

NEWS ITEMS ON CAG/ AUDIT REPORTS

1. India's First Mass Surveillance, Mass Spying and Unending Census Case (*moneylife.in*) Jan 16, 2024

"The forthcoming census could be the first digital census in the history of India. For this monumental and milestone-marking task, I have allocated Rs3,768 crore in the year 2021-22."

- Nirmala Sitharaman, Union finance minister, 1 February 2021, Lok Sabha

"Census 2021 and the related field activities have been postponed until further orders. The forthcoming Census is to be the first digital Census and there is a provision for self-enumeration. Mobile Apps for collection of data and a Census portal for management and monitoring of various Census related activities have been developed. The intent of the Government for conducting Census 2021 was notified in Gazette of India on 28th March, 2019. Subsequently, a notification under Citizenship Rules was published in the Gazette of India on 31st July, 2019 to prepare and update the Population Register along with the first phase of Census i.e. House listing and Housing Census. However, due to outbreak of COVID-19 pandemic, the conduct of Census 2021, updating of National Population Register and the related field activities have been postponed until further orders."

- Nityanand Rai, Union minister of state in ministry of home affairs, 7 February 2023, Lok Sabha

"The Office of the Registrar General (of National Population Register) and Census Commissioner of India has informed that there is no plan to use Aadhaar data for census."

-Rajeev Chandrasekhar, Union minister of state for electronics and information technology, 5 April 2023, Lok Sabha

"The UIDAI will also partner with the Registrar General of India (RGI) – who will prepare the National Population Register through the Census 2011 – to reach as many residents as possible and enrol them into the UID database. This may require incorporating some additional procedures into the RGI data collection mechanism, in order to make it UID-ready."

-p.17, UIDAI Strategy Overview: Creating A Unique Identity Number for Every Resident of India, Unique Identification Authority of India, Planning Commission of India, April 2010

There are three references to 'census' in the 547-page landmark unanimous verdict of the nine-judge constitution bench delivered on 24 August 2017 in the unique identification (UID)/ Aadhaar number scheme-related case. Its leading order was authored by Dr Justice D Y Chandrachud. The court has recorded that Tushar Mehta, the additional solicitor general, mentioned the Census Act, 1948 to argue that this statute already protects the privacy rights of individuals; therefore, it is unnecessary to read a fundamental right of privacy into part III of the constitution.

The word "census" has been mentioned on nine occasions in the 1,448-page order dated 26 September 2018 on UID/ Aadhaar number database scheme delivered by a five-judge constitution bench. The order includes the majority order authored by justice AK

Sikri (now retired), the concurring order by justice Ashok Bhushan (now retired) and the dissenting order by Dr DY Chandrachud. Recognising that some of the concerns raised by the Aadhaar scheme have arisen for the first time in India, comparative jurisprudence and judgments of foreign jurisdictions on census have been deemed appropriate because many of the measures prescribed under the Aadhaar Act are similar.

Dr Chandrachud's 481-page order draws on the decision of the Federal Constitutional Court of the Federal Republic of Germany which dealt with a challenge to the German Federal Census Act, 1983, which paved the way for unlimited census. His order has been vindicated by the decision dated 13 November 2019 by a five-judge constitution bench in *Roger Mathew v South Indian Bank Ltd.* Notably, justice Bhushan's order also dwells on the decision of the German court in the matter of unlimited census.

This German law provided for the collection of citizens' basic personal information, including inter alia, source of income, occupation, supplementary employment, educational background and hours of work. There were certain provisions in the law which provided for transmission of statistical data to local governments for the purposes of regional planning, surveying, environmental protection, and redrawing of election districts. The German court struck down provisions permitting the transfer of statistical data to local authorities on the grounds that they enabled authorities to compare census data with local housing registries. The German court observed that the combination of statistical data and a personalised registry could lead to the identification of particular persons, which would lead to a chilling effect upon individuals' right to informational self-determination.

The German court observed that distinct silos of data "can be pieced together with other data collections particularly when individual integrated information systems are built up – to add up to a partial or virtually complete personality profile". This creates an architecture wherein the person concerned has "no means of controlling its truth and application." It took note of the technical means of storing individual statements about personal or factual situations of a certain or verifiable person with the aid of automatic data processing. It implies that the extent of processing individuals' data is unlimited and the data can be retrieved in a matter of seconds, irrespective of the distance.

Tracing the origin of the unique identification (UID)/ Aadhaar project, in his verdict, justice Sikri (now retired) refers to the planning commission's processes committee that was set up on 3 July 2006 to suggest the process for updation, modification, addition and deletion of data and fields from the core database to be created under the UID for the BPL families project. The processes committee, on 26 November 2006, prepared a paper known as "Strategic Vision Unique Identification of Residents".

The fact is that it is one of the earliest documents which refers to UID. It is a 14-page document which was admittedly prepared by Wipro Ltd and submitted to the processes committee of the planning commission. The processes committee did not prepare it. This document envisaged the close linkage that the UIDAI would have with the electoral database.

On 4 December 2006, the prime minister Manmohan Singh had constituted an empowered group of ministers (E-GoM) comprising A Raja, the then minister of

communications & information technology, the minister-in-charge responsible for UID and related others on the basis of this strategic vision document. Therefore, factual misrepresentation in the order with regard to the origin of UID/ Aadhaar project assumes great significance.

The use of the electoral database mentioned in Wipro Ltd's document remains on the agenda given the fact that aggressive attempts have been made to link the voter ID number with UID/ Aadhaar number. Justice Sikri's order does not refer to Wipro Ltd, which prepared the vision document, although this vision document was submitted by the government in the course of the judicial proceedings. Prior to the hearing in the court, this vision document was not in the public domain. Its vision statement reads: "Creating a unique identification system of all residents in the country for efficient, transparent, reliable and effective delivery of various welfare and private services to the common person."

The cover page of the vision document mentions the names of institutions and the private firm namely, the National Institute for Smart Government, department of information technology and Wipro Consulting and states that Wipro Ltd is the consultant for the design phase and program management phase of the pilot UIDAI project, the 'Strategic Vision on the UIDAI Project'. This is the first document of November 2006 which refers to UIDAI for the first time. UIDAI took birth in January 2009.

What is stated in Wipro's vision document with regard to electoral database finds echo in justice Sikri's order wherein it is stated that "A core group was set up to advice and further the work related to UIDAI...Meetings of the core group took place from time to time. The core group, inter alia, decided that it was better to start with the electoral roll database of 2009 for undertaking the UIDAI project." It further states, "This and other steps taken in this direction culminated in issuance of notification dated July 02, 2009 whereby Mr Nandan Nilekani was appointed as the chairman of UIDAI for an initial tenure of five years in the rank and status of a cabinet minister. He assumed charge on July 24, 2009. Thereafter, the Prime Minister's council of UIDAI was constituted on July 30, 2009 which held its first meeting on August 12, 2009 where the chairman of UIDAI made detailed representation on the broad strategy and approach of the proposed UID project." Interestingly, only within 20 days of joining UIDAI after resigning as CEO, Infosys Ltd, Mr Nilekani became competent enough to give "detailed representation on the broad strategy and approach of the proposed UID project." His appointment letter addressed him as CEO, Infosys Ltd. Later, Mr Nilekani headed the technology advisory group (TAGUP), and recommended the setting up of the national information utilities (NIU) to deal with complex information technology (IT) systems and projects. This TAGUP report refers to the UIDAI strategy overview document prepared by WIPRO Technologies Pvt and published by UIDAI.

Notably, Infosys Leadership Institute (ILI) had set up the Jawaharlal Nehru Leadership Institute (JNLI) in 2008 for training the Indian Youth Congress (IYC) and National Students' Union of India (NSUI) with GK Jayaram as its chief mentor. Mr Jayaram's Bangalore-based Institute of Leadership and Institutional Development (ILID) was a consultant to the Rajiv Gandhi Foundation and the Rajiv Gandhi Institute of Contemporary Studies.

Subsequently, a web-based Pehchaan (identity) platform was set up "as a mechanism to identify and promote elected office-bearers (EOBs) at every level." The text of a resolution in this regard reads, "Every EOB is allotted a unique ID and password and given the opportunity to share their work and connect with the organisation at various levels."

