NEWS ITEMS ON CAG/ AUDIT REPORTS

1. What House panel report on ASI says about 'rationalising' protected monuments, and rules governing them (*indianexpress.com*) Updated: September 26, 2023

What was this Parliamentary Standing Committee? What has it said about dividing the ASI's functions, and about how to decide what monuments should be protected?

Claiming that many of the 3,691 centrally protected monuments (CMP) in India are "minor" monuments, a parliamentary committee has recommended that the list should be "rationalised and categorised" on the basis of their national significance, unique architectural and heritage value.

Besides, it has also raised questions about the functioning of the Archaeological Survey of India (ASI), the custodian of all CPMs in India, in terms of its administration, security, restoration work and general upkeep of heritage sites.

The panel – headed by YSRCP's Rajya Sabha MP V Vijaisai Reddy, with more than a dozen MPs across political parties as its members – has made several recommendations in this regard. Here's what is says:

The committee

The recommendations are part of the '359th Report on the Functioning of Archaeological Survey of India' by the Parliamentary Standing Committee on Transport, Tourism and Culture, which was presented to Parliament last week. During its tenure, the committee held four meetings, with the Ministry of Culture and the Administrative Head of ASI, and with NGOs Indian National Trust for Art and Cultural Heritage (INTACH) and Aga Khan Trust for Culture (AKTC) in August.

The panel also undertook on-the-spot study visits to Mumbai and Bekal and held meetings with the representatives of the Ministry of Culture, ASI, and the state governments of Maharashtra and Kerala on July 5 and September 8, respectively.

Pruning the list of protected monuments

The committee said the list includes a large number of minor monuments with no national significance. It is estimated that this applies to at least a quarter of the current list of 3,691 monuments. In this regard, it says the list includes 75 graves of colonialera soldiers or officials of no notable importance. Some specific examples have also been cited.

For instance, "a small brick wall enclosure containing two graves located in Kumta, Karnataka, is a protected monument under the supervision of the ASI". The graves are those of public works department engineer John Albert Cope (died in 1880) and Henry Gassen (died 1877) who worked for a cotton ginning company. The structure had no architectural value, and the individuals were of no historical significance, the committee said. Yet, they are supposed to get the same level of protection as the country's most cherished monuments.

This approach is in keeping with the government's decolonisation agenda. As The Indian Express learnt, in the coming times, monuments selected by the British or those that glorify the colonial era would be taken out of the CPM list, while several other monuments that "reflect Indian ethos" will be included.

The committee recommends that the list of monuments with ASI should be rationalised and categorised on the basis of their national significance, unique architectural value and specific heritage content. Deletion of some of the kosminars (milestones built by Mughals) may also be considered, because they come in the way of road-widening exercises.

Easing restrictions around monuments

The committee said the provision of a 100-metre prohibited area and 300-metre regulated area around all ASI-protected monuments leads to public inconvenience. This provision was introduced in 2010 through an amendment in the AMASR Act, 1958, and prohibits and regulates all activities like mining and construction around 100 metres and 300 metres of all the protected monuments. This, the panel said, causes problems for the local community living around it. In some cases, the entire village is within a radius of 300 metres, which makