NEWS ITEMS ON CAG/ AUDIT REPORTS

1. संसदीय पैनल ने दूसरी पीढ़ी के आईआईटी में बुनियादी ढांचे के विकास और संकाय भर्ती पर सवाल उठाया *(saralnama.in)* Dec 19, 2023

नई दिल्ली: एक संसदीय पैनल ने अपनी रिपोर्ट में कहा कि नवंबर 2020 तक, चार नए आईआईटी के लिए भूमि का आवंटन और हस्तांतरण पूरा हो गया था, जबकि चार अन्य में "बड़े भूमि हिस्से पर कब्जा लंबित था।" की एक विस्तृत परियोजना रिपोर्ट के अनुसार शिक्षा मंत्रालयनए आईआईटी लगभग 500 से 600 एकड़ क्षेत्र के आवासीय संस्थान होंगे।

लोक लेखा समिति सोमवार को लोकसभा में पेश की गई (पीएसी) रिपोर्ट में कहा गया है कि आईआईटी-गांधीनगर को आवंटित 399 एकड़ जमीन में से 150 एकड़ जमीन अनुपयुक्त स्थिति में है। 2019 तक भवन पूर्णता ऑडिट के अनुसार, आईआईटी-भुवनेश्वर और जोधपुर ने भवनों का चरण-1 पूरा कर लिया है, जबकि गांधीनगर, मंडी और रोपड़ ने चरण-2 भवन निर्माण शुरू नहीं किया है।

पैनल ने कहा कि परिसर में निर्माण, बुनियादी ढांचे का विकास और दूसरी पीढ़ी के आईआईटी के लिए संकाय भर्ती 2012 से चरणबद्ध तरीके से की गई थी, लेकिन यह गति छात्रों की संख्या में वृद्धि के अनुरूप नहीं थी। यह रिपोर्ट आठ दूसरी पीढ़ी के आईआईटी – जोधपुर, मंडी, गांधीनगर, हैदराबाद, इंदौर, भुवनेश्वर, रोपड़ और पटना के 2021 में सीएजी ऑडिट पर आधारित है।

कांग्रेस सांसद अधीर रंजन चौधरी की अध्यक्षता वाली पीएसी ने इस बात पर चिंता जताई कि शिक्षा मंत्रालय (एमओई) ने बड़े पैमाने पर विस्तार कैसे किया। आईआईटी राज्य सरकारों से अपेक्षित – उपयुक्त भूमि की उपलब्धता सुनिश्चित किए बिना प्रणाली ने देखा कि स्थायी परिसरों के निर्माण और छात्रों को योजनाबद्ध सुविधाएं प्रदान करने के लिए, राज्यों द्वारा उपयुक्त भूमि का हस्तांतरण प्राथमिक आवश्यकता थी।

समिति का कहना है कि हालांकि शैक्षणिक भवनों,नों छात्रावासों,सों प्रयोगशालाओं आदि के निर्माण जैसे बुनियादी ढांचे का काम 2012 से सभी आईआईटी में चरणबद्ध तरीके से किया गया था, लेकिन उनके निर्माण की गति छात्र/संकाय की अनुमानित वृद्धि की गति के अनुरूप नहीं थी। . पांच आईआईटी के संबंध में देरी काफी अधिक थी (आईआईटी हैदराबाद 56 महीने तक, आईआईटी मंडी 41 महीने तक, आईआईटी रोपड़ 39 महीने तक, आईआईटी गांधीनगर और आईआईटी इंदौर 37 महीने तक)," रिपोर्ट में कहा गया है।

"एमओई ने प्रस्तुत किया कि जब किसी राज्य में एक आईआईटी स्थापित किया जाना है, तो मंत्रा लय राज्य सरकारों से सभी बाधाओं से मुक्त 500-600 एकड़ भूमि आवंटित करने का अनुरोध करता है, जिसके बाद साइट चयन से पहले उपलब्धता के अनुसार दो या तीन साइटों की पहचान की जाती है। समिति में मंत्रालय के वरिष्ठ अधिकारी, संबंधित आईआईटी के प्रतिनिधि, सलाहकार आईआईटी और सीपीडब्ल्यूडी शामिल हैं जो साइटों का दौरा और निरीक्षण करते हैं और अंतिम चयन के लिए अपनी सिफारिशें प्रस्तुत करते हैं।

"मंत्रालय ने कहा कि कुछ आईआईटी में भूमि आवंटन और हस्तांतरण में मुद्दों को ध्यान में रखते हुए, भविष्य में आईआईटी की स्थापना के लिए हस्तांतरण के लिए उपयुक्त भूमि की पहचान करने के लिए राज्य सरकारों पर दबाव डालने का प्रयास किया जाएगा। आईआईटी के बुनियादी ढांचे के निर्माण के लिए कुछ राज्य सरकारों द्वारा प्रस्तावित अनुपयुक्त भूमि के मद्देनजर, समिति यह देखने के लिए बाध्य है कि साइट चयन समिति द्वारा उचित परिश्रम नहीं किया गया था, "यह जोड़ा। संससं

दीयपैनपै ल नेदूसरीपीढ़ी केआईआईटी में बुनिबु यादीढांचेढां चे के विकासऔरसंका सं यभर्तीपरसवाल उठाया | पैनल ने कहा कि आईआईटी ने इमारतों के निर्माण में देरी के लिए डिजाइन को अंतिम रूप देने, नियामक मंजूरी प्राप्त करने, वैधानिक मंजूरी प्राप्त करने, श्रम की कमी और क्षेत्र की दूरदर्शिता को जिम्मेदार ठहराया है। https://saralnama.in/%E0%A4%B8%E0%A4%82%E0%A4%B8%E0%A4%A6%E0%A5%80%E0%A4%AF-%E0%A4%AA%E0%A5%88%E0%A4%A8%E0%A4%B2-%E0%A4%A8%E0%A5%87-%E0%A4%A6%E0%A5%82%E0%A4%B8%E0%A4%B0%E0%A5%80-%E0%A4%AA%E0%A5%80%E0%A4%A2%E0%A4%BC/

STATES NEWS ITEMS

2. DJB losses pegged at ₹1,196 crore in 2021-22 *(thehindu.com)* Dec 20, 2023

The losses of the Delhi Jal Board (DJB) for the financial year 2021-22 stood at ₹1,196.22 crore, according to data tabled in the Assembly.

This was a 247.6% rise from the loss of ₹344.05 crore incurred in 2019-20, the figures showed.

The data come in the wake of Chief Minister Arvind Kejriwal's recommendation that the Comptroller and Auditor General of India examine the DJB's accounts for the past 15 years. The CM had said the audit would "separate facts from fiction", amid the BJP's allegations of corruption in the DJB. The Delhi government earlier blamed the Finance Department for not releasing funds needed by the board.

Delhi government officials presented the numbers in the House on Monday, in response to a question by Bharatiya Janata Party MLA Jitender Mahajan. As per the officials, the Jal Board's losses are expected to reduce to ₹854.86 crore in 2022-23.