Mr Jayaram, the chief mentor for training IYC and NSUI, was formerly associated with the US Navy Post-Graduate School and worked in US firms like AT&T. It may be noted that in 2006, the Electronic Frontier Foundation lodged a class action lawsuit alleging that AT&T had allowed agents of the national security agency (NSA) to monitor phone and internet communications of AT&T customers without warrants in violation of the Foreign Intelligence Surveillance Act of 1978 and the first and fourth amendments of the US constitution.

It is apparent that those who pushed the idea of unique identity before the ruling political leadership have been involved with foreign defence and private firms whose past merited deeper scrutiny. Justice Sikri could not see through the incestuous relationship between domestic and foreign private firms with UIDAI because he has refrained from naming the firm which conceptualised its strategic vision.

Notably, the comptroller and auditor general has reported in August 2016 that Wipro, India's third largest software exporter, has been given "undue favours" of Rs4.92 crore by the competent authority in UIDAI. Wipro was given a contract by UIDAI in May 2011 for Rs134 crore for installing security systems in the data centres of UIDAI in Bengaluru and Delhi/ NCR region. Besides undue favour garnered by Wipro, it is apparent that it created business for itself through its preparation of the strategic vision for the UIDAI project, a classic case of manifest conflict of interest.

Given the fact that the prime minister's council of UIDAI was directly overseeing the execution of the UID/ Aadhaar project, it is pertinent to note what the then-prime minister said. He observed, "We live in a world of uncertainty and ex-post whether it is the comptroller and auditor general, whether it is a parliamentary committee then they analyse post facto. They have a lot more facts which were not available to those who took the decision."

In the face of several years of the existence of a controversial public institution like UIDAI, justice Sikri should have asked the comptroller and auditor general of India to "analyse post facto" the work of UIDAI and the involvement of its key office bearers in awarding contracts to private firms, some of which have already come under CAG's scrutiny instead of deliberately omitting the role of private firms like Wipro in his order. Wipro's case is just the tip of the iceberg which got detected and caught by CAG.

The concerns over the breach of citizens' data prompted several state governments to halt the ongoing data collection process for a national population register (NPR). The fear is that the information sought under NPR is much wider in scope and could potentially be used to target any section of society.

What the anti-NPR advocates did not realise is that there are more solid reasons to fear the NPR because it is not just a census exercise, but a larger data convergence scheme. NPR's linkage with Aadhaar number plays a central role here. In fact, NPR of the

ministry of home affairs and UIDAI's CIDR of UID/ Aadhaar numbers under the ministry of electronics and information technology (MEITY), are aimed at creating an architecture for indiscriminate mass surveillance of the present and future voters. They are being structurally coerced to give their consent to the immoral and illegitimate exercise of their profiling for unlimited times.

Both these exercises have turned every newborn citizen into a suspect. There is a file being created to track and profile him/ her for good. Like the Indian national security advisor's threat to his adversaries about having a file on them, having a UID/ Aadhaar number and NPR automatically creates a file of all the residents of India. Even infants are not spared in this cruel scheme of things.

Here are some reasons for scrapping the Aadhaar database scheme and repealing the Aadhaar Act:

1. The majority order of the Supreme Court's five-judge constitution bench on 26 September 2018, has pointed out that the UID/ Aadhaar number project and NPR project are part of the one database convergence scheme. NPR has been mentioned at least on eight occasions in the order to underline the same. A centralised database is the most vulnerable entity in the digital world. The leakage of the database of UK's children has revealed the old maxim, "If you have nothing to hide, you have nothing to fear, has been given a very public burial". This has been thoroughly debunked. This maxim is attributed to Nazi propagandist minister Joseph Goebbels. 'Database State', a report from the UK, states: 'In October 2007, Her Majesty's Revenue and Customs (Department) lost two discs containing a copy of the entire child benefit database.' Only blind faith in a utopian state can persuade people to think that they have nothing to fear after trusting their personal sensitive information to a database state and non-state actors like Safran, Ernst & Young and Accenture.

2. One of the earliest documents that refer to UIDAI, a 14-page document titled 'Strategic Vision: Unique Identification of Residents' prepared by Wipro Ltd for the government envisaged the close linkage that the UIDAI's Aadhaar would have with the electoral database. The use of the electoral database mentioned in Wipro's document remains on the agenda of the proponents of UID/ Aadhaar.

3. The 41-page Wikileaks document titled 'Creating a unique identity number for every resident in India' that declared itself to be a 'Confidential- property of UIDAI' reveals that from day one, the Union government wanted to create a file on each of "1.2 billion residents"; the division of work between the ministry of home affairs (MHA)'s NPR and the ministry of electronics and information technology (MEITY)'s UID/ Aadhaar was/ is merely an attention diversion tactic to outwit citizens' scrutiny.

The ongoing merger of the electoral database with UID/ Aadhaar number debunks UIDAI's claim in the confidential document that UID/ Aadhaar number "will not contain intelligence" and "the location of the person." From these disclosures, it seems that the government has adopted an adversarial role vis-a-vis Indians and acting beyond its constitutional mandate in order to pander to the interests of the commercial czars, non-state actors and foreign intelligence companies.

4. In an RTI reply dated 25 October 2013, UIDAI shared a truncated contract agreement with Ernst & Young. The contract agreement states that "the unique ID will be a random 12-digit number with the basis for establishing uniqueness of identity being biometrics". It announces that "we will provide a Unique Identity to over 113.9 crore people."

This is evidently a fraudulent announcement because UIDAI, with which the agreement has been signed, had the mandate to provide unique identity to only 60 crore residents of India, and not to 113.9 crore people.

It is evident that while the government kept Ernst & Young informed about its motive, it kept states, citizens, the parliament and the Supreme Court in the dark. The contract agreement reveals that "biometric systems are not 100% accurate" and "uniqueness of the biometrics is still a postulate." This admission pulverises the deceptive edifice on which MEITY's UID/ Aadhaar and MHA's NPR rests.

5. Section 57 of un-amended Aadhaar Act, 2016 stated that "Nothing contained in this Act shall prevent the use of Aadhaar number for establishing the identity of an individual for any purpose, whether by the State or anybody corporate or person, pursuant to any law, for the time being in force, or any contract to this effect".

It implies that UID/ Aadhaar of "over 113.9 crore people" has been shared with foreign private body corporates like Ernst & Young. It is only after the horse had escaped the barn that the door was closed through section 25 of Aadhaar and Other Laws (Amendment) Act, 2019 in compliance with the court's order dated 26 September 2018.

Section 25 of the Amendment Act 2019 states that section 57 of the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016 has been omitted with effect from 24 July 2019.

6. In paragraph 8 of the majority order authored by justice AK Sikri, it is recorded that "a Processes Committee was set up on 3 July 2006, to suggest the process for updation, modification, addition and deletion of data and fields from the core database to be created under the Unique Identification for BPL Families project.

"This Committee, on 26 November 2006, prepared a paper known as 'Strategic Vision Unique Identification of Residents'. Based thereupon, the Empowered Group of Ministers (EGoM) was set up on 4 December 2006, to collate the National Population Register under the Citizenship Act, 1955 and the Unique Identification Number project of the Department of Information Technology."

Subsequently, a committee of secretaries was formed. The said committee gave its recommendations which were discussed by EGoM. After approving the Aadhaar scheme in principle, it instructed the cabinet secretary to convene a meeting to finalise the detailed organisational structure of the UID.

After considering the recommendation of the cabinet secretary, notification no. A-43011/02/2009-Admn.I was issued on 28 January 2009, by the government of India which constituted and notified the UIDAI. Annexure 1 of this notification that constituted UIDAI deals with the role and responsibilities of UIDAI. The fourth point

in this notification reads: "implementation of UID scheme will entail" taking "necessary steps to ensure collation of NPR with UID (as per. approved strategy)".

7. The minutes of a meeting of the committee of secretaries held under the chairmanship of the cabinet secretary on 23 November 2015, talk of "integrating the twin approaches under NPR and Aadhaar."

The "integrating the twin approaches under NPR and Aadhaar" which is referred to here is the same as taking "necessary steps to ensure collation of NPR with UID (as per approved strategy)" underlined in the notification mentioned in the Aadhaar Act.

8. A ministry of home affairs communication dated 19 July 2019, states that "The National Population Register (NPR) thus prepared, was seeded with Aadhaar number during its updation exercise in 2015 along with a collection of demographic details of new household members. Approx. 60 crores Aadhaar numbers have been seeded in NPR Database."

