-powered committee under the chief secretary to downsize the land parcel to 828 acres and accordingly asking the developer to submit a revised DPR," said GDA vice chairperson RK Singh.

"According to a fresh MoU, the developer was supposed to acquire 75% of that land and reach the 828-mark by assimilating Gram Sabha or Bhumi Prabandhak Samiti (land management committee) land by way of resumption, with the GDA acting as the facilitator. However, the revised DPR showed the developer acquired only 55% of the land, and the remaining 45% is assimilated government land. This was a reason behind the rejection of the DPR," added Singh.

Another allegation is that the developer had acquired land from 22 villages where the land use was agricultural, but the then government waived off the land conversion charge.

"The 2019 CAG audit pointed out that the GDA had suffered a Rs 172 crore loss to the state exchequer in land use conversion charge, following which the state government sought the money from Suncity. But the developer has not paid it so far, which became another reason for the DPR's rejection," said Singh.

Vinay Choudhary, a representative with Suncity, said, "The project has already started, with the booking of flats, villas, and plots starting after the GDA passed the layout plan of 717 acres. The cancellation of the revised DPR is neither good news for homebuyers nor us." <https://timesofindia.indiatimes.com/city/ghaziabad/18-years-counting-no-nod-for-suncity-yet/articleshow/104296950.cms?from=mdr>

#### **4. SPSE Profit 3289 Crore (*tathya.in*) Oct 9, 2023**

Bhubaneswar: As many as 22 State Public Sector Enterprises (SPSEs) earned a total profit of Rs 3289.58 crore during the financial year 2021-22, the Comptroller and Auditor General of India (CAG) said in a latest report.

In its audit report on State Finances, the CAG said as on 31 March 2022, there were 82 SPSEs including 64 Government Companies, 3 Statutory Corporations and 15 Government controlled Other Companies.

Out of the 64 Government Companies, 8 were power sector companies and 56 were non-power sector companies. Out of 56 non-power sector companies, 26 were non-functional. Of these, summary of financial performance of 43 SPSEs (30 Government Companies, 02 Corporations and 11 Government controlled other Companies) is covered under the audit report.

Out of the 32 Government Companies and Corporations covered in this report, 22 SPSEs earned profit of Rs 3,289.58 crore during 2021-22, as against profit of Rs 1,937.72 crore earned by 23 SPSEs in 2020-21.

The Return on Equity (ROE) of the 22 SPSEs was 22.92 per cent in 2021-22 as compared to 20.04 per cent in 21 SPSEs in 2020-21.

Odisha Mining Corporation Ltd (OMC) earned highest net profit of Rs 2731.72 crore while Odisha Hydro Power Corporation (OHPC) earned Rs 180.64 crore, Odisha Power Transmission Corporation Ltd (OPTCL) earned Rs 61.67 crore and Rs 158.27 crore earned by Odisha Coal and Power Ltd during the financial year.

There were 10 Government companies that incurred losses during the year 2021-22. In these SPSEs loss had reduced to Rs 2,423.10 crore in 2021-22 as compared to loss of Rs 3,414.88 crore incurred during 2020-21, the report said.

Out of total loss of Rs 2,423.10 crore incurred by the 10 SPSEs, loss of Rs 2,361.39 crore was contributed by three SPSEs (GRIDCO, Odisha Power Generation

Corporation and Odisha Mineral Bearing Area Development Corporation Limited) which function under Energy and Steel & Mines Departments respectively.

GRIDCO Limited incurred a loss of Rs 440.18 crore during 2021-22 was mainly due to the high cost of purchase of power and expenditure towards finance costs, it said.

Similarly, Odisha Power Generation Corporation Limited (OPGC) incurred a loss of Rs 102.83 crore during 2021-22 was mainly due to expenditure towards cost of material consumed and finance cost.

OMBADC registered a loss of Rs 1,818.38 crore during the year mainly due to expenditure towards Project expenses.

As on March 31, 2022, there were 11 Government companies and corporations with accumulated losses of Rs 9,020.65 crore. Of the 11 SPSEs, six SPSEs incurred losses in the year 2021-22, amounting to Rs 497.70 crore, five SPSEs had not incurred loss in the year 2021-22, even though they had accumulated losses of Rs 240.31 crore.