Replying to another query by Leader of the Opposition Ramvir Singh Bidhuri, officials said the DJB's total debt stood at ₹73,196.55 crore — including a principal amount of ₹37,366.59 crore and an interest of ₹35,829.96 crore.

The data showed that over the last nine years, the DJB's revenues peaked at ₹1,877.63 crore in 2018-19 and stood at ₹1,827.42 crore in 2022-23. The number of consumers steadily increased from 18.9 lakh in 2014-15 to 27.6 lakh in 2022-23.

Explaining the fall in revenue despite the increase in consumers, the reply stated, "The number of consumers is increasing every year. Delhi government provides free supply of 20 kilo litres of water to domestic consumers... [and] compensates for this. Shortfall in revenue occurs from time to time due to various reasons such as lack of enforcement, faulty meters, illegal connections etc." https://www.thehindu.com/news/cities/Delhi/djb-losses-pegged-at-1196-crore-in-2021-22/article67655192.ece

3. Delhi Jal Board losses increase to over Rs 1,196 crore in 2021-22 *(deccanherald.com)* Dec 20, 2023

New Delhi: The Delhi Jal Board's (DJB) financial losses have jumped from Rs 344.05 crore in the 2019- 20 fiscal to Rs 1,196.22 crore in 2021-22, while the board has a debt of more than Rs 73,000 crore, officials said. ADVERTISEMENT Advertisement

The DJB is estimated to incur a loss of Rs 854.86 crore in the 2022-23 fiscal, they added. The information was shared by the DJB with the Delhi Assembly on Monday.

The DJB had incurred a loss of Rs 344.05 crore in 2019-20, which rose to Rs 770.87 crore in the next fiscal and then to Rs 1,196.22 crore in the 2021-22 fiscal.

The debt of DJB stands at Rs 73,196.55 crore, which includes an interest of Rs 35,829.96 crore and principal amount of Rs 37,366.59 crore.

The number of consumers have risen from 18,94,096 (18.94 lakh) in 2014-15 to 27,64,089 (27.64 lakh) in the 2022-23 financial year.

The DJB earned revenues of Rs 1,668.26 crore, Rs 1,764.57 crore, Rs 1,448.10 crore and Rs 1,827.42 crore in the 2019-20, 2020-21, 2021-22 and 2022-23 financial years, respectively, according to the data.

The DJB said that the number of consumers has risen through the years. The Delhi government provides 20,000 litres of free water to each household in the city.

This cost is borne by the government, the officials said, adding that the decrease in revenue from time to time is due to the lack of enforcement, faulty meters and illegal connections.

The Delhi government informed the Assembly that the DJB's accounts have been audited till March 31, 2018 while the performance audit till March 31, 2022 has been completed.

The Principal Accountant General (Audit) wing of Comptroller and Auditor General (CAG) carries out the audit of DJB's accounts.

The annual accounts of 2018-19 and 2019-20 have been prepared that will be sent to the CAG after approval from board by the urban development department.

The Delhi BJP has many a times alleged that the accounts of the DJB have not been prepared since 2016-17 nor has any audit been done since then.

Earlier this month, Delhi Chief Minister Arvind Kejriwal had directed for a CAG audit of the DJB accounts of the last 15 years.

Amid a tussle over release of funds, the Delhi government's finance department had released Rs 535 crore to the DJB for nearly 70 projects of the agency on December 11.

Delhi Water Minister Atishi had last month claimed that the national capital was staring at a "manmade water crisis" due to the stoppage of funds to the DJB by the finance department and demanded Lieutenant Governor V K Saxena's immediate intervention.
https://www.deccanherald.com/india/delhi/delhi-jal-board-losses-increase-to-over-rs-1196-crore-in-2021-22-2817544

4. Delhi LG VK Saxena returns proposal for 15-year CAG audit of DJB *(timesofindia.indiatimes.com)* Dec 20, 2023

Lieutenant governor VK Saxena, amid reports of irregularities in Delhi Jal Board, has returned the government's proposal to get a CAG audit of the water utility done for the last 15 years, saying that such an exercise till the 2017-18 financial year had been done and the AAP dispensation should identify why those reports had not been placed in the Assembly.

Sources said the LG asked the chief minister to facilitate the CAG audit of the DJB from 2018-19 onwards at the earliest, and start "time-bound" action to rectify irregularities identified by the auditors.

Sources said the CAG in its previous reports had flagged "manipulation of accounts, diversion of funds meant for cleaning the Yamuna, unverifiable and unjustifiable expenditures, and encroachment of larger tracts of its land" than admitted by the DJB.

No immediate reaction was available from the AAP government. The LG's secretariat refused to comment on the matter.

Amid allegations of corruption in the water utility, CM Arvind Kejriwal directed the 15-year audit of the DJB from 2008 onwards, saying that it will clarify the situation, andif irregularities were found, the culprits would be punished.

Sources said the proposal was sent by water minister Atishi to Saxena through the CM. They said the LG's note mentioned that the DJB's accounts had been audited till 2017-18 and the water minister, the urban development minister and the CM should have known about it.

"It is indeed surprising, to say the least, that a proposal to this effect has been forwarded to me without even doing a basic fact-check and groundwork, which would have made the proposal infructuous at the outset," the LG reportedly wrote. He called the exercise "apparently diversionary and a classic example of gerrymandering and filibustering in writing".

Sources said the LG referred to previous audit reports and said the CAG made serious observations that pointed towards "mala fide" action and "misappropriation".

Saxena mentioned that in the audit report of 2017-18, submitted in May 2023, the CAG observed that the Jal Board did not maintain proper books of accounts while balance sheets, income and expenditures accounts, and receipts and payments accounts according to the uniform format of accounts.

Referring to various “accounting lapses”, “manipulation” and other instances where the DJB could not provide details and records to the audit body, the LG said the water minister, urban development minister and the CM would be aware of these.

Sources said the LG also mentioned that former water minister Satyendar Jain had issued a standing order saying that every project of Rs 50 lakh and above executed by the DJB would need the approval of the minister. “… Therefore, the onus of getting these works/schemes and expenditures thereon, is on none but the minister him/herself,” LG wrote.

The LG also questioned the parallel audit of DJB accounts by the CAG and an outside agency, proposed by Kejriwal, saying the same records and papers would be sought by two sets of auditors and create confusion. He mentioned the announcement of the audit in the media and termed it an attempt to seek “publicity that hides its failures and diverts attention”.

“Such misleading campaigns erode public confidence and trust in institutions which gets built over years,” the LG wrote.