This communication discloses that "It has now been decided by the Ministry of Home Affairs to update the existing NPR database during April 2020 - September 2020 along with House listing & Housing Census phase of Census 2021. While updating the NPR, the Aadhaar number of all the individuals whose Aadhaar number is not available in the NPR Database will also be collected along with various other items. Necessary notification for updating NPR in 2020 will be issued shortly."

9. The court's order reveals that "A core group was set up to advise and further the work related to UIDAI...The core group, inter alia, decided that it was better to start with the electoral roll database of 2009 for undertaking the UIDAI project." If an UID/ Aadhaar-enabled biometric attendance system is indeed a 'digital equivalent' of an 'age-old attendance register,' why did the National Human Rights Commission object to a radio collar which can also be argued by sophists to be a 'digital equivalent'? It may be recalled that the Union ministry of external affairs had agreed with the NHRC's assessment. The Union minister of external affairs informed parliament that some 18 students were detained and released in the US with radio monitoring devices on their ankles, pending completion of investigations for possible involvement in irregularities. "We have also strongly protested the radio collars as unacceptable, which should be removed immediately." If the 'digital equivalent' means biometric equivalent as well, then radio collar and DNA-based identity and attendance will also be deemed equivalent to 'the age-old attendance register.' It is quite evident that such claims are deeply misleading.

10. The reference to 'such other biological attributes' in Section 2 (g) of Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016, and the definition of 'biometrics' under the Information Technology (Reasonable security practices and procedures and sensitive personal data or information) Rules, 2011 under section 87 read with section 43A of the Information Technology Act, 2000 underlines that it includes 'the technologies that measure and analyse human body characteristics, such as "fingerprints", "eye retinas and irises", "voice patterns", "facial patterns", "hand measurements" and "DNA" for authentication purposes.' It is abundantly clear that the plan of UID/ Aadhaar-based surveillance does not end with the collection of fingerprints and iris scans, it goes quite beyond it.

The confidential document of UIDAI reveals that "One way to ensure that the unique identification (UID) number is used by all government and private agencies is by inserting it into the birth certificate of the infant. Since the birth certificate is the original identity document, it is likely that this number will then persist as the key identifier through the individual's various life events, such as joining school, immunizations, voting, etc." Notably, there has never been any occasion wherein there was an all-party meeting to seek the consent of all the political parties with regard to the merger of UID/Aadhaar database with "electoral roll database". It is evident that the provision of electoral bonds in the Companies Act, 2013 and the merger of voter-ID number and Aadhaar number through an amendment in the Aadhaar Act is an exercise in the merger of the electoral database and the Aadhaar database which will lead to the extinction of the political and civil rights of present and future generations.

The justice Sikri-authored order of the Supreme Court's constitution bench missed the opportunity to save present and future Indians from the dictatorship of faceless donors created through the Finance Act 2017 and the Finance Act 2018 which has compromised national security and almost all the public institutions. He has made citizens and natural persons residing in India naked and transparent in a legal system in which artificial persons, and the opaqueness of body corporates has been legalised. The order committed a Himalayan blunder by ruling that the right to have natural and human rights of citizens can be made conditional. This is being done by the government at the behest of the beneficial owners of ungovernable technology companies who have turned ruling political parties into puppets through their limitless and anonymous transnational donations.

This creates a compelling reason for the states to un-sign the MoUs they have signed with UIDAI and discontinue both, the UID/ Aadhaar and NPR exercise. This is required to resist the emergence of an unlimited government, unlimited by the constitution of India and constitutionalism. The Aadhaar database scheme is an unlimited census in disguise. It is naturalising mass surveillance and mass spying in myriad disguises and through diverse kinds of fish baits.

There is a compelling logic for setting up a high-powered commission of inquiry to probe the ongoing bartering of citizen's databases and transfer of national data assets to foreign entities. In the face of assault on citizens' rights and the emergence of a regime that is making legislatures and judiciary subservient to automatic identification, big data mining and artificial intelligence companies, the order of justice Sikri undermined the constitution and the sovereignty of the citizens who framed it. If the flawed order is not reversed by the seven-judge constitution bench, India's social policies will be guided by biometric and genetic determinism and eugenic thinking of beneficial owners of unaccountable and admittedly undemocratic institutions.

In a country where no intelligence chief or official has been held accountable for the assassination of three of its prime ministers and for betraying the nation's secrets, can it be hoped that all those who have compromised India's data security will be made liable for their treacherous acts of transferring the sensitive data of present and future citizens including ministers, legislators, soldiers and judges?
<https://www.moneylife.in/article/indias-first-mass-surveillance-mass-spying-and-unending-census-case/73144.html>

STATES NEWS ITEMS

2. MIDC waives ₹5.3 crore unauthorised subletting charges of firm related to Ajit Pawar (*hindustantimes.com*) Jan 16, 2024

MUMBAI: The Maharashtra Industrial Development Corporation (MIDC) has decided to waive over ₹5.3 crore from Arpee Consultants Private Limited (ACPL) as charges for unauthorisedly subletting its property for commercial use to SAP Holdings and Leasing Private Limited (Sharayu Motors) for over a decade without permission. The company is headed by Shrinivas Pawar, elder brother of deputy chief minister Ajit Pawar.

MIDC also chose not to impose penalty charges when SAP Holdings claimed that SAP Holdings and Leasing Private Limited (Sharayu Motors) was its affiliate company and it was not getting any fees from the latter. This was revealed in the Comptroller and Auditor General of India (CAG) report on the performance audit of MIDC in the industrial development of Maharashtra. The report was tabled during the winter session of the state legislature last December. The CAG report also pointed out that the MIDC reply was not tenable, as the decision of the board was contrary to the laid-down policy.

Amazon Sale season is here! Splurge and save now! [Click here](#)

In 2016, MIDC discovered that the ACPL was not carrying out any industrial activity on the allotted plot and had sublet it to SAP Holdings and Leasing Private Limited (Sharayu Motors) for commercial use as a showroom and repairing/servicing activities. As per the prevailing policy, it issued a notice, asking ACPL to pay ₹5.89 crore as unauthorised subletting charges for a period of ten years from January 2008 to September 2018.

In July 2019, ACPL requested a waiver on the grounds that SAP Holdings and Leasing Private Limited (Sharayu Motors) was an affiliated firm from which it did not get rent for utilising the plot. In October 2020, the MIDC management (administration) submitted a proposal before the board, recommending the same. It also proposed that the charges for unauthorised subletting for a further period from October 2018 could be recovered from ACPL.

“The MIDC board overruled the proposal and decided to grant a waiver of 50 percent,” states the CAG report. “It justified the decision, saying the occupant was a sister concern of the allottee and there was no rent receipt. Accordingly, ACPL was directed to pay an amount of ₹3.34 crore (for the period up to September 2018). It also included a demand for the period from October 2018 to December 2020, where sub-letting charges were calculated without considering the penalty charges.”

According to the CAG report, the sub-letting charges, along with the penalty, worked out to ₹8.65 crore from January 2008 to December 2020. “Hence, there was a short recovery of subletting charges to the extent of ₹5.31 crore,” says the report. It further observed that the allottee had neither paid the demanded amount nor taken any permission for further subletting from January 2021 onwards. MIDC, however, had not taken any action against ACPL.

In reply to the CAG, the MIDC board in August 2022 stated that it was empowered to overrule the management's observations and take a decision based on the overall merit of the proposal. It added that the board had taken a conscious decision after due deliberation on merit, and there was no financial loss to MIDC. The CAG report emphasises that MIDC's reply "is not tenable as the decision of the board was contrary to the laid-down policy".

Sanjay Tatkare, spokesperson of the Ajit Pawar-led NCP faction, said there was nothing objectionable about the decision. "When MIDC itself says the board is competent enough to take a decision, it means the decision was taken as per rules and MIDC policy," he said "There is nothing wrong in it and should not be seen through a political prism." <https://www.hindustantimes.com/cities/mumbai-news/midc-waives-rs-5-3-crore-unauthorised-subletting-charges-of-firm-related-to-ajit-pawar-101705346918381.html>

3. Punjab rules 'diluting' RTE Act, says forum, seeks its withdrawal (*hindustantimes.com*) Jan 16, 2024

The Punjab Forum for Weaker Sections said that as per Rule 7(4) of Punjab RTE Rules, 2011, students belonging to weaker sections and disadvantaged groups are required to first go to government schools for admission. Such students can get admission in unaided private schools only after they are not able to get admission in government schools.