Net worth of eight out of 11 SPSEs had been completely eroded by accumulated loss and was negative. The net worth of these eight SPSEs was Rs 5,770.91 crore as on 31 March 2022. <https://tathya.in/spse-profit-3289-crore/>

## **5. Guwahati's Flood Preparedness Claims by Authorities is a 'Bluff' (guwahatiplus.com) Oct 9, 2023**

Guwahati: Nilachal Flyover Turns Into Unauthorised Parking Spots and Sightseeing Joints Guwahati: Ajanta Path Residents Continue To Suffer As PWD Drags On Construction Work Newly Constructed Guwahati Roads Deplete Frequently Guwahati: Even After Inauguration, Gates Of Botanical Garden Remain Closed For Public 5 Reasons Why You Get Stuck In Guwahati, the largest city in Assam, often finds itself submerged under water when the rains arrive. While rain brings relief from the sweltering heat, it also unleashes a wave of horror for the people of Guwahati, who frequently witness flooding in several parts of the city. The recurrent inundation has prompted citizens to question the effectiveness of efforts by concerned departments to resolve this long-standing problem.

### **Plight of Guwahati Residents**

Rainfall in Guwahati, especially during the monsoon season, frequently leads to flooding, disrupting the lives of countless residents. As neighbourhoods and streets turn into waterlogged zones, the city's denizens find themselves stranded in their own homes, unable to move about freely. This annual ordeal has raised doubts among the city's residents regarding the adequacy of flood mitigation measures and the preparedness of the authorities to handle such situations.

### **Drainage System Requires Urgent Planning**

The drainage system, or rather the lack thereof, has become a major concern for the citizens of Guwahati. Talking to GPlus, Ajoy Dutta, a city-based activist and Padma Shri Awardee, is among those who have voiced their concerns about Guwahati's drainage system.

Dutta believes that the government's claims and projects related to drainage are a "bluff." According to him, the drainage system across the city, extending from the north to the south, has remained uncleaned for years, leading to the accumulation of waste and debris.

Dutta has cast doubts on the effectiveness of cleaning efforts, citing issues with contractors who subcontract the work without proper supervision. He emphasises the absence of scientific studies and technological advancements in addressing the drainage problems that plague Guwahati. The activist argues that the superficial changes made, such as replacing drain covers, are insufficient and merely serve as a facade of progress.

Dutta insists that a comprehensive strategy for purifying the drainage system should be the top priority for the authorities. In his view, tackling the root causes of drainage blockages and flooding requires meticulous planning and execution.

In response to the concerns raised by Dutta and others, a senior official from the Public Works Department (PWD) defended their role. The official clarified that PWD does not solely oversee drainage system projects, indicating that the responsibility is shared among various departments.

#### PWD's Desiltation: A Big Failure

Despite efforts by the Guwahati Municipal Corporation (GMC) to prepare for heavy rainfall through desilting drains and raising footpaths, it appears that their endeavours have yielded disappointing results. Residents across Guwahati have expressed frustration over the perceived ineffectiveness of these measures.

Speaking to GPlus, one resident of Lachit Nagar expressed frustration, stating, "These newly constructed footpaths in Lachit Nagar were completed just a few weeks ago and we expected that these upgraded footpaths would prevent waterlogging in the area, and stormwater would flow out easily. Surprisingly, it appears the opposite has occurred. In a matter of merely ten minutes of heavy rainfall, everything from the entrance to bylanes becomes inundated with water"

Regarding the issue of desiltation, the PWD official acknowledged that it is an ongoing process, particularly after heavy rainfall. However, the PWD official stopped short of addressing the specific concerns raised about the effectiveness of these efforts. The government's ability to maintain and manage the drainage system in Guwahati remains a contentious issue.

Earlier this year, allegations of embezzlement of funds emerged in the GMC office. Reports indicated that fake bills amounting to ₹2.21 crore had been raised in the name of drain desiltation in Guwahati. It was alleged that a few private parties had submitted these fraudulent bills for desiltation work.

A GMC official confirmed these discrepancies and revealed that an investigation had been initiated by senior officials within the corporation. The official also expressed concerns that the issue might extend beyond the identified fraudulent bills and that a more extensive probe was required.

The recurrent flooding in Guwahati raises questions about the allocation and utilisation of funds meant for flood mitigation projects. It also highlights the need for transparent and efficient management of resources to address the city's drainage woes.

The Comptroller and Auditor General (CAG) issued a damning report revealing that authorities had failed to CAG utilise ₹209 crore allocated for various purposes related to drainage and flood control. This included ₹15 crore allocated for drainage cleaning, ₹12 crore for solid waste management, and ₹16 crore for artificial flood control.