Saxena said there were several complaints of irregularities against DJB, including irregular, erratic and polluted water supply and pollution in the Yamuna. “As the DJB is entrusted with these two civic services, its functioning has to be transparent, accountable and responsive,” the LG said, adding that the government couldn't take measures to address the CAG’s concerns. https://timesofindia.indiatimes.com/city/delhi/https/example-com/lg-returns-proposal-for-15-year-cag-audit-of-djb-latest-news/articleshow/106138606.cms

5. दिल्ली जल बोर्ड का घाटा बढ़कर 1,196 करोड़ रुपये के पार, 70 हजार करोड़ से ज्यादा के कर्ज में डूबा DJB *(hindi.business-standard.com)*

Dec 20, 2023

दिल्ली जल बोर्ड (DJB) का वित्तीय घाटा 2019-20 के 344.05 करोड़ रुपये से बढ़कर वित्त वर्ष 2021-22 में 1,196.22 करोड़ रुपये पर पहुंच गया है। वहीं बोर्ड पर 73,000 करोड़ रुपये से अधिक का कर्ज है। अधिकारियों ने यह जानकारी दी।

उन्होंने कहा कि DJB का घाटा 2022-23 में 854.86 करोड़ रुपये रहने का अनुमान है। DJB को वित्त वर्ष 2019-20 में 344.05 करोड़ रुपये का घाटा हुआ था, जो 2021-22 में बढ़कर 1,196.22 करोड़ रुपये हो गया। DJB पर अभी कर्ज 73,196.55 करोड़ रुपये है, जिसमें 35,829.96 करोड़ रुपये का ब्याज और 37,366.59 करोड़ रुपये की मूल राशि शामिल है।

उपभोक्ताओं की संख्या वित्त वर्ष 2014-15 में 18,94,096 से वित्त वर्ष 2022-23 में बढ़कर 27,64,089 हो गई है।

आंकड़ों के अनुसार, DJB ने 2019-20, 2020-21, 2021-22 और 2022-23 वित्त वर्षों में क्रमशः 1,668.26 करोड़ रुपये, 1,764.57 करोड़ रुपये, 1,448.10 करोड़ रुपये और 1,827.42 करोड़ रुपये का राजस्व अर्जित किया।

DJB के अनुसार, पिछले कुछ वर्षों में उपभोक्ताओं की संख्या में वृद्धि हुई है। दिल्ली सरकार शहर के प्रत्येक घर को 20,000 लीटर मुफ्त पानी उपलब्ध कराती है। अधिकारियों ने बताया कि यह लागत

सरकार द्वारा वहन की जाती है। समय-समय पर राजस्व घटने का कारण प्रवर्तन की कमी, खराब मीटर और अवैध कनेक्शन है।

दिल्ली सरकार ने विधानसभा को सूचित किया कि DJB के खातों का ऑडिट 31 मार्च, 2018 तक किया गया है, जबकि 31 मार्च, 2022 तक का प्रदर्शन ऑडिट पूरा हो चुका है।

नियंत्रक एवं महालेखा परीक्षक (कैग) की प्रधान महालेखाकार (ऑडिट) इकाई DJB के खातों का ऑडिट करती है। दिल्ली के मुख्यमंत्री अरविंद केजरीवाल ने इस महीने की शुरुआत में पिछले 15 साल के DJB खातों के कैग से ऑडिट का निर्देश दिया था।

फंड जारी करने को लेकर खींचतान के बीच दिल्ली सरकार के वित्त विभाग ने 11 दिसंबर को DJB की करीब 70 परियोजनाओं के लिए उसे 535 करोड़ रुपये जारी किए थे।

दिल्ली की जल मंत्री आतिशी ने पिछले महीने दावा किया था कि वित्त विभाग द्वारा DJB की धनराशि रोके जाने से राष्ट्रीय राजधानी "मानव निर्मित जल संकट" से जूझ रही है और उन्होंने उपराज्यपाल वी. के. सक्सेना से तत्काल हस्तक्षेप की मांग की थी। https://hindi.business-standard.com/india-news/delhi-jal-boards-loss-crosses-rs-1196-crore-djb-drowns-in-debt-of-more-than-rs-70-thousand-crore

6. CAG Observes Lapses in MIDC's Policies for Land Allotments

(hwnews.in) Dec 20, 2023

The Comptroller and Auditor General of India (CAG) has made scathing observations on the state-run Maharashtra Industrial Development Corporation (MIDC) over the allotment of plots and lands, fixation of land rates, faulty policy for revision of water and services charges, and unauthorized sub-lease and change in use of allotted plots.

CAG report, which was tabled in the state assembly by Deputy Chief Minister Ajit Pawar, who holds finance and planning departments, said MIDC made direct allotment of plots to ineligible allottees contrary to the laid down policies (e-bidding, waiting list, priority and expansion). Further, allottees were issued offer letters for allotment of land despite the non-availability of carved-out plots in violation of MIDC Regulations. Instances of undue concession to allottees in the recovery of revenue from lease premium, transfer charges, Urban Land Ceiling (ULC) Exemption transfer charges, extension charges, and sub-letting charges were observed. Irregular grant of installments for payment of lease premium and non-forfeiture/refund of lease premium in violation of regulations/policy was also observed.

''There was an absence of an effective system to monitor cases of non-development of plots/obtaining Building Completion Certificate (BCC) within the stipulated time limit. MIDC also did not initiate prompt action for the resumption of plots and timely issue of notices for recovery of extension charges. MIDC may implement an efficient and effective Information Technology (IT) based monitoring system for automatic generation of notices to allottees who had failed to develop plots/obtain BCC within the stipulated development period,'' said CAG.

CAG has suggested that MIDC may ensure prompt recovery of dues from allottees as per laid down policies and responsibility needs to be fixed for granting undue concessions to allottees. The Performance Audit (PA) was conducted to cover the aspects of MIDC related to corporate governance, planning, development of industrial areas (IAs), land acquisition, pricing and allotment, recovery of charges, and monitoring system for development and utilization of plots during the period 2014-15 to 2020-21.

The Board of MIDC took important decisions having financial implications overriding the extant rules/policy in cases of land allotment, levy of lease premium/transfer charges/extension charges, and sub-letting charges in favor of private parties. Relaxation in rules/policies on a case-to-case basis lacked transparency and brought in arbitrariness in decision-making and governance- causing loss to the public exchequer.

CAG has suggested that MIDC may ensure strict implementation of regulations and laid down policies in the land allotment and recovery of charges.

CAG observed that MIDC did not formulate any program/plan for the achievement of targets set in the State Industrial Policy (SIP). MIDC also did not have a perspective plan for land acquisition, development, and allotment activities in industrial areas detailing physical targets to be achieved. Land acquisition and industrial development activities of MIDC, thus, did not emerge out of a systematic and comprehensive plan. In the absence of any physical targets, there was no benchmark to assess the performance of MIDC.

CAG has called for MIDC to prepare the Perspective Plan and Annual Plan as per the SIP, quantifying physical targets to be achieved.

Further, MIDC allotted land to prospective entrepreneurs considering, inter alia, proposed investment and employment generation mentioned in the Detailed Project Reports (DPR). There was, however, no database/system to ascertain/record allottee-wise details regarding actual employment generated and investment made by an allottee vis-a-vis the DPR. MIDC, thus, confined its role to the development/allotment of land in industrial areas and an outcome-based approach to industrial development (investment and employment generation) was lacking.