The Punjab government on Monday faced flak for its failure to ensure 25% admissions in unaided private schools under the provisions of the Right of Children to Free & Compulsory Education (RTE) Act, 2009.

The Rule 7 (4) of Punjab RTE Rules, 2011, came into question with a team of the Forum for Weaker Sections, Punjab, led by former additional deputy comptroller and auditor general Onkar Nath and retired IAS officers JR Kundal and TR Sarangal blaming it for denial of opportunity to poor children belonging to weaker sections and disadvantaged groups to study in unaided private schools in the state.

Addressing a press conference here, Nath said that as per Section 12 (1) (C) of RTE Act, unaided private schools are required to admit minimum 25% children belonging to weaker sections and disadvantaged groups, but the Punjab RTE Rules framed by the Punjab government in 2011 diluted it.

"As per Rule 7(4) of Punjab RTE Rules, 2011, students belonging to weaker sections and disadvantaged groups are required to first go to government schools for admission. Such students can get admission in unaided private schools only after they are not able to get admission in government schools. Admission in unaided private schools is possible only after getting NOC from government schools," he said.

Nath said that by imposing illegal condition of NOC under Rule 7(4) under Punjab RTE Rules, the very purpose of the provision made under Section 12 (1) (C) of RTE Act, 2009 has been defeated.

The Comptroller & Auditor General (CAG) of India had also highlighted non-implementation of 25% admission of poor kids in private schools in Punjab in the audit

report of 2016, which was submitted to Punjab Vidhan Sabha in 2017, he added, besides citing a high court decision in favour of poor students.

The forum members said the National Commission for SCs had also issued directions in 2018 to withdraw the illegal Rule 7(4) of Punjab RTE Rules, but the Punjab government did nothing. "All other states and UTs, including the AAP government in Delhi are implementing this provision of RTE Act, they added, pointing out that state governments cannot make any law or rules contrary to the laws passed by the Indian Parliament. Article 254 of the Indian constitution provides that in case of a conflict between a central and a state law on the same subject, the provisions of the central law will prevail. However, the Punjab government has not amended Punjab RTE Rules 2011 despite directions received from various authorities. <https://www.hindustantimes.com/cities/chandigarh-news/punjab-rules-diluting-rte-act-says-forum-seeks-its-withdrawal-101705348296397.html>

4. "Public Interest or Publicity Interest?" - HC on Congress leader's petition on Pinarayi's KFON project (*newindianexpress.com*) Updated: January 15, 2024

The Kerala High Court today expressed scepticism on a petition lodged by Congress heavyweight and leader of opposition VD Satheesan challenging the Kerala Fibre Optic Network or KFON project. The court was particularly irked that the petition had been filed nearly five years after a consortium led by public sector undertaking Bharat Electronics Ltd was selected as the implementation agency.

"Why it is being challenged after five years," asked the court, adding whether the award of the contract was challenged earlier by anyone else.

Satheesan had filed a public interest litigation in the High Court seeking a CBI probe into the implementation of the KFON project.

"What is the public interest in the matter...We will look into everything and we will pass appropriate orders. At the same time, we will examine whether it is 'public interest' or 'publicity interest litigation'," it noted.

It was seemingly unhappy that the court was being used as a tool to settle political scores.

"Why the court is being used for everything...How can the petitioner challenge the tender notification for the project through a Public Interest Litigation," it asked.

When the court pointed out that the government order selecting the BEL consortium was issued on July 15, 2019, Satheesan's counsel said the CAG had made some remarks about the project on May 16, 2023. The plea, the counsel said, is based on the report of the CAG.

"I am only requesting the court to have an inquiry by CBI in this matter," the counsel added, upon which the Bench comprising AJ Desai and Justice VG Arun asked: "For what purpose?"

Nevertheless, the court directed the state government to file a counter affidavit.

The petition said the CAG had come down heavily on the government for violating tender conditions. The CAG had said that the K-FON project was in a huge mess due to the incompetence of SRIT.

"Due to SRIT's illegal sub-tendering of work to sub-contractors who were more incompetent than them, huge delays had occurred and the quality of work has also suffered," it said.

Advocate General K Gopalakrishna Kurup, the top legal official in the Kerala government, pointed out that the CAG has not completed its full investigations into the matter.

"The CAG has only made some observations and not filed any report in this regard. These are only observations. Subsequently, they may call for the remarks from the department concerned. Thereafter, the matter will be placed before the legislature. Then the legislature subject committee takes a call on it. No reliance can be placed on the [initial] observation," he said.

Satheesan's Allegations

The petition filed by VD Satheesan claims that a contract estimated at Rs 1028.20 crores was auctioned for Rs 1531.68 crores at a staggering difference of Rs 400 crore to the exchequer. Hence the tender was awarded to the consortium at a loss of 400 crores, it said.

According to Satheesan, the project and all contracts arising from it were divided among proxies of the people controlling the government. All the tenders for the project had been awarded to a single beneficiary company which was closely connected with persons in power, he said.

The company then allegedly re-routed the work and financial benefits involved to another company which is associated with the same person in power, he alleged.

The project touted as a breakthrough project to provide internet access to economically backward and streamline government works online had been reduced to a scheme for fitting projects to SRIT Pvt Ltd, Presadia and its subcontractors. A complete violation of administrative action and fraud was committed against the public. The corruption involved in the contract award was akin to the corruption in the implementation of the government's safe Kerala project of the installation of AI (artificial intelligence) traffic cameras, he added.

The petition alleged that SRIT Pvt Ltd bagged all contracts concerning the KFON project in Kerala by using RailTel as its face. All contracts won by SRIT were in turn routed to Presadio as evidenced by the sub-contracting of cable laying by SRIT to Ashoka which issued purchase orders to Presadio, the petition said.

The same pattern of illegal tender proceedings and sub-contracting between SRIT and Presadio is visible in the AI camera project also, it noted.

"The common pattern of fraud in the AI camera project and the KFON project is that wherever SRIT is involved, Presadio is close behind to reap the benefits of the tender issued to SRIT. Presadio, after receiving the sub-contract, again sub-contracts it to other companies. Therefore, the role of SRIT and Presadio is of middlemen, who charge commission for transferring the actual work to third parties," Satheesan argued.

Satheesan said that only an investigation from the Central Bureau of Investigation will reveal the truth in the matter.

Meanwhile, the advocate general objected to what he characterised as "irrelevant remarks" cast by the opposition leader against Kerala Lok Ayukta in the petition.

Satheesan had said: "Yet another forum in which one can approach the Kerala Lok Ayukta. The said forum also has proved by now that they are incapable of performing their duty cast on them. Therefore, the only machinery which can be relied on for the present is the central agency."

Kurup said Satheesan should withdraw such aspersions. The Bench too said that it was an irresponsible statement.

The Bench pointed out that in the writ petition, the opposition leader has stated that he has some more material with him and awaiting the outcome of the CAG report.

"If so, you have to come with all material after the filing of the final report by the CAG."

At this, Satheesan's counsel replied that the report is yet to be placed before the legislature.

"Have you made any request or representation before the authorities concerned seeking to look into the project? Why is the High Court made a tool for all these things?" the Bench asked. <https://www.newindianexpress.com/states/kerala/2024/Jan/15/public-interest-or-publicity-interest-hc-on-congress-leaders-petition-on-pinarayis-kfon-project>

5. ICAI, CAG unveil certification courses to boost local employment (*greaterkashmir.com*) Updated: January 16, 2024

Srinagar: In a concerted effort to address the shortage of accountants in Local Bodies, the Controller and Auditor General of India (CAG) and the Institute of Chartered Accountants of India (ICAI) have joined forces to launch online certification courses. These courses are specifically tailored for individuals interested in managing accounts for Gram Panchayats and Municipalities.

A statement said that the initiative aims to bridge the accounting gap at the grassroots level and create a skilled workforce for local governance. This, in turn, will provide temporary employment opportunities and remuneration for those involved in maintaining local accounts.

The online certification courses include CAP (Certificate Course for Accountants of Panchayats) and CAMB (Certificate Course for Accountants of Municipal Bodies).

CAP comprises two levels focusing on Gram Panchayats and Zilla & Block Panchayats, while CAMB includes levels for Town Panchayats and Municipal Corporations & Municipalities.

It said that to ensure widespread access, the enrollment fee for each course is set at Rs 590, with the registration deadline for the first batch closing on January 31, 2024. Aspiring candidates can register through the official website: <https://lba.icaiarf.org.in/>.

The examination process is structured with a screening examination scheduled at least one month after the close of registration for each batch. The main examination follows two months after the declaration of the screening examination results.

To enhance accessibility and inclusivity, ICAI provides e-study material in 10 languages, including Hindi and English. This multilingual approach ensures that individuals from diverse linguistic backgrounds can benefit from the courses.

Open to 12th-pass candidates aged 18 and above, these courses empower individuals to prepare accounts for Panchayats or Municipal Bodies. By fostering local financial management skills, the initiative not only addresses the shortage of accountants but also contributes to effective governance at the grassroots level, the statement said. <https://www.greaterkashmir.com/business/icaicag-unveil-certification-courses-to-boost-local-employment/>

SELECTED NEWS ITEMS/ARTICLES FOR READING

6. Over 24.8 crore people moved out of poverty in India in nine years: NITI report (*thehindu.com*) Updated: January 16, 2024

As many as 24.82 crore people moved out of multidimensional poverty in nine years to 2022-23, with Uttar Pradesh, Bihar and Madhya Pradesh registering the largest decline, Niti Aayog said in a report on January 15.

According to the NITI discussion paper, multidimensional poverty in India declined from 29.17% in 2013-14 to 11.28% in 2022-23, with about 24.82 crore people moving out of this bracket during this period.

The national multidimensional poverty measures simultaneous deprivations across three equally weighted dimensions of health, education, and standard of living that are represented by 12 sustainable development goals-aligned indicators, according to NITI Aayog.

These include nutrition, child and adolescent mortality, maternal health, years of schooling, school attendance, cooking fuel, sanitation, drinking water, electricity, housing, assets, and bank accounts. The National Multidimensional Poverty Index (MPI) by Niti Aayog uses the Alkire Foster methodology to assess the decline in poverty rates. However, the National MPI covers 12 indicators while global MPI covers 10 indicators.

At the State level, Uttar Pradesh topped the list with 5.94 crore people escaping poverty followed by Bihar at 3.77 crore and Madhya Pradesh at 2.30 crore.

All 12 indicators of MPS have shown remarkable improvement during this period.

Addressing the media, NITI Aayog member Ramesh Chand said 24.82 people who escaped multidimensional poverty in nine years translates into 2.75 crore people escaping multidimensional poverty every year.

“Government has a goal to bring down multidimensional poverty to below 1% and all efforts are being made in that direction,” NITI Aayog CEO BVR Subrahmanyam said.

The paper said India is all set to reach single-digit poverty levels during 2024.

“The rate of decline of multidimensional poverty has accelerated during the period 2013-14 to 2022-23,” the paper said, adding that this is made possible by a large number of initiatives/ schemes of the government targeted at improving specific deprivation aspects. The paper also said India is likely to achieve Sustainable Development Goals (SDGs) 1.2 (reducing multidimensional poverty by at least half) much ahead of 2030.

The report said the recent National MPI was based on National Family Health Surveys 4 (2015-16) and 5 (2019-21).

Owing to a lack of data for the years between 2005-06 and 2015-16 and after 2019-21 concerning the incidence of poverty levels, the headcount poverty ratios for 2013-14 and 2022-23 have been estimated based on the compound growth rate of reduction in the incidence of poverty levels between 2005-05 and 2015-16 and 2015-16 and 2019-21 respectively. <https://www.thehindu.com/news/national/over-248-crore-people-moved-out-of-multidimensional-poverty-in-india-in-nine-years-niti-report/article67743089.ece>

7. Experts predict higher revenues and marginal fiscal deficit in Budget 2024 (cnbctv18.com) Jan 15, 2024

Aditi Nayar, Chief Economist at ICRA, and Devendra Pant, Chief Economist and Senior Director of public Finance at India Ratings & Research shared their expectations from Budget 2024 in a conversation with CNBC-TV18.

"We are penciling in higher revenues on direct taxes, encompassing both income tax and corporate tax. The goods and services tax (GST) has been performing well, although there are some lags, particularly on the excise side," noted Nayar.

She said while non-tax revenues are buoyed by substantial funds from dividends and profits, a shortfall on disinvestment may somewhat offset the gains. Consequently, she anticipates a modest upside on the net receipts to the center, amounting to approximately half a trillion rupees.

Pant echoed a similar sentiment, projecting an optimistic outlook for net tax revenues. "We expect net tax revenues to surpass the budget estimates by ₹1.2 trillion, reaching around ₹24.5 trillion. Non-tax revenues are also anticipated to exceed the government's initial estimates by approximately ₹700 trillion," he stated.

However, Pant expects disinvestment to be the key contributor to the higher fiscal deficit. Despite an expected marginal increase in the overall fiscal deficit, it aligns closely with the budgeted figures, he explained.

He expects fiscal deficit of around 6% of the GDP this year. <https://www.cnbctv18.com/economy/budget-2024-expectations-fiscal-deficit-divestment-direct-taxes-aditi-nayar-devendra-pant-18801661.htm>

8. India Shuts DRDO's Biggest Drone Project Tapas as Army Deploys Adani's Drishti-10 Near Pakistan (*republicworld.com*) 16 Jan 2024

Tapas vs Drishti-10: As the Indian Army prepares to deploy Adani Defence's repackaged Hermes 900 drone, known as 'Drishti-10', along the Pakistan border in Punjab, there is a significant setback to India's actual indigenous capabilities. According to media reports, the Defense Research and Development Organisation (DRDO) has officially shut down, more appropriately sidelined, its ambitious Tapas project.

The Tapas project aimed to develop an advanced medium-altitude, long-endurance (MALE) drone for strategic reconnaissance and surveillance. However, as reports indicate, it 'failed' to meet operational military requirements.

Tapas and its operational Shortcomings

Sanctioned in February 2011 with an initial cost of Rs 1,650 crore, the Tapas project faced initial challenges leading to delays and cost overruns. The deadline for completion was initially set for August 2016. However, issues such as the increase in the UAVs weight to 2,850kg, imported engine problems, and payload issues resulted in cost revisions to Rs 1,786 crore. Despite around 200 flights and efforts to rectify shortcomings, the Tapas drone could not meet the essential Preliminary Services Qualitative Requirements (PSQRs) related to altitude and operational endurance.

Media reports reveal that Tapas failed to operate at the required altitude of 30,000 feet for at least 24 hours, falling short with an endurance of only around 18 hours at 28,000 feet.

DRDO's Future Focus: Redesigning UAVs with Next-Gen Capabilities

In response to this setback, DRDO is set to redesign and redevelop a UAV that meets the necessary specifications with a focus on the development ofUCAV with next-generation capabilities, which have not been specified yet. However, as per prior reports, DRDO is already focused on developing the Ghatak UAV OR Autonomous Unmanned Research Aircraft (AURA), which is an autonomous jetpowered stealthy unmanned combat air vehicle (UCAV), being developed by Aeronautical Development Establishment (ADE) of the Defence Research and Development Organisation (DRDO) for the Indian Air Force.

The closure of the Tapas project has sparked controversy, with some, according to reports, claiming vested interests played a role in undermining the indigenous effort. The Indian armed forces, faced with the need for approximately 150 new MALE UAVs,

have been relying on imports, including Israeli drones, for long-range surveillance and precision targeting. This is a severe setback as its western and Northern Adversaries have strengthened their own arsenals with a wide variety of modern combat-capable drones.

Immediate Response: Indian Army 's Deployment of Drishti-10 Drones

However, to address the immediate issue, the Army has placed orders for two of these medium-altitude, long-endurance drones from Adani Defence under emergency provisions, ensuring over 60 percent indigenization and compliance with the 'Make in India' in Defence initiative.

The Drishti-10 drones, developed in collaboration with the Israeli firm Elbit Systems, were officially unveiled earlier this week by Indian Navy Chief Admiral R Hari Kumar and Director General Army Aviation Lt Gen Ajay Suri in Hyderabad. Adani Defence, having signed a technology transfer deal with Elbit, asserts that it has indigenized 70 percent of the drones and plans to increase this further.

The Indian Army intends to deploy these advanced drones in the Punjab sector, providing enhanced surveillance capabilities over a large area, including the desert sector and areas north of

Punjab. The Drishti-10, also known as the Hermes-900, has a service ceiling of 30,000 feet and an endurance of 36 hours, making it a valuable asset for monitoring and safeguarding the border, and it has proven its real-time capabilities in war scenarios and in extensive counter-terrorism operations.

<https://www.republicworld.com/defence/indian-armed-forces/india-shelves-biggest-uav-project-tapas-readies-to-deploy-adani-made-drishti-10-near-pakistan-border/>

9. Revolutionising Defense: The Transformative Role of Artificial Intelligence & Machine Learning in India (*timesnownews.com*) Jan 15, 2024

In the fast-evolving landscape of defense, the integration of Artificial Intelligence (AI) and Machine Learning (ML) has emerged as a game-changer, reshaping strategies, operations, and decision-making for professionals in the Indian defense industry.

In the fast-evolving landscape of defense, the integration of Artificial Intelligence (AI) and Machine Learning (ML) has emerged as a game-changer, reshaping strategies, operations, and decision-making for professionals in the Indian defense industry. As the geopolitical environment becomes increasingly complex, the application of AI and ML technologies offers unprecedented opportunities for defense professionals to enhance situational awareness, optimise resource utilisation, and fortify national security.

The strategic importance of AI and ML in the defense sector is underscored by their capacity to analyse vast amounts of data and extract actionable insights. With the proliferation of sensors, satellites, and communication systems, defense agencies are inundated with information. AI and ML algorithms have the capability to sift through this data, identify patterns, and provide real-time intelligence. A study by Frost & Sullivan forecasts that the global defense AI market will reach \$15.84 billion by 2027, reflecting the sector's growing reliance on these technologies.

One of the key applications of AI in defense lies in predictive analytics. By leveraging historical data and real-time inputs, defense professionals can anticipate potential threats, identify vulnerabilities, and devise proactive strategies. AI algorithms analyse geopolitical trends, threat intelligence, and historical conflict data to provide insights that empower decision-makers to formulate effective responses. This predictive capability enhances national security by enabling pre-emptive measures against emerging threats.

Machine Learning, as a subset of AI, contributes significantly to the refinement of defense processes. Through continuous learning from data inputs, ML algorithms adapt and evolve, improving their accuracy over time. This adaptability is particularly valuable in cybersecurity, where ML systems can detect and thwart cyber threats by recognizing anomalous patterns in network behaviour. According to a report by MarketsandMarkets, the global military cybersecurity market, which heavily incorporates ML technologies, is expected to grow to \$15.8 billion by 2024.

Another critical aspect where AI and ML shine in the defense sector is autonomous systems. Unmanned Aerial Vehicles (UAVs), ground-based robots, and autonomous vehicles equipped with AI and ML capabilities can perform reconnaissance, surveillance, and logistics operations with increased efficiency and reduced risk to human personnel. The Indian defense industry has recognised the potential of autonomous systems, with the Ministry of Defence actively exploring the integration of AI and ML in unmanned platforms for enhanced strategic capabilities.

In the context of cybersecurity, AI-driven threat detection is paramount. Cyberattacks are becoming increasingly sophisticated, and traditional defense mechanisms are often inadequate. AI-powered cybersecurity solutions can analyse network traffic, identify abnormal patterns, and mitigate threats in real time. A report by Deloitte highlights that 80% of organisations using AI for cybersecurity have experienced an improvement in their overall security posture.

To equip defense professionals with the skills necessary to harness the full potential of AI and ML, the Executive Post Graduate Certificate in Artificial Intelligence and Machine Learning offered by IIM Kozhikode serves as a comprehensive training programme. Designed for working professionals, this program covers advanced topics such as deep learning, natural language processing, and reinforcement learning. It ensures that defense industry professionals are well-prepared to navigate the complexities of AI and ML applications in defense and contribute effectively to national security.

The adoption of AI and ML in the defense sector is not without its challenges. Ethical considerations, data privacy concerns, and the need for robust cybersecurity measures underscore the importance of a well-rounded approach to the integration of these technologies. As the Indian defense industry embraces AI and ML, there is a simultaneous need for comprehensive regulations, standards, and frameworks to ensure responsible and secure deployment.

In conclusion, the integration of Artificial Intelligence and Machine Learning is reshaping the landscape of the defense industry in India. The transformative impact of these technologies on predictive analytics, autonomous systems, and cybersecurity

enhances the capabilities of defense professionals and strengthens national security. The Executive Post Graduate Certificate in Artificial Intelligence and Machine Learning by IIM Kozhikode emerges as a beacon, ensuring that defense industry professionals are equipped with the knowledge and skills needed to leverage the full potential of AI and ML for the defense of the nation. <https://www.timesnownews.com/education/revolutionising-defense-the-transformative-role-of-artificial-intelligence-machine-learning-in-india-article-106870843>

10. Global AI governance should be anchored by five key principles (*livemint.com*) Jan 16, 2024

Although artificial intelligence (AI) has been quietly helping us for decades, with progress accelerating, 2023 will be remembered as a ‘big bang’ year. With the advent of generative AI, the technology has broken through in popular consciousness and is shaping public discourse, influencing investment and economic activity, sparking geopolitical competition, and changing human activities from education and healthcare to the arts. Each week brings some new breathtaking development. AI is not going away, and change is accelerating.

Policymaking is moving almost as fast, with the launch of new regulatory initiatives and fora seeking to meet the moment. But while ongoing efforts by the G7, EU and the US are encouraging, none of them is universal, representing the global commons. In fact, with AI development driven by a handful of CEOs and market actors in just a few countries, the voice of the Global South has been absent. The unique challenges that AI poses demand a coordinated global approach to governance, however, and only one institution has the inclusive legitimacy needed to organize such a response: the United Nations. We must get AI governance right if we are to harness its potential and mitigate its risks. With that in mind, the UN High-level Advisory Body on AI was established to offer analysis and recommendations for addressing the global governance deficit. It has 38 individuals from around the world, representing diverse geographies, genders, ages and disciplines, and drawing on expertise from government, civil society, academia and the private sector.

Privileged to serve as the Advisory Body’s Executive Committee, we have released the group’s interim report, which proposes five principles for anchoring AI governance and addressing several inter-related challenges.

First, since risks differ across diverse global contexts, each will require solutions that are tailored accordingly. But that means recognizing how rights and freedoms can be jeopardized by specific design, use (and misuse) and governance choices. Failing to apply AI constructively (“missed uses”) can needlessly exacerbate existing problems and inequalities.

Second, since AI is a tool for economic, scientific and social development, and since it is already assisting people in daily life, it must be governed in the public interest. So we must bear in mind goals related to equity, sustainability and societal and individual well-being, as well as broader structural issues like competitive markets and healthy innovation ecosystems. Third, the emerging regulatory frameworks across different regions will need to be harmonized in order to address AI’s global governance

challenges effectively. Fourth, AI governance should go hand-in-hand with measures to uphold agency and protect privacy and the security of personal data. Lastly, governance should be anchored in the UN Charter, international human-rights law, and other international commitments where there is a broad global consensus, such as the UN Sustainable Development Goals.

Affirming these principles in the context of AI requires overcoming stubborn challenges. AI is built on massive amounts of computing power, data and specific human talents. Global governance must consider how to develop and ensure broad access to all three. It also must address capacity building for the basic infrastructure that underpins the AI ecosystem (such as reliable broadband and electricity), especially for the Global South. Greater efforts also are needed to confront both known and still-unknown risks that could emerge from AI's development, deployment or use. AI risk is a hotly debated subject. While some focus on eventual end-of-humanity scenarios, others are more worried about harms to people here and now; but there is little disagreement that the risks of ungoverned AI are unacceptable.

For good governance, we foresee the need for objective assessments of the state of AI and its trajectory, to give citizens and governments a sound foundation for policy and regulation. At the same time, an analytical observatory to assess AI's societal impact (from job displacement to national-security threats) would help policymakers keep up with the changes that AI is driving offline. The world will need the capacity to police itself, including by monitoring and responding to potentially destabilizing incidents and by facilitating accountability and enforcement action.

These are just a few of the recommendations we are advancing. They should be seen as a floor, not a ceiling. More than anything, they are an invitation for more people to tell us what kinds of AI governance they would like to see.

If AI is to fulfil its global potential, new structures and guard-rails are needed to help us all thrive as it evolves. Everyone has a stake in AI's safe, equitable and accountable development. The risks of inaction are also clear. We believe that global AI governance is essential to reap the opportunities and navigate the risks that this technology presents every state, community and individual today and for generations to come.

<https://www.livemint.com/opinion/online-views/global-ai-governance-should-be-anchored-by-five-key-principles-11705330397233.html>

11. Higher energy efficiency in power grid is one way to fight climate change (*theweek.in*) January 15, 2024

Our energy systems contribute more than three-quarters toward global emissions

Globally, we witnessed July 2023 as the hottest month in recorded history. With heatwaves and soaring temperatures, climate change-induced global heating will have important consequences for humans - and our energy systems.

The impetus to fight climate change has been squarely, and rightly so, on governments and multilateral to drive climate change action. However, is there a case for consumers to play a more direct role?

We propose the need for a new coordination framework to achieve climate-positive outcomes that explicitly tie up incentives for both consumers and energy companies. One such outcome is to achieve higher energy efficiency for the electricity grid. How? A new demand side, consumer-focused energy saving and emission reduction paradigm.

Solving the energy efficiency coordination problem

Despite the rapid global addition of renewables, our energy systems contribute more than three-quarters toward global emissions. Much of it has to do with hard realities – laws of nature and limitations of present-day energy storage technology. Despite the increase in installed renewables-based generation capacity, we cannot access solar power during night time (non-solar hours).

With rising temperatures in summer, there is an emergent night-time summer power demand peak - driven by ACs and other cooling appliances. This peak demand hits roughly between 10 pm to 1 am. For non-solar hours, power distribution utilities or DISCOMs purchase expensive power from fossil fuel-based power plants, but no one tells us that, in carbon terms, this implies higher emissions per unit of electricity consumed.

In the present state of the world, the individual and the institution (DISCOMs) seemingly coordinate for higher emissions. This needs to change.

On 7th August, India consumed 234 gigawatts of electricity. Growing cooling needs will soon push this demand further up. Supply may not be able to catch up, and adopting energy efficiency is a need of the hour. The approach rests upon a two-pronged focus. We will need to increase i) the adoption of energy-efficient appliances and ii) optimise present-day energy consumption.

Converging supply and demand

As per IPCC's 6th Assessment Report, human behaviour-based interventions could play a crucial role in global climate change action. The IEA predicts that behavioural changes have the potential to reduce global CO₂ emissions by 2 billion tonnes by 2030. Such measures are fairly well-known– switching to higher energy efficiency in clean cooking, EVs, use of public transport or even energy-efficient ACs and fans.

Let's take the case of ACs. the sales and number of installed 3-star ACs is much higher than 5-star ACs. This is despite the fact that today, the price differential between a 3-star and a 5-star AC can be as low as Rs 5,000. A good 5-star AC also has cost recovery through the amount you save on the electricity bill. The International Energy Agency (IEA) projects that the number of ACs in India will go from 48 million units in 2020 to more than a billion in 2050. This is only for ACs- other appliances will contribute to this load, too. What will help make higher energy efficiency a default consumer choice? The answer is in designing incentives, both monetary and non-monetary that focus on consumer behaviour change - which also benefit the grid at large to reduce emissions.

Individuals learn from what others do. Several energy studies show that individuals are more likely to engage in pro-environmental behaviours when they think that is the

norm. A study with a major power utility company in North America found that informing consumers of the energy consumption of others led to a reduction in average consumption by 2 per cent and savings in millions. People learn from others' energy efficiency behaviour.

Similarly, real-time feedback interventions on households' energy consumption could be useful in rationalising their energy usage. A recent report by the World Resources Institute, India, which tests energy reports, supports the case for such low-cost information-based interventions. Tracking and learning about your energy usage, which is also beneficial for the environment, should be no different than tracking your daily step count!

Another programme would be, similar to the LED replacement programme, households will be given financial incentives to switch from a 3-star AC to a 5-star AC. Such incentives can range from providing 'carbon tokens' that can be redeemed on the purchase of other energy-efficient products. Countless other such interventions can be designed and tested.

Scaling up using technology

The missing link to solve our earlier individual and institutional coordination failure is pretty obvious (to us): technology. Consumer-level technology interfaces can help drive consumer behavioural change for the adoption of energy efficiency.

According to a 2021 USAID study of Delhi consumers, 80% of study participants were willing to reduce energy consumption to protect the environment and use energy efficient appliances; 77% of consumers were interested in energy efficiency to reduce their electricity bill. With an increased load of cooling and EV charging around the corner, the grid will need to be ready to witness multiple peak hours. Technology interfaces that help the consumers and grid communication is a first step. Coordinating to reduce emissions using behavioural interventions is a close second.

It's time for the supply-side and DISCOMs, to catch up. For example, if consumers are incentivised to adjust their night-time AC usage based on solar or non-solar hours, it would avoid non-solar hours peaks for DISCOMs and reduce bills for the consumers.

As a consumer, imagine having the ability to track energy usage (and emissions) from your smartphone and receiving fungible incentives to reduce your load during peak hours to reduce grid-level emissions. Coupled with today's energy savings, the emission savings unlocking will be a win-win for all accounts.

Both players coordinate for the environment. When driven at a scale, such initiatives imply savings of both - cost and emissions.

If the endgame is to reduce carbon emissions, a clearing house mechanism to align incentives for people and the planet is a need of the hour. <https://www.theweek.in/news/sci-tech/2024/01/15/higher-energy-efficiency-in-power-grid-is-one-way-to-fight-climate-change.html>

12. India's power sector reform: New rules to ease business, cut distribution losses (*economictimes.indiatimes.com*) Jan 16, 2024

In a groundbreaking move aimed at reforming the power sector, the ministry of power has introduced new rules aimed at facilitating ease of doing business for energy-intensive industries like green hydrogen manufacturers, and enhancing the country's energy transition and security. These regulations, part of a broader strategy to foster energy transition and security, have helped reduce the losses of distribution companies significantly, from 27% in 2014 to 15.41% in the 2022-23 period.

As per the new rules, consumers and Energy Storage Systems (ESS) with a load of not less than twenty-five Megawatt in case of Inter State Transmission System and ten Megawatt in Intra-State Transmission System can now establish, operate, and maintain dedicated transmission lines without the need for a license. This measure, previously available only to generating companies and captive generating stations, is set to create a new category of Bulk Consumers, expected to benefit from more affordable electricity and improved grid reliability.

Highlighting the reform's impact, the minister for power R. K. Singh, said, "These rules will ensure that [distribution companies'] losses are further reduced and their viability increases; leading to them being able to provide better services to the consumers." He also emphasized the potential of these changes to spur faster industrial growth, increase job creation, and accelerate the adoption of renewable energy, thereby reducing emissions.

Another key aspect of the new regulations is the rationalization of open access charges. The high charges levied by some state regulators had previously hampered the effective use of Open Access by consumers. The revised rules aim to make these charges more reasonable and uniform across the country, facilitating commercial establishments and industries in obtaining electricity at competitive rates.

Additionally, the rules address the financial sustainability of the power sector by mandating cost-reflective tariffs. They ensure that any gap between approved annual revenue requirement and estimated annual revenue from approved tariffs is kept minimal, except under extraordinary circumstances like natural calamities. The regulations also provide a framework for the timely liquidation of any existing revenue gaps.

The minister remarked on the comprehensive nature of these reforms, saying, "This [rule change] is the latest in the whole series of reforms carried out in the power sector under the Modi government." <https://energy.economictimes.indiatimes.com/news/power/indias-power-sector-reform-new-rules-to-ease-business-cut-distribution-losses/106884079>

13. India story strong amid global challenges and a new world order (*livemint.com*) 15 Jan 2024

Dr. Subba Rao Duvvuri highlighted the need to provide jobs to tackle youth unemployment in India, while Sanjay Agarwal discussed the country's growth story,

including FDI flows and sustainable GDP growth. Various industry experts also participated in the conference.