In October 2021, Guwahati Smart City Limited procured ten super suckers at a staggering cost of Rs 26 crore, intended for use in cleaning the city's drains. However, due to inadequate management and oversight, these valuable assets were left unused, leaving large areas of the city, including Anil Nagar, Nabin Nagar, Zoo Road, Hatigaon, Gandhinagar and others in a state of panic. <https://www.guwahatiplus.com/exclusive-news/guwahatis-flood-preparedness-claims-by-authorities-is-a-bluff>

## 6. सीयूजे घोटाले की जांच करेगा कैग (lagatar.in) 10 Oct 2023

Ranchi: झारखंड सेंट्रल यूनिवर्सिटी (सीयूजे) में मनी लॉड्रिंग की जांच भारत के नियंत्रक एवं महालेखापरीक्षक (कैग) करेंगे. कैग की ओर से आनंद कुमार द्विवेदी (स.प्र. अधिकारी) ने 29 अगस्त 2023 को पत्र जारी किया है. वहीं सीयूजे में व्याप्त वित्तीय अनियमितताओं की जानकारी पत्र के माध्यम से सीबीआई को भी दी है. जिससे सीबीआई भी इस मामले की जांच शुरू कर सके. कैग ने माना है कि सीयूजे में अवैध नियुक्तियां हुई हैं. साक्ष्य को देखने से साफ परिलक्षित हो गया है कि योजनाबद्ध तरीके से नियुक्ति घोटाले को अंजाम दिया गया है. वित्तीय अनियमितता के तहत मनी लॉड्रिंग की गई है, जिसकी जांच के लिए ईडी को भी पत्र भेजा गया है. अब ईडी भी मनी लॉड्रिंग के तहत मामला दर्ज कर सकता है.

एक बार फिर शुभम संदेश की खबरों पर लगी मुहर 'शुभम संदेश' की खबरों पर एक बार फिर मुहर लगी है. सीयूजे में व्याप्त अनियमितताओं को लेकर लगातार खबरें छापी गईं. बताया था कि कैसे विवि के जिम्मेवार अपने चहेतों को मलाईदार कुर्सी पर बैठाकर लाखों के वारे न्यारे कर रहे हैं. 23 अगस्त को 'सीयूजे में फर्जीवाड़ा' शीर्षक से, 24 अगस्त को 'सीयूजे में मनी लॉड्रिंग' शीर्षक से, 26 अगस्त को 'लगती है कुर्सी की बोली' शीर्षक से, 27 अगस्त को 'अदालत से ऊपर विश्वविद्यालय' और 28 अगस्त को 'सीयूजे में अवैध वसूली' शीर्षक से खबर प्रकाशित हुई. इन खबरों पर संज्ञान लेते हुए कैग ने अवधेश कुमार पांडेय के शिकायती पत्र पर जांच करने का निर्णय लिया. कैग द्वारा जांच की जानकारी शिकायतकर्ता को भी ई-मेल से भेजी गई है. सीयूजे में जांच के तहत सोशल ऑडिट होने पर अरबों का घोटाला सामने आएगा.

लोकपाल और असिस्टेंट प्रोफेसर की नियुक्ति अवैध कैग ने साक्ष्यों की जांच के बाद कहा है कि सीयूजे में लोकपाल प्रो. कैलाश चंद्र शर्मा और एसोसिएट प्रोफेसर मयंक रंजन की नियुक्ति अवैध है. यूजीसी ने भी विवि को साफ शब्दों में कहा है कि कैडर रिक्तमेंट रूल (सीआरआर, नियुक्ति नियमावली) स्वीकृत कराए बिना नियुक्ति नहीं करनी है. इसके बाद भी विवि में कई नियुक्तियां की गईं, जो एक प्रकार से नियुक्ति घोटाला है. लोकपाल की नियुक्ति में भी घोटाला हुआ है. वहीं मयंक रंजन की नियुक्ति को लेकर कैग ने कहा है कि पीएचईडी में कोर्स वर्क का सर्टिफिकेट नहीं है. यूजीसी रेगुलेशन 2009 के अनुसार उनका सर्टिफिकेट शैक्षणित

कार्य के लिए अमान्य है. वह डॉक्टर लिख सकते हैं. असिस्टेंट प्रोफेसर के लिए यूजीसी द्वारा निर्धारित योग्यता के अनुसार नेट क्वालिफाई या 2009 रगुलेशन से पीएचईडी होना आवश्यक था.

टेंडर के नाम पर करोड़ों की हेराफेरी

सीयूजे में टेंडर घोटाला भी हुआ है. शिकायत करने वाले ने सीयूजे के कुलपति डॉ. क्षितिज भूषण दास, एसोसिएट प्रोफेसर मयंक रंजन और डिप्टी रजिस्ट्रार अब्दुल हलीम पर घोटाले में शामिल होने का आरोप लगाया गया है. सीयूजे में दो अलग-अलग टेंडर हुए. दोनों टेंडर में विवि के जिम्मेवारों ने नियम ताक पर रखकर करीबियों को फायदा पहुंचाया. विवि में हॉस्पिटैलिटी और फर्नीचर खरीदारी के लिए टेंडर हुआ था, जिसमें कई कंपनियां शामिल हुई थीं. टेंडर प्रक्रिया पूरी करने के बाद अचानक टेंडर रद्द करते हुए, पूर्व से हॉस्पिटैलिटी का काम देख रही पुंदाग की कंपनी आरआरबी फूड्स को एक्सटेंशन दे दिया गया, जो टेंडर में शामिल ही नहीं हुई थी. इस कंपनी में ज्योति साही एक पार्टनर हैं. जो एसोसिएट प्रोफेसर मयंक रंजन की पत्नी हैं.