CAG has recommended that MIDC evolve a system of recording/monitoring of actual investment and employment generation by allottees vis-a-vis their DPRs to ensure that expected outcomes of industrial development from such land allotment are achieved.

MIDC had not formulated any action plan/system for the acquisition of surplus/unutilized land with the allottees, for allotment to new entrepreneurs as envisaged in Section 42A of the MID Act. Thus, MIDC did not ensure optimal utilization of IAs as mandated in the MID Act. Action, as stipulated under the MID Act for reporting and acquisition of surplus/unutilised land with allottees, may be initiated.

MIDC did not ensure timely finalization of tenders within the validity period as per the delegation of powers which resulted in cancellation of tenders and re-tendering at extra cost. MIDC may ensure the timely finalization of tenders within the validity period in accordance with the delegation of powers to avoid re-tendering of works.

CAG has claimed that the policy of fixation/revision of land rates was not appropriate. Systemic delays in the implementation of revised land rates were observed leading to loss to MIDC. MIDC may ensure that revised land rates are implemented immediately after approval of the Board and a suitable clause regarding recovery of lease premium at revised rates may be incorporated in the offer letters.

According to CAG, the lack of a system for periodic revision of water charges and service charges from the allottees was observed which led to a short recovery of expenses. MIDC may ensure timely revision of water charges and service charges and responsibility needs to be fixed for non-implementation/withdrawal of revised rates leading to financial loss to the Corporation.

MIDC had not levied and recovered Goods and Services Tax on non-exempted services from the plot holders leading to non-payment of statutory

Instances of unauthorized sub-lease and change in use of allotted plots, lack of a system for monitoring, removal of encroachments and irregular allotment of land to encroachers was observed. MIDC may formulate a time bound action plan for eviction of encroachments and demolition of illegal constructions from encroached properties and responsibility needs to be fixed for failure to prevent/demolish encroachments and irregular allotment of land toencroachers.

Audit observed that during the period 2014-21, GoM did not appoint seven out of 15 members to the Board of MIDC. GoM may ensure that vacancies of Board members of MIDC are filled up without delay. https://hwnews.in/news/national/cag-observes-lapses-in-midcs-policies-for-land-allotments/

7. NMMC resurfacing roads in good condition, alleges AAP *(hindustantimes.com)* Dec 20, 2023

Echoing often made complaints by Navi Mumbai citizens to dig up well maintained roads, the Aam Admi Party (AAP) has questioned Navi Mumbai Municipal Corporation's policy of undertaking unwanted resurfacing work of asphalted roads in good condition.

In a complaint raised with the Chief Minister office as well as other government agencies like the state governor, Lokayukta, Central Vigilance Commission, Comptroller and Auditor General of India (CAG) the party has sought for a probe in the matter.

" funds of crores of rupees are being blatantly wasted through resurfacing works of asphalt roads in good condition and renovating cement roads built just four to five years ago," said Aap Right to Information (RTI) Coordinator Sudhir Dhani

NMMC is termed by the party to be undertaking the work through a specific scheme. " The loot of public money is happening under the Thin White Topping (TWT) scheme which essentially is to undertake re- concretise the top layer of roads. It is ironic that such schemes are being executed through an administrator. In the absence of public representatives, administrators were expected to properly utilize public tax funds. But in reality, it appears to be the opposite situation, so AAP Navi Mumbai has raised a question mark regarding the credentials of the administrator," said Dhani..

The alleged nature of financial loot is further stated to be happening in other development works. According to the party, NMMC is observed to be calling for unwanted tender bids in the name of the city's beautification. " The misappropriation of funds is happening even in other departments so there are unwanted tenders called for repairing sewers, footpaths, beautifying the city etc,. These works are certainly not benefitting the residents," said

NMMC City engineer Sanjay Desai denied the allegation and stated that every project to be done at least of expense when compared with other corporations. " Concretisation work is undertaken as per the directive of the state government and this is being done across all other corporations. .With regards to the TWT scheme, it it is extremely economical as it incurs only 30% of the expenses when compared to going for full asphalting of the roads," he said.
https://www.hindustantimes.com/cities/mumbai-news/nmmc-resurfacing-roads-in-good-condition-alleges-aap-101703001228849.html

8. BJP demands CBI probe into Kaleshwaram project *(thehindu.com)* December 19, 2023

Former MLA and senior BJP leader M. Raghunandan Rao has demanded the government request the Centre for ordering a probe into the entire Kaleshwaram Lift Irrigation Project which he alleged was the "biggest scam" since Independence in the country.

Mr. Raghunandan Rao did not concur with the Congress government's announcement for a probe by a High Court judge and asserted that only a CBI investigation will ferret out the truth. He reminded that Chief Minister A. Revanth Reddy had demanded such a probe when he was just the TPCC president accusing the then BRS government of largescale corruption in the project.

"We fear that there is an effort to limit the project deficiencies and corruption to Medigadda barrage only where the piers have sunk into the ground. It is not fair to target a single company when other big infrastructure companies are involved," he said.

The BJP leader's contention was that the the BRS government had intentionally inflated the project cost from about ₹63,000 crore to about ₹1.50 lakh crore in the name of project redesign. The project had ensured water to an additional 42,000 acres only, he charged.

The BRS government led by Chief Minister K. Chandrashekhar Rao had even refused to part with details to the Comptroller and Auditor General (CAG) despite repeated letters seeking the same. Mr. Revanth Reddy had offered to send details of the corruption to Home Minister Amit Shah earlier, what is preventing him from doing the same now, he questioned.

The Congress government repeated inferences to the Medigadda barrage repairs only has raised doubts about its motive in unearthing the truth in the entire Kaleshwaram project. The BJP leader also offered to share details of corruption with the government. https://www.thehindu.com/news/national/telangana/bjp-demands-cbi-probe-into-kaleshwaram-project/article67654324.ece

SELECTED NEWS ITEMS/ARTICLES FOR READING

9. 411 central projects see ₹4.31 lakh cr cost overrun *(fortuneindia.com)* Dec 20, 2023

Average time overrun of 837 delayed projects is 36.94 months

Of the 1,788 central sector infrastructure projects of ₹150 crore and above size, 411 projects have reported cost overrun of ₹4.31 lakh crore till October 2023, the ministry of statistics and programme implementation has disclosed in a written reply to a question in Rajya Sabha.

Answering a query on pending infrastructure projects raised by Congress MP Randeep Singh Surjewala, the ministry says of the total projects, 837 have reported delays with 479 projects reporting a delay of two or more than two years. The average time overrun of 837 delayed projects is 36.94 months, the ministry says.

Sharing the Rajya Sabha answer on social media platform X (formerly Twitter), Surjewala calls it "the state of 'Viksit Bharat' under 10 years of the Modi government. "Infrastructure projects are at a standstill, marred with huge cost overruns. 23 % of the Central Sector Infrastructure projects have a cost overrun of a whopping 4.31 lakh crore. The average time overrun of 837 delayed projects is 36.94 months. The loud drum beating of 'Amrit Kaal' has eclipsed the little delivery on ground," he posts.

In its reply, the ministry said that the reasons for time and cost overruns are project-specific, depend on various technical, financial and administrative factors, and differ from project to project.

According to the ministry, the main reasons for the increase in the cost of the projects are under-estimation of the original cost, changes in rates of foreign exchange and statutory duties, high cost of environmental safeguards & rehabilitation measures, spiralling land acquisition costs, shortage of skilled manpower/labour, changes in the scope of the project, monopolistic pricing by vendors of equipment services, general price rise/inflation and time overruns. The main reasons for delay in timely completion of the projects were identified as law and order problems, delay in land acquisition, delay in environment and forest clearances, funding constraints, rehabilitation and resettlement issues, local body/municipal permissions, utility shifting, contractual issues, etc.

The government also listed out the major steps undertaken to ensure the completion of Central Sector infrastructure projects without time and cost overruns. These include periodic review of projects under PRAGATI through video conferencing, rigorous project appraisal, online computerised monitoring system (OCMS) for better monitoring, setting up of revised cost committees in the ministries for fixation of responsibility for time and cost overruns, regular review of infrastructure projects by the concerned administrative ministries and setting up of Central Sector Projects Coordination Committees (CSPCCs) in the states under the chief secretaries for removal of bottlenecks and for facilitating the speedy implementation of major projects.

The Infrastructure and Project Monitoring Division (IPMD) is mandated to monitor Central Sector Infrastructure Projects costing ₹150 crore and above on time and cost overrun based on the information provided by the project implementing agencies on OCMS. https://www.fortuneindia.com/macro/411-central-projects-see-431-lakh-cr-cost-overrun/115163

10. Government proposes 19.5 lakh crore national highway development programme *(timesofindia.indiatimes.com)* Updated: December 20, 2023

NEW DELHI: The road transport ministry has proposed a programme to build and widen around 41,000 km of national highways, including 15,000 km of high speed (access-controlled) corridors, by 2031-32. It would require around an investment of Rs 19.5 lakh crore.

As per the proposal, the projects under first phase of the proposed master plan for highway development would be bid out by 2028-29 and the construction would be completed by 2031-32.

Once completed, this will almost double the average travel speed from the current 47 kmph to 85 kmph on the NH network. At present, average travel speed on the highways in the United States is over 100 kmph and 90 kmph in China. The government expects an increase in average speed will help India achieve the target to bring down the logistics cost to 9-10% of the GDP. At present, it's around 18% of the GDP.

TOI has learnt that high speed corridors have already been identified to ensure that such stretches are accessible within 100-150 km from any part of India and also to decongest the NHs around cities and urban areas. As per the ministry's assessment, India would ultimately need around 50,000 km of high speed corridors for this.

As of now, only 3,900 km of the high speed corridors are operational in the country and by 2026-27, this would be around 11,000 km. "Keeping in mind this huge gap, new high-speed corridors of 36,500 km have been identified that will address congestion. In the next 20 years, the focus will be more on building four and six lane highways," a source said. https://timesofindia.indiatimes.com/india/government-proposes-19-5-lakh-crore-national-highway-development-programme/articleshow/106135242.cms?from=mdr

11. Citing cost, time overrun, Uttarkashi project said no to separate rescue tunnel *(indianexpress.com)* Updated: December 20, 2023

What was recommended instead was the original project plan: A dedicated 3.5m escape channel separated by a concrete barrier from a 7m carriageway meant for two-way traffic inside a D-shaped tunnel.

For 17 days last month, 41 workers remained trapped inside the partially collapsed Silkyara-Barkot tunnel in Uttarkashi district of Uttarakhand before they were rescued. This situation may not have arisen had the project not ruled out the option of a separate escape tunnel, according to a late and rapid environmental impact assessment (EIA) report reviewed by The Indian Express, due to escalation in construction time and cost, and low volume of anticipated traffic.

Weighing options for the "best-suited cross-section" of the tunnel, the EIA report also rejected — as "not recommended at all and ignored" — what resembles the layout described by Minister for Road Transport and Highways Nitin Gadkari in Rajya Sabha on December 6: A "separation wall" at the centre of the tunnel's carriageway along with "egress openings" for "escape" during an emergency.

What was recommended instead was the original project plan: A dedicated 3.5m escape channel separated by a concrete barrier from a 7m carriageway meant for two-way traffic inside a D-shaped tunnel.

But, as reported by The Indian Express, this design was later modified during the construction, apparently for better space utilisation and traffic safety.

"Instead of leaving an escape channel on the left, we put the divider in the middle of the tunnel for single-way traffic on either side. This created more space for traffic and eliminated the risk of head-on collisions," a senior project engineer said.

A tunnelling expert involved in the rescue operation last month pointed out that a total blockage of the Silkyara tunnel made "the positioning of the divider" immaterial and only a separate evacuation tunnel could have helped.

Citing cost, time overrun, Uttarkashi project said no to separate rescue tunnel

"A situation like this (collapse) requires a separate evacuation duct running next to the main tunnel with access at regular intervals, or a few lateral inclined escape adits rising to the ground surface. Having an escape passage in the same tunnel helps during traffic or fire incidents, but not if there is a total blockage," the expert said.

The rapid EIA report considered only vehicular accidents under "Various Scenarios of Risks and Disaster". It rejected the option of constructing "two parallel tunnels about 18m apart" apart and connected at suitable intervals.

"The construction time and cost required is more for two tunnels, two portals and two sets of ventilation systems. This system is best suited in case of heavy traffic volume but at current location, the traffic volume is only 2000 PCU. Hence this proposal is also not recommended," it said — PCU stands for passenger car unit.

The 208-page rapid EIA report was submitted by the Ministry of Road Transport and Highways (MoRTH) to a Supreme Court panel in September 2020 when the Silkyara tunnel was "already under construction and more than 15% of the work has already been completed".

"Since work was already on, the rapid EIA report reflected the project plan. For the rescue channel, too, it rejected the options not on the card. It could not have predicted that the project would go on to drop the escape channel altogether," a consultant involved in the EIA process said.

Sanjeev Sharma, Director (Technical) of Enviro Infra Solutions, the company that conducted the EIA, declined to comment.

Project developer National Highways & Infrastructure Development Corporation Ltd (NHIDCL), owned by the MoRTH, did not respond to requests for comments.

The Silkyara-Barkot tunnel is part of the 889-km Char Dham project which was broken down into "53 civil works" to avail the exemption from environmental clearance offered to all linear projects under 100 km since 2013. As a result, no segment of the mega highway project was required to conduct an EIA, otherwise mandatory under the Environment Act.

Challenged at the National Green Tribunal (NGT), the MoRTH maintained that the Char Dham road segments were separated by 16 bypasses. In September 2018, the NGT agreed and ruled that the project did not require statutory EIA.

In October 2018, the Supreme Court put a stay on the NGT order. In August 2019, it formed a High Powered Committee (HPC) and asked it to give directions to the MoRTH for conducting an EIA of the Char Dham project. Since there was not enough time, said environmentalist Hemant Dhyani who served in the HPC, the MoRTH was asked to conduct a rapid EIA in October 2019.

In September 2020, months after the HPC submitted its report, the MoRTH forwarded 37 rapid EIA reports for each of the 37 segments of the Char Dham project under construction. One of these 37 rapid EIA reports rejected the twin-tunnel option and the layout the Silkyara tunnel eventually opted for. https://indianexpress.com/article/india/citing-cost-time-overrun-uttarkashi-project-said-no-to-separate-rescue-tunnel-9075234/

12. IMF cautions India on govt debt vulnerabilities, Centre disagrees *(business-standard.co)* 20 Dec 2023

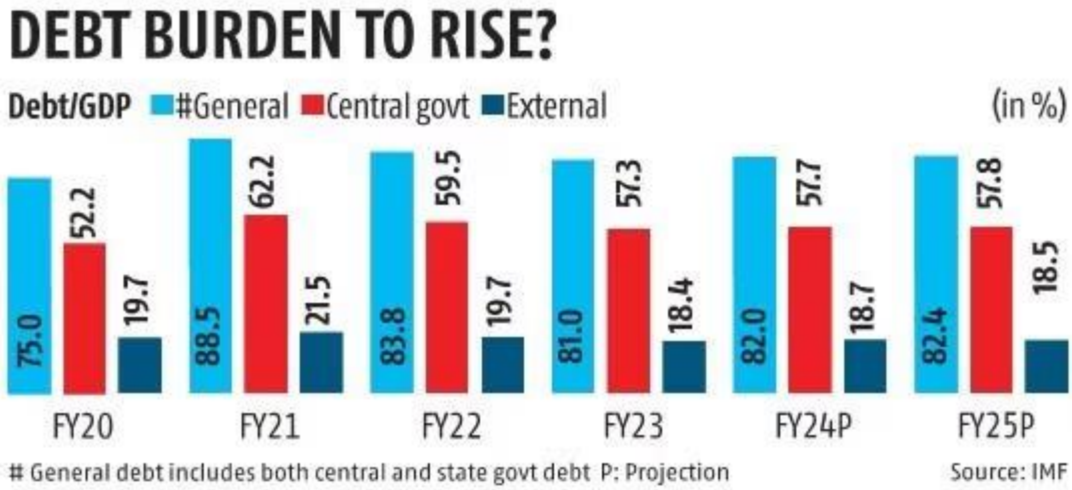
The International Monetary Fund (IMF) warned on Tuesday that India's general government debt could exceed 100 per cent of gross domestic product (GDP) in the medium term. It also cautioned that long-term debt sustainability risks are high due to the significant investment required to meet India's climate change mitigation targets.

The Indian government, however, disagreed, arguing that risks from sovereign debt are extremely limited as it is predominantly denominated in domestic currency.

“Long-term risks are high because considerable investment is required to reach India’s climate change mitigation targets and improve resilience to climate stresses and natural disasters. This suggests that new and preferably concessional sources of financing are needed, as well as greater private sector investment and carbon pricing or equivalent mechanism,” the IMF said in its annual Article IV consultation report, which is part of the Fund’s surveillance function under the Articles of Agreement with member countries.

KV Subramanian, India’s executive director at the IMF, on the other hand, said the IMF’s assertion that the baseline carries the risk that debt would exceed 100 per cent of GDP in the medium term in the event of shocks which India has experienced historically sounds extreme. “The same can be said of the staff prognosis that debt sustainability risks are high in the long term. The risks from sovereign debt are very limited as it is predominantly denominated in domestic currency. Despite the multitude of shocks, the global economy has faced in the past two decades, India’s public debt-to-GDP ratio at the general government level has barely increased from 81 per cent in 2005-06 to 84 per cent in 2021-22, and back to 81 per cent in 2022-23,” he said in a statement, which is part of the report.

The IMF noted the rupee-US dollar exchange rate moved within a narrow range during December 2022-October 2023, suggesting that foreign exchange intervention (FXI) by the central bank likely exceeded levels necessary to address disorderly market conditions. The Fund reclassified India’s de facto exchange rate regime to “stabilised arrangement” from “floating” for the said period and argued that a flexible exchange rate should act as the first line of defence in absorbing external shocks. The Indian side denounced the reclassification, terming it “unjustified” and pointing out the subjective selection of the period by staff in their analysis.



POINT, COUNTERPOINT

Issue	IMF	INDIA
Govt securities	Sudden increase in sovereign risk premia may weigh on balance sheets, bank lending appetite	Concern far-fetched
Unsecured retail loans	Could stretch debt service capacity and pose balance sheet risks	Digitisation enabling credit growth, while mitigating credit risk
Inflation	High inflation or structural reforms may risk social discontent	No such evidence
Financial sector	External or domestic shock could lead to credit stress	Banking system in its best shape in over a decade

"There was a significant divergence of views on the exchange rate and FXI assessments. The authorities highlighted that FXI is only used to curb excessive exchange rate volatility. The RBI (Reserve Bank of India) strongly disagreed with staff's assessment that FXI likely exceeded levels necessary to address disorderly market conditions and has contributed to the rupee-USD moving within a narrow range since December 2022. The RBI strongly believes that such a view is incorrect as, in their view, it uses data selectively," the report noted. https://www.business-standard.com/economy/news/imf-cautions-india-on-govt-debt-vulnerabilities-centre-disagrees-123121901166_1.html

13. India is IMF's star performer but its report isn't all glowing *(livemint.com)* 20 Dec 2023

Robust GDP growth and capital spending amid a fiscal pullback earned the country praise even as our currency's managed float drew adverse commentary.

The International Monetary Fund's (IMF) latest commentary as part of its annual Article IV consultation should give policymakers cause for cheer. Not only does it paint an optimistic picture of India's economy, but Indian policies have received praise, too.

While noting the robust growth of gross domestic product (GDP), Nada Choueiri, mission chief for India at the IMF, calls India a "star performer" that is seen accounting for more than 16% of global growth this year. The government's focus on capital spending even as the budget is tightened has been lauded, as has our digital public infrastructure, which the IMF notes has significant potential to help raise total factor productivity. Still, the external environment poses some challenges, climate change among them. While labour and human capital reforms could enable faster growth, some of these would be tricky to implement. Though the government took a jab at it, political pitfalls meant it had to slow its approach. Now, with elections nearing, another attempt seems unlikely anytime soon.