Leaders from the investment community as well as distinguished regulators and policymakers converged at the 14th India Investment Conference (IIC) hosted by CFA Society India, in Mumbai. The discourse offered comprehensive insights relevant to the ever-evolving landscape of global markets and investment management. The agenda of the conference this year focused on the changing world order as nations witness notable shifts in economic influence and how these shifts make a stronger case for the Indian economy in an era of unprecedented uncertainty, volatility, and geostrategic considerations.

The conference kickstarted with the keynote session by Dr. Subba Rao Duvvuri (Ex-Governor, Reserve Bank of India) discussing critical insights on the changing world order, the challenges, and immense opportunities for India. He opined that youth unemployment in India is as high as 40% and we cannot reap the benefits of the demographic dividend unless we provide jobs to all. India's share of world trade is 3% and even a 1% increase will have a very large impact on jobs and the economy. Sanjay Agarwal (Founder, MD & CEO, AU Small Finance Bank) presented the India growth story by covering points such as healthy FDI flows, better handling of inflation, sustainable growth in GDP, small credits and India becoming a factory to the world.

The conference witnessed overwhelming participation from various industry experts including Sankaran Naren ED & CIO, ICICI Prudential Mutual Fund, Shailesh Raj Bhan CIO – Equity Investments, Nippon India Mutual Fund, R Srinivasan CIO – Equity, SBI Mutual Fund, I.V. Subramaniam, CFA MD and Group Head – Equities, Quantum Advisors, Hiren Dasani, CFA Co-Head of Global EM Equity and Lead PM India Equity – Goldman Sachs Asset Management, Nithya Easwaran Managing Director, Multiples Asset Alternate Management among others.

Commenting on the occasion, Rajendra Kalur, CFA, Chairperson, CFA Society India expressed, "The conference provided a platform for discussions, insights, and opportunity to collaborate with professionals from the investment fraternity."

Dana Day, MD – Business Development, Business Transformation and Performance, CFA Institute added, "The short-term pressures and other uncertainties present a window of opportunities for investment professionals to serve global stakeholders by thinking out of the box and solving complex problems."

The conference covered various topics related to decarbonization and the transition to clean energy, such as the macroeconomic benefits compared to those of emerging economies and the policy framework. The session discussions also highlighted India's foreign policy, which has recently gained recognition due to India's nuanced handling of global conflicts, along with the US-China competition and the rise of middle powers. Discussions on India's manufacturing sector revolved around its competitiveness by improving the focus on labour, energy, and logistics. Experts also opined that private capital expenditure, alongside public capital expenditure, will become the main driver of India's economic growth and it is imperative that the economy's growth benefits reach the lower-income segments considering they are the biggest growth drivers through consumption.

Arati Porwal, Country Head, India at CFA Institute, further added, “The event continues to be the leading forum for dialogue and collaboration in the investment management sector, thanks to the passion and engagement of the attendees. The speakers and the discussion inspired confidence and hope for India’s journey towards its golden decade of economic balance and prominence among the world’s top economies.”

The conference also had sessions on the importance of evaluating performance beyond numbers and a panel discussion on diverse perspectives on whether the current markets reflect Optimism or Exuberance and the importance of prudent asset allocation to achieve one’s investment objectives. <https://www.livemint.com/economy/india-story-strong-amid-global-challenges-and-a-new-world-order-11705318059907.html>

14. Chennai Port-Maduravoyal Elevated Corridor: After A Decade Delay, Work Resumes On Rs 5,885 Crore Project *(swarajyamag.com)* January 16, 2024

Work has finally commenced on the long-stalled Rs 5,885 crore Chennai Port to Maduravoyal elevated expressway project.

The project encompasses the construction of a new double Tier 4-lane Elevated Corridor stretching from Chennai Port to Maduravoyal in Tamil Nadu.

J Kumar Infraprojects Ltd, based in Mumbai, has initiated groundwork on the Cooum River near Casino Theatre in the heart of the city.

The National Highways Authority of India (NHAI) has awarded the Chennai Elevated Corridor to J Kumar Infraprojects Ltd at a total project cost of Rs 3,570 crore, with the remaining expenses allocated to land acquisition and river restoration charges.

The project, divided into four packages, is executed in engineering, procurement and construction (EPC) mode under the Bharatmala Pariyojana.

Thirteen bidders, including Afcons, Tata Projects and Kalpataru Power Transmission, participated in the bidding process. However, J Kumar and Afcons were the only two companies to bid for all four packages, covering different segments of the corridor.

The Chennai Port-Maduravoyal Elevated Expressway, originally initiated in 2009 at a cost of Rs 1,468 crore, faced numerous controversies and was eventually shelved by the All India Anna Dravida Munnetra Kazhagam (AIADMK) government citing environmental and alignment issues, as per The Hindu report.

The project was revived when the Dravida Munnetra Kazhagam (DMK) government returned to power two years ago, signing an MoU in May 2022 for the expressway at a revised cost of Rs 5,885 crore. The stakeholders involved include the Tamil Nadu government, NHAI, the Chennai Port Authority, and the Indian Navy.

The double-decker corridor, spanning 21 kilometres, will connect Chennai Port with the Chennai-Bengaluru Highway and the industrial corridors at Sriperumbudur and Oragadam.

The first level of the corridor facilitates the movement of light vehicles between Koyambedu and Chennai Port. The corridor has ramps for entry and exit at 13 different locations.

They include Chintadripet, Monteith Road, Binny Road, Spurtank Road, Aminjikarai Police Station, Kamaraj Salai, Sivananda Salai, College Road and Arumbakkam.

The second level was designed specifically for heavy motor vehicles between Chennai Port and Maduravoyal.

Currently, cargo traffic from the south or west region of the state has to detour through the Outer Ring Road at Perungalathur towards Maduravoyal, Red Hills, Tiruvottiyur and enter the Chennai Port in Royapuram — nearly 75 km away, taking about two hours.

However, using the proposed elevated corridor will take just 45 minutes.

The project will serve as a dedicated freight corridor for Chennai-bound port traffic and increase the handling capacity of Chennai Port by 48 per cent and reduce the waiting time at the port by six hours. <https://swarajyamag.com/infrastructure/chennai-port-maduravoyal-elevated-corridor-after-a-decade-delay-work-resumes-on-rs-5885-crore-project>

15. State govt. institutions owe PCB ₹79.75 crore in property tax (*hindustantimes.com*) Jan 16, 2024

Pune: According to the PCB, most of these properties are located on B2 land while some are located on B1 land, and property tax has been calculated as per the directions of the Defence Estates Office and central government rules

It isn't the cantonment residents but government institutions such as the Public Works Department (PWD) and other state government offices that have defaulted on property tax payment to the Pune Cantonment Board (PCB) for the past three years. Government defaulters including the police commissioner's bungalow; Criminal Investigation Department (CID) chief's bungalow; collector's residence; cantonment police station and its four chowkis; divisional commissioner's bungalow; Meter House for Khadki water supply; telecommunication department; post and air department; TDS building; and other PWD-managed properties collectively owe more than ₹79.75 crore to the PCB.

According to the PCB, most of these properties are located on B2 land while some are located on B1 land, and property tax has been calculated as per the directions of the Defence Estates Office and central government rules. As per the PCB, the police commissioner's bungalow owes ₹9.63 crore; CID chief's bungalow ₹2.39 crore; and district collector's residence ₹2.46 crore among others. The PCB has listed 31 state government properties as property tax defaulters. The PCB chief executive officer said, "We have issued notices and reminders to the occupants and PWD office for non-payment of dues and asked them to immediately pay their property tax dues." When contacted, PWD executive engineer Atul Chavan said, "The property tax dues are paid

by the government directly and it is a government-to-government transaction. The property dues have not been paid due to non-arrival of state government grants.”

Since 2017, the PCB has been facing the worst financial crisis in history due to non-payment of GST dues worth ₹600 crore by the state government. According to the board, a number of projects have been stalled due to the shortage of funds. The projects affected include a ₹16 crore commercial complex at Dhobi Ghat; construction of staff quarters; construction of multilevel parking facility (₹24 crore); replacement of water supply lines (₹10 crore); and beautification of gardens (₹10 crore) among others. The PCB is mulling leasing two of its prime properties - Golibar Maidan and Dhobi Ghat - on a 99 year lease to make up for the dismal financial condition. <https://www.hindustantimes.com/cities/pune-news/state-govt-institutions-owe-pcb-79-75-crore-in-property-tax-101705344342970.html>