5 माह में 5 करोड़ का फर्नीचर खरीदा

सीयूजे में गत माह 5 करोड़ 50 लाख 69 हजार रुपए के फर्नीचर खरीदे गये. फर्नीचर खरीदारी के लिए दो बार टेंडर निकले. पहले टेंडर में गोदरेज कंपनी एल वन घोषित हुई. बिना कारण बताए उस टेंडर को रद्द कर दिया. जब दूसरी बार टेंडर हुआ, तो टेंडर टीम ने डूरियन इंडस्ट्रीज लिमिटेड को एल वन घोषित कर दिया. नियमों की अनदेखी कर जिम्मेवारों ने अपनी पसंदीदा कंपनी को काम सौंप दिया. <https://lagatar.in/cag-will-investigate-cuj-scam/>

## **SELECTED NEWS ITEMS/ARTICLES FOR READING**

### **7. 100 online gaming apps on DGGI radar for ₹1 lakh-crore tax evasion (*hindustantimes.com*) October 10, 2023**

Over 100 online gaming applications in India are being investigated by the Directorate General of Goods and Services Tax Intelligence for alleged tax evasion of around ₹1 lakh crore (\$14 billion). Notices have been issued to several platforms, including Dream11 and Gameskraft, which have challenged the notices in court. The investigation began in 2017-2018 after the introduction of the Goods and Services Tax. The platforms are accused of paying taxes only on the platform fees they charge users, rather than on the entire amount bet on their platforms.

More than 100 online gaming applications operating in India are under the scanner of the Directorate General of Goods and Services Tax Intelligence (DGGI) for alleged tax evasion to the tune of around ₹1 lakh crore. Notices have been issued to many of these platforms and two of them - Dream11, the only unicorn among the fantasy sports apps and Gameskraft - have challenged the notices in courts.

An enquiry against these platforms began in 2017-2018 after the change in the tax regime and introduction of GST. Earlier, the activity performed by these apps were categorised as ITeS (information technology enabled services) and they had to pay lower taxes while in the current tax regime they come under the gambling/betting category which attracts a GST at 28%.

“The major contention is that they pay the taxes only on the platform fee that they charge their users. However, the tax needs to be calculated on the entire pooled amount that is being bet on these platforms,” explained a source aware of the matter. The apps have now been asked to pay the taxes pending for the last few years, along with the interest and penalties.

Dream11 has been issued two show cause notices for alleged tax evasion amounting to ₹28,000 crore, the highest indirect tax demand notice till date. The notices were served in September – one each by the state and Central GST departments.

The company has moved the Bombay high court questioning the notices and the retrospective application of the tax regime. It has contended in its plea that the games on its platform call for a certain skill and knowledge of the sport and therefore cannot be categorised in the betting category for taxation purposes.

“As per the notices, the activity on the platform is betting. It has also been categorised as such in the GST regime. So, if the company, or the industry, wants this categorisation to change, it still owes the government the tax under the current regime until the changes are accepted by the GST council and come into effect,” the source pointed out.

AGameskraft had approached the Karnataka high court which quashed the tax evasion notices in May. After that the Central GST department moved the Supreme Court which stayed the high court order. The hearing is likely to take place this week.

“The fate of the taxation on the online gaming industry would depend largely on the Supreme Court’s decision in this case. The industries’ plea that this may amount to retrospective taxation may not sustain as the show cause notices were issued with legal provisions in effect from July 2017 when GST was implemented,” the source added.

Other major platforms on the DGGI radar include Mobile Premier League, Delta Gaming, and Playgames24x7. <https://www.hindustantimes.com/cities/mumbai-news/100-online-gaming-apps-on-dggi-radar-for-1-lakh-crore-tax-evasion-101696879379388.html>

## **8. Grave new world: Can we oversee AI decisions? (*livemint.com*)** October 10, 2023

The ministry of corporate affairs (MCA) is automating its compliance system with artificial intelligence (AI) and machine learning (ML) tools. But decisions such as serving notices on companies will be left to (human) officials to make. Mint explains the hybrid approach:

What is MCA mandating and why?

MCA’s new AI-powered compliance system will be rolled out on its MCA21 portal once an ongoing upgrade and migration of forms to high-security ones is completed in a couple of months, Mint reported, citing an unnamed official. However, while the system will draw up a list of errant companies, only an authorized official will take a decision in this regard. The idea is to adopt a “human-centric” approach to AI, and give the non-compliant companies time to respond before serving a notice. The approach is not unlike regulators calling for a public discourse on draft laws before finalizing them.