Yet, since labour market rigidities are a drag, we must act at some point. At the very least, a wide public debate on what's needed must get underway.
https://www.livemint.com/opinion/quick-edit/india-is-imfs-star-performer-but-its-report-isn-t-all-glowing-11702990538133.html

14. IMF calls for comprehensive reforms for India to grow faster *(financialexpress.com)* December 20, 2023

The International Monetary Fund (IMF) on Tuesday stuck to projections of India's GDP growth for both FY24 and FY25 at 6.3%, but added that the country has the potential for even higher growth with greater contribution from labour and human capital by undertaking comprehensive reforms.

Following an Article IV review of the country's policies by its Executive Board, the IMF said India's headline inflation is expected to gradually decline to the target although it remains volatile due to food price shocks.

The Reserve Bank of India targets to bring retail inflation to around 4%, the mid-point of its 2% to 6% tolerant band. The RBI recently revised the FY24 growth projection to 7% from 6.5% for FY24.

The IMF report said India's current account deficit is expected to improve to 1.8% of GDP in FY24 as a result of resilient services exports and, to a lesser extent, lower oil import costs.

"Going forward, the country's foundational digital public infrastructure and a strong government infrastructure programme will continue to sustain growth," it said.

The IMF report said risks to India's outlook are balanced. "A sharp global growth slowdown in the near term would affect India through trade and financial channels. Further global supply disruptions could cause recurrent commodity price volatility, increasing fiscal pressures for India," it said.

Domestically, weather shocks could reignite inflationary pressures and prompt further food export restrictions, it noted.

On the upside, stronger than expected consumer demand and private investment would raise growth, it added.

"Further liberalization of foreign investment could increase India's role in global value chains, boosting exports. Implementation of labor market reforms could raise employment and growth," it said.

IMF Directors welcomed the Indian authorities' near-term fiscal policy, which focuses on accelerating capital spending while tightening the fiscal stance.

While acknowledging that India's debt composition helps mitigate debt sustainability risks, Directors recommended ambitious medium-term consolidation efforts given elevated public debt levels and contingent liability risks.

In that context, improving revenue mobilization and spending efficiency would allow for continued improvements in digital and physical infrastructure and targeted social support, the IMF report said.

Directors also encouraged the authorities to put in place a sound medium-term fiscal framework to promote transparency and accountability and align policies with India's development goals. https://www.financialexpress.com/policy/economy-imf-calls-for-comprehensive-reforms-for-india-to-grow-faster-3342678/

15. Unclaimed deposits with banks rise by 28 per cent to Rs 42,270 crore in FY23 *(financialexpress.com)* Dec 19, 2023

As compared to Rs 32,934 crore unclaimed deposits with public and private sector banks in FY22.

There has been a 28 per cent annual increase in unclaimed deposits with the banks to Rs 42,270 crore as on March 2023, Parliament was informed on Tuesday. As compared to Rs 32,934 crore unclaimed deposits with public and private sector banks in FY22, the amount increased to Rs 42,272 crore at the end of March 2023, an increase of 28 per cent.

As much as Rs 36,185 crore unclaimed deposits were with public sector banks while Rs 6,087 crore were with private sector banks at the end of March 2023. Banks send unclaimed deposits of account holders lying in their accounts for 10 or more years to RBI's Depositor Education and Awareness (DEA) Fund.

RBI has taken various steps to reduce the quantum of unclaimed deposits and return such deposits to rightful claimants, Minister of State for Finance Bhagwat K Karad said in a written reply to Rajya Sabha.

As per the RBI's direction, banks have been advised to display the list of unclaimed deposits in accounts that are inactive or inoperative for ten years or more on the banks' websites and find the whereabouts of the customers, or legal heirs in case of deceased account holders, in order to return unclaimed deposits to the rightful claimants.

RBI asked banks to formulate board approved policy on classification of unclaimed deposits; and put in place a grievance redressal mechanism for quick resolution of complaints, record keeping, and periodic review of unclaimed deposit accounts, he said.

A centralised web portal, Unclaimed Deposits Gateway to Access Information (UDGAM), to search unclaimed deposits across multiple banks, has been set up by RBI, he said.

Further, he said, RBI has launched campaign '100 Days 100 Pays' for banks to trace and settle the top 100 unclaimed deposits of every bank in each district within a 100-day timeframe, commencing from June 1, 2023 to September 8, 2023.

At the end of campaign, major 31 banks (which comprised of more than 90 per cent of unclaimed deposit balances with the DEA Fund), have refunded Rs 1,432.68 crore in the campaign.

Replying to another question, Karad said quoting RBI data, gross non-performing assets (NPAs), including those associated with Prime Minister Employment Generation Programme (PMEGP), of scheduled commercial banks (SCBs) was Rs 9,33,779 crore (Gross NPA ratio of 9.07 per cent) as on March 31, 2019, Rs 8,96,082 crore (Gross NPA ratio of 8.21 per cent) as on March 31, 2020 and Rs 8,35,051 crore (Gross NPA ratio of 7.33 per cent) as on March 31, 2021.

It further came down to Rs 7,42,397 crore (Gross NPA ratio of 5.82 per cent) as on March 31, 2022, and Rs 5,71,544 crore (Gross NPA ratio of 3.87 per cent) as on March 31, 2023, he said. It indicates that gross NPAs in SCBs have been declining over the years, he added.

Further, he said, slippage ratios (fresh addition to NPAs as percentage of standard advances at the beginning of the year) of SCBs have declined from 3.74 per cent in financial year 2019-20 to 2.77 per cent in 2020-21 to 2.74 per cent in 2021-22 and to 1.78 per cent in 2022-23.

In a separate reply, Karad said, as per Reserve Bank of India (RBI), data on frauds (Rs 1 lakh and above) reported by Scheduled Commercial Banks under the categories — "Cards/internet – credit cards, cards/internet – debit cards and cards/internet – internet banking- based on date of reporting", during the 2021-22 and 2022-23 are 3,596 and 6,659, respectively.

In the context of the evolution of overall digital ecosystem, the number of frauds reported is significantly outweighed by the substantial increase in the number of total digital payment transactions during the same period.

Ministry of Home Affairs has informed that 'police' and 'public order' are state subjects as per the Seventh Schedule to the Constitution of India. States/UTs are primarily responsible for the prevention, detection, investigation and prosecution of crimes including cyber frauds through their Law Enforcement Agencies (LEAs), he said.

The central government supplements the efforts of state governments through advisories and financial assistance under various schemes for capacity building, he added. https://www.financialexpress.com/business/banking-finance-unclaimed-deposits-with-banks-rise-by-28-per-cent-to-rs-42270-crore-in-fy23-3342638/

16. Shaping AI discourse *(thehindubusinessline.com)* December 20, 2023

As the chair of Global Partnership of Artificial Intelligence (GPAI), India has an opportunity to contribute progressively to international AI governance discourse.