What's new about this approach?

MCA21 was designed to automate all services related to enforcement and compliance of requirements under the Companies Act. In a "Vision 2019-2024" document, MCA underscored the use of AI, ML and "real time analytics" to develop a common platform to connect all economic and financial regulators' databases and avoid duplication of data. In March 2020, the Lok Sabha was informed that Version 3 of the MCA21 portal would use AI and ML to enhance "security and threat management" solutions, among other things. This time around, MCA plans to include humans to supervise the AI-powered results.

What does 'human in the AI loop' mean?

Keeping someone in the loop typically implies making that person part of, or at least privy to, the decision-making process. Even in highly-automated factories, known as "lights out" plants, there are humans who remain present to halt processes with a "kill switch" in case of an emergency. This concept is now being adopted by policy makers to govern AI.

What are the benefits of this approach?

Generative AI models are known to convincingly provide wrong answers, plagiarize, violate copyrights and trademarks—all without a moral compass. Experts can't figure out how unsupervised large language models (LLMs) like OpenAI's GPT-4 arrive at conclusions. And, who is to blame if such a system gives wrong legal or medical advice? Hence, firms now hire humans to moderate content, and data annotators to add labels, categories and other contextual elements to increase the accuracy of the models.

Can humans match the might of AI?

In 1983, Lt. Col. Stanislav Petrov of the Soviet Union prevented a nuclear war by trusting his judgment and ignoring reports of an incoming US missile strike (the computer had mistaken the sun's reflection off clouds for a missile). But Petrov had 30 minutes to make his decision, while today's AI systems make decisions in milliseconds. Kobi Leins from King's College London and Anja Kaspersen from Carnegie Council believe no human has the capacity to understand all these parts, let alone meaningfully intervene. <https://www.livemint.com/industry/infotech/grave-new-world-can-we-oversee-ai-decisions-11696876644324.html>

## **9. Why India must ramp up wind energy generation for its energy transition** (*economictimes.indiatimes.com*) October 10, 2023

In a world where climate change looms large and sustainability is the buzzword, India is making remarkable strides towards a greener future. With a target of achieving 500 gigawatts (GW) of renewable energy by 2030, of which 140 GW is slated to come from wind power, the nation is setting a bold example for the rest of the world. The wind power capacity in India has been on an impressive upward trajectory. In March 2023, India's wind power capacity reached around 43 GW, a monumental leap from a mere 1.2 GW in 2000. This achievement has catapulted India to the fourth spot globally in terms of installed wind capacity. Currently, wind power accounts for approximately 10% of the country's total installed capacity and a significant 25% of its total renewable capacity.

India's ambitions are sky-high, with approximately 11 GW of wind projects currently under construction. The government is also gearing up to award around 10 GW of wind projects annually, starting from the fiscal year 2024. These efforts are aimed at realizing the ambitious target of 500 GW of renewable capacity by 2030. In this journey, India aims to fulfil nearly 50% of its electricity needs through renewable energy sources by 2030, ultimately aiming to become a net-zero economy by 2070.

One key strategy driving India's wind energy expansion is the integration of wind and solar power. Many states with high wind potential, such as Tamil Nadu, Karnataka, Maharashtra, Andhra Pradesh, Rajasthan, and Gujarat, also enjoy abundant solar resources. This synergy allows for greater benefits to, with wind-solar hybrid projects capable of achieving capacity utilization factor (CUF) of up to 65% Vs 20%-40% CUF of standalone projects.

When we compare the levelized cost of electricity (LCOE), wind power emerges as the second most competitive renewable energy source, with costs ranging from INR 2.8 to 3.3 per kilowatt-hour (kWh). This is approximately 40% lower than current landed grid tariff to consumers. Wind-solar hybrid projects fall in a similar price range, positioning themselves between standalone solar and wind sources. To provide round-the-clock power supply, wind-solar hybrid projects, when coupled with battery storage, offer an attractive solution. Currently, the cost of batteries remains a challenge, but by 2026, as battery prices drop, these solutions are expected to become more competitive, with LCOEs ranging from INR 3.8 to 4.2 per kWh.

The wind industry is set to receive a significant boost with the shift away from the reverse auction regime. The Ministry of Power's recent announcement replaces reverse auctions with a "Single Stage, Two Envelope, closed bid basis"; This change is expected to provide the necessary impetus to the wind industry, with each submission now constituting a "composite bid" from state-specific sub-bids in the eight wind-rich states.

While India's wind capacity expansion is impressive, its domestic manufacturing capacity still lags. Most domestic original equipment manufacturers (OEMs) are struggling to match the pace of demand. The government's plan to auction around 10 GW annually underscores the need to ramp up domestic manufacturing. In addition to manufacturing, other support systems, such as logistics, digitization, analytics, balance of power players, third-party operation and maintenance contractors, and skilled manpower, must also be enhanced significantly.

With the demand for wind power coming from central, state, and commercial and industrial procurement, it is estimated that India will witness the commissioning of 70-80% of new wind capacity auctioned in the next five years. This demand is particularly crucial for distribution companies (DISCOMs) that require a consistent power supply for efficient planning. Standalone renewable energy sources, due to their variability, cannot provide round-the-clock power. Hence, DISCOMs currently rely on conventional sources like coal. To ensure grid stability, a balance between renewables and other sources, including energy storage systems (ESS), is vital. Recent tenders for 1 GW of round-the-clock projects show tariffs ranging from INR 3.99 to 4.27 per kWh, with most projects blending renewable energy with thermal sources. As ESS costs

decline, we can expect more RTC projects relying solely on renewable energy, further boosting wind installations.

India's commitment to achieving carbon neutrality by 2070 necessitates a comprehensive shift away from coal generation toward renewable energy, with wind playing a critical role. Repowering initiatives, involving the replacement of older components with newer turbines, will enhance project economics and boost wind installation growth in India. Additionally, the expected increase in Renewable Purchase Obligation (RPO) targets, reaching up to 30% by FY25 and 43% by FY30, will further bolster demand growth. The long-term prospects for the wind industry in India remain robust, as the country transitions to competitive, low-carbon technologies, fostering sustainable growth and a cleaner, greener future. <https://energy.economictimes.indiatimes.com/news/renewable/why-india-must-ramp-up-wind-energy-generation-for-its-energy-transition/104298221>

## **10. Climate change may make India and the Indus Valley too hot for up to 2.2 billion: Study (*indianexpress.com*) October 10, 2023**

Climate change could expose up to 2.2 billion people in India's Indus Valley and Pakistan to many hours of heat that surpass human tolerance by the end of the century, according to new study.

The study, published in the journal Proceedings of the National Academy of Sciences (PNAS), found that if global temperatures increase by 1 degree Celsius (C) or more than current levels, each year billions of people will be exposed to heat and humidity so extreme they will be unable to naturally cool themselves.

Researchers from the Penn State College of Health and Human Development, Purdue University College of Sciences and Purdue Institute for a Sustainable Future in the US found that warming of the planet beyond 1.5 C above preindustrial levels will be increasingly devastating for human health across the planet.

Humans can only withstand certain combinations of heat and humidity before their bodies begin to experience heat-related health problems, such as heat stroke or heart attack. As climate change pushes temperatures higher around the world, billions of people could be pushed beyond these limits, they noted.

Since the start of the industrial revolution, when humans began to burn fossil fuels in machines and factories, temperatures around the world have increased by about 1 C. In 2015, 196 nations signed the Paris Agreement which aims to limit worldwide temperature increases to 1.5 C above pre-industrial levels.

The team modelled global temperature increases ranging between 1.5 C and 4 C — considered the worst-case scenario where warming would begin to accelerate — to identify areas of the planet where warming would lead to heat and humidity levels that exceed human limits.

“To understand how complex, real-world problems like climate change will affect human health, you need expertise both about the planet and the human body,” said W. Larry Kenney, professor at Penn State and co-author of the new study.

The ambient wet-bulb temperature limit for young, healthy people is about 31 C, according to work published last year by Penn State researchers.

However, in addition to temperature and humidity, the specific threshold for any individual at a specific moment also depends on their exertion level and other environmental factors, including wind speed and solar radiation.

In human history, temperatures and humidity that exceed human limits have been recorded only a limited number of times — and only for a few hours at a time — in the Middle East and Southeast Asia, according to the researchers. Results of the study indicate that if global temperatures increase by 2 C above pre-industrial levels, the 2.2 billion residents of Pakistan and India's Indus River Valley, the one billion people living in eastern China and the 800 million residents of sub-Saharan Africa will annually experience many hours of heat that surpass human tolerance.

These regions would primarily experience high-humidity heatwaves. Heatwaves with higher humidity can be more dangerous because the air cannot absorb excess moisture, which limits sweat evaporates from human bodies and moisture from some infrastructure, like evaporative coolers.

The researchers said these regions are also in lower-to-middle income nations, so many of the affected people may not have access to air conditioning or any effective way to mitigate the negative health effects of the heat.

If warming of the planet continues to 3 C above pre-industrial levels, the researchers concluded, heat and humidity levels that surpass human tolerance would begin to affect the Eastern Seaboard and the middle of the US — from Florida to New York and from Houston to Chicago. South America and Australia would also experience extreme heat at that level of warming.

At current levels of heating, the researchers said, the US will experience more heatwaves, but these heatwaves are not predicted to surpass human limits as often as in other regions of the world. Still, the researchers cautioned that these types of models often do not account for the worst, most unusual weather events.

“Models like these are good at predicting trends, but they do not predict specific events like the 2021 heatwave in Oregon that killed more than 700 people or London reaching 40 C last summer,” said lead author Daniel Vecellio, a bioclimatologist who completed a postdoctoral fellowship at Penn State.

“And remember, heat levels then were all below the limits of human tolerance that we identified. So, even though the United States will escape some of the worst direct effects of this warming, we will see deadly and unbearable heat more often. And — if temperatures continue to rise — we will live in a world where crops are failing and millions or billions of people are trying to migrate because their native regions are uninhabitable,” Vecellio added. <https://indianexpress.com/article/world/climate-change/climate-change-india-indus-valley-hot-study-8976019/>

## **11. Climate-induced damage costs global infrastructure over \$300 billion annually, says CDRI report (*financialexpress.com*) October 10, 2023**

According to the biennial report from the Coalition for Disaster Resilient Infrastructure (CDRI), the annual average loss (AAL) in essential infrastructure sectors due to disasters and climate change currently ranges between \$301 and \$330 billion globally. When you factor in health and education infrastructure, along with building stock, this figure expands to a range of \$732 to \$845 billion. This represents about one-seventh of the global GDP growth for the 2021-2022 financial year, with nearly half of this risk being borne by low- and middle-income countries.

The CDRI, launched by Prime Minister Narendra Modi in 2019, is an international partnership aimed at enhancing the resilience of infrastructure systems, particularly in the face of climate change-related disasters.

Low- and middle-income countries (LMICs) are confronted with a multifaceted challenge. They have a substantial infrastructure deficit that hampers social and economic development, coupled with vulnerable and substandard infrastructure due to deficiencies in infrastructure governance. These challenges are exacerbated by the loss and damage to assets caused by disasters and disruptions in services. Additionally, much of their existing infrastructure is ill-suited to address the challenges posed by climate change and rapid technological advancements.

The report emphasises that extreme climate hazards intensify the risk of disasters, asset loss, and service disruptions, and the functionality of existing infrastructure may diminish. Although efforts to mitigate climate change are altering the way infrastructure systems are designed and used, with a shift towards carbon-neutral and carbon-negative development in sectors like energy and transportation, the global average annual loss (AAL) in infrastructure due to climate change still stands at \$301 to \$330 billion.

The report reveals that 30% of the global AAL is linked to geological hazards, while 70% is associated with climatic hazards. In essence, climate change significantly increases the AAL. High-income countries may experience an 11% increase in their total infrastructure AAL, while middle-income countries could see an increase of 12 to 22%, and low-income countries may face a 33% increase. Consequently, climate change will have a more substantial impact on countries with significant infrastructure deficits, weak infrastructure governance, limited fiscal capacity, and minimal private investment.

The report highlights that many of the countries facing the most significant increase in risk due to climate change are in Sub-Saharan Africa and the Middle East. Moreover, climate change can significantly affect the annual average loss of hydropower generation in countries where hydropower is a primary energy source.

The report also points out the inequality in infrastructure investment. High-income countries have a per capita capital stock value of \$200,000, compared to \$37,000 in upper-middle-income countries, \$8,000 in LMICs, and \$3,000 in low-income countries. This inequality in investment is widening the gap in infrastructure and hindering social and economic development, especially in lower-income countries.

The COVID-19 pandemic has further impeded progress toward achieving sustainable development goals.

Climate change poses challenges to service resilience, such as the need for additional power generation to cope with heatwaves, improved stormwater drainage to prevent surface water flooding, and the risk of water scarcity due to extreme drought. Rapid changes in the provision and usage of services, like the transition to electric mobility, necessitate new infrastructure while leaving behind stranded assets.

The report emphasises that only a few low-income countries have the financial capacity to address their infrastructure deficit, maintain existing infrastructure, transition to net zero emissions, and enhance asset and service resilience. These countries also struggle to attract private investment due to the widening gap between high-income countries and LMICs. In 2021, 80% of private infrastructure investments were directed toward high-income countries, with a substantial portion going into renewable energy generation. The gap in investments is especially pronounced in Sub-Saharan Africa.

High-income countries and middle-income countries with large economies have high absolute risk but low relative risk. In contrast, countries like the Philippines, Bangladesh, Vietnam, Myanmar, Peru, Honduras, and Ecuador face high levels of both absolute and relative risk, making them susceptible to large-scale losses and challenges to their resilience.

Small Island Developing States (SIDS) generally have low absolute risk due to their small size but high relative risk. This means they may have difficulty recovering from infrastructure loss and damage due to their limited resources. <https://www.financialexpress.com/business/infrastructure-climate-induced-damage-costs-global-infrastructure-over-300-billion-annually-says-cdri-report-3267267/>

## **12. IMF revises India's FY24 GDP growth forecast upward to 6.3%** (*hindustantimes.com*) October 10, 2023

The International Monetary Fund (IMF) has revised India's economic growth forecast for the current fiscal year, increasing it from 6.1 per cent to 6.3 per cent, as per its October 2023 World Economic Outlook (WEO) report released on Tuesday.

"Growth in India is projected to remain strong, at 6.3 per cent in both 2023 and 2024, with an upward revision of 0.2 percentage points for 2023, reflecting stronger-than-expected consumption during April-June," the IMF report said.

The Reserve Bank of India has projected GDP growth to reach 6.5 per cent.

IMF anticipates that consumer price inflation in the South Asian country will climb to 5.5 per cent in 2023/24 before gradually subsiding to 4.6 per cent in 2024/25. Furthermore, the IMF projects that the current account deficit of the nation will remain stable at 1.8 per cent of GDP in both FY24 and FY25.

What are global GDP growth projections?

In its latest World Economic Outlook (WEO), the IMF has maintained its previous estimate for global real GDP growth in 2023 at 3.0 per cent. However, the organization has slightly adjusted its 2024 forecast, reducing it by 0.1 percentage point to 2.9% from the prediction made in July.

**IMF Growth Forecast for Major Economies in 2024:**

- USA: 1.5 per cent
- Germany: 0.9 per cent
- France: 1.3 per cent
- Italy: 0.7 per cent
- Spain: 1.7 per cent
- Japan: 1.0 per cent
- Canada: 1.6 per cent
- China: 4.2 per cent
- India: 6.3 per cent
- Russia: 1.1 per cent
- Brazil: 1.5 per cent
- Mexico: 2.1 per cent
- Morocco: 3.6 per cent
- Saudi Arabia: 4.0 per cent
- Nigeria: 3.1 per cent
- South Africa: 1.8 per cent

The report notes that the global economy continues to recover slowly from the pandemic, the Russia-Ukraine war, and the cost-of-living crisis.

“Despite the disruption in energy and food markets caused by the war, and the unprecedented tightening of global monetary conditions to combat decades-high inflation, the global economy has slowed, but not stalled,” the report said.

"Yet growth remains slow and uneven, with growing global divergences. The global economy is limping along, not sprinting," it added.  
<https://www.hindustantimes.com/business/imf-revises-indias-fy24-gdp-growth-forecast-upward-to-63-101696928072049.html>

**13. Assn alleges fund misappropriation** (*arunachaltimes.in*) October 10, 2023

ITANAGAR: The All Arunachal RTI Activists Association (AARTIAA) on Monday alleged that Rs 35 crore, which had been provided to the water resources department for flood control measures along the Siang river in Mebo circle of East Siang district, was misappropriated.

Addressing journalists at the press club here, AARTIAA president Tania June said that the association obtained the information regarding this from the response to an application under the RTI Act that had been submitted by the association, based on complaints from the villagers in Mebo circle.

He said that the MLA concerned should “give proper directions to the subordinates” in this regard.

“An FIR was submitted to the Special Investigation Cell (SIC) in this regard on 21 August this year, and a complaint letter was submitted to the chief minister on 28 September. However, there has been no response till now,” June said, and urged the government to initiate an inquiry into the matter, and to “re-tender the work and direct the SIC to arrest the persons involved, terminate their jobs, and blacklist the firm.”

The association is ready to even go to the court if there is no proper response from the state government, he said.

June claimed that the persons involved in the misappropriation of the fund are RWD EE Tamo Jamoh, Assistant Engineer Geyon Tayeng, retired JE TT Pillai, JE Lokey Borang, JE Rassia Tayen, and the proprietor of M/s Agam Construction, based in Tigra Mirbuk. <https://arunachaltimes.in/index.php/2023/10/10/assn-alleges-fund-misappropriation/>

**14. Tax evasion of Rs 8.1 crore unearthed in raids across 7 districts** (*indianexpress.com*) October 10, 2023

Ahmedabad: Raids linked to GST (Goods and Services Tax) evasion were carried out at 52 locations in seven districts of the state, officials said on Monday. In a release, the state division highlighted that an evasion of Rs 8.1 crore was unearthed.

The crackdown, said officials, was carried out against traders and businessmen linked to ceramics, scrap, mobile phones, cosmetic items, snacks, hotels, and restaurants, tour operators, coaching classes, and printing services.

The raids were conducted across Surat, Vadodara, Gandhinagar, Rajkot, Bhavnagar, Mehsana, and Dangs.

Most of the erring entities, the GST department found, were business-to-consumer firms and had made sales or offered services without generating proper bills, the statement added. <https://indianexpress.com/article/cities/ahmedabad/tax-evasion-of-rs-8-1-crore-unearthed-in-raids-across-7-districts-8975655/>