However, for Indian ideas to resonate globally it should shift away from traditional notions of command-and-control regulation premised on prescriptive compliance and liability. Since technologies like AI evolve at exponential rates there is an inordinate risk of widespread non-compliance. Additionally, enforcement becomes challenging, and regulations quickly become redundant. This creates widespread uncertainty and undue liability risks. Ultimately, prescriptive regulation can inhibit competition since only those market participants with adequate risk appetite will continue to innovate.

Instead, India should advocate partnerships which pursue flexible safeguards, transparency, knowledge sharing, accountability, economic growth, and development.

India's GPAI stewardship could echo contemporary international developments like the US' Presidential executive order (EO) on AI safety and security, the G7 Hiroshima AI Process, and other voluntary commitments made by tech majors at prior government interactions.

AI stewardship

Here are five ideas for India's AI stewardship.

First, governments must raise their capacity to engage with AI's wide applicability across domains like healthcare, climate change, financial services, education, agriculture, housing, and urban development. Such broad applicability requires knowledge exchange. MeitY, under its IndiaAI initiative, should facilitate a whole-of-government approach where different sectoral authorities collaborate with stakeholders to develop a publicly accessible repository of AI deployments and use cases. Sectoral authorities can subsequently commence dialogues around developing sector-specific codes of practice on responsible AI development.

Second, robust standards development will assist with quality assurance. Technical institutions like the Bureau of Indian Standards (BIS) and the Standardisation Testing and Quality Certification (STQC) Directorate must be equipped with adequate resources to pursue such objectives. India should also pursue government-to-government MoUs through which these institutions can collaborate with international counterparts like the US Department of Commerce's National Institute of Standards and Technology.

Third, India should commence an international project to explore solutions to mitigate the negative impact of deepfake technologies. India's current criminal and intermediary liability systems only offer post facto remedies. However, the damage from malicious deployments commences upon creation and distribution. The US EO earmarks digital watermarking as a possible solution. India should commence dialogue with international initiatives like the Coalition for Content Provenance and Authenticity to understand the capabilities, limitations and scalability of such systems.

Fourth, the US and the UK have announced plans to establish national AI Safety Institutes to oversee 'frontier' AI models. This is to manage the unintended consequences of powerful AI models, which are vulnerable to being used for cyber-enabled attacks against critical information infrastructures. India should set up a similar AI safety institute which closely works with industry and cybersecurity institutions like CERT-In and the NCIIPC.

Finally, AI's risks are well documented across criminal justice/policing, housing, financial services and healthcare. The risks intersect with issues like accuracy, bias, discrimination, exclusion, citizen privacy, etc. As governments explore how AI can improve public service delivery and other government functions, public trust will be imperative for long run sustainability. India should establish legislation which safeguards citizens' rights against the risks of Government AI deployments. https://www.thehindubusinessline.com/opinion/shaping-ai-discourse/article67655568.ece

17. Supervising AI *(financialexpress.com)* December 20, 2023

AI can become a horror long before we reach the point of singularity

About a month has passed since the kerfuffle at OpenAI which saw Sam Altman booted out as its boss, only to triumphantly return three days later. The last bastion of 'responsible' artificial intelligence (AI) seems to have fallen, as I have written elsewhere.

Let me explain: OpenAI was first a non-profit research lab whose mission was to safely develop AI that was at a human level or beyond, often called artificial general intelligence or AGI (and "singularity" the point where AI is beyond human intelligence).

The emphasis was on "safety" to avoid what historian Yuval Noah Hariri said some years ago in the Financial Times: "Once big data knows me better than I know myself, authority will shift from humans to algorithms".

The structure was governed by the original non-profit board, which answered only to the goals of the original mission, and had the power to fire Altman, as he himself said once in an interview. The truth is that Altman was not in fact replaceable by the board, as we have seen. Now that the old boss is back and most of the board is gone, a new board that will probably be more pliant has taken over. This means we are in a free-for-all.

We are now back to the point where we must look at voluntary safeguards set in place by these companies (OpenAI, Amazon, Microsoft, Google, and others) to keep us from the point where AI can become a horror.

For instance, OpenAI has now announced early results from its "superalignment" team, its voluntary, in-house initiative to prevent a computer with superintelligence—one that can outsmart human beings—from going off unsupervised and creating harm.

Today, the primary method used by these models (primarily generative AI models such as ChatGPT and Google's Gemini) is reinforcement learning via human feedback. Simply stated, human testers give the model high scores when they see output they like and low scores when the output seems subpar to them (as human beings). This is partly what contributes to their output being so engaging.

According to OpenAI's superalignment team, however, co-led by Ilya Sutskever, OpenAI's chief scientist (who was supposedly behind the board's push to fire Altman), the issue with this method is that it requires human beings in the first place to tell the model what is desirable and what is undesirable—but the team thinks that a supermodel will go off and do things that a human is unable to score.

The team proposes to use older models to supervise newer ones. So, for example, instead of human beings, GPT-2 (a five-year-old product) would supervise GPT-4. The flaw in this reasoning is plain to see, but according to OpenAI's superalignment team, if this could be pulled off, then it may be evidence that similar techniques could be used by humans to supervise superhuman models. I'm still foxed; maybe you can understand this reasoning better than I.

Apart from such internal and voluntary methods, there is nothing else seeking to rein in the horrors that unbridled AI development may rain on us (save a few bleatings by governments).

Now, hope is centered around the European Union's AI Act which would require extra checks for "high risk" uses which have the most potential to harm humans.Europeans led the way around data privacy legislation a few years ago, and the hope is that they will light this technology path yet again. Two and a half years after it was mooted, after gruelling negotiations and much back and forth, the EU's lawmakers have reached a deal and moved the AI Act into law. As with data, the Europeans will become the world's guard dogs around AI. The rest of us will follow.

Not to be outdone, the US also issued a proclamation on October 30, 2023, in the form of an executive order. I say proclamation since the US' legislative bodies are in polarised disarray and can barely stay in business, let alone ratify laws, and it's likely that a change in an incoming President next year could also topple the current executive order.

That said, in the current executive order, President Joe Biden says: "In the end, AI reflects the principles of the people who build it, the people who use it, and the data upon which it is built." He has also said "We need to govern this technology. There's no other way around it in my view. It must be governed."

The executive order makes many statements like these, and touts voluntary safeguards, but in my opinion, somewhat like my columns, lacks enough specifics on how the rules show be enforced.

AI can become a horror long before we reach the point of singularity, which is when machines theoretically become smarter than humans. Jobs, while front and centre in our imaginations, are far from what should be worrying us the most about the advances in AI. To my mind, the AI-based development of autonomous weaponry, which can decide for themselves when to take human lives, is far more frightening.

According to The Independent, the UN says military drones may have already attacked humans without being instructed to. As Ifeoma Ajunwa, an expert in this field, says, “The actual present danger is not AI becoming too intelligent. It’s more that humans are using AI in ways that are counter to our democratic beliefs about equal opportunity and equal protection.” And that’s exactly the point. Let’s have humans govern humans first—before we worry about machines governing machines. https://www.financialexpress.com/opinion/supervising-ai/3342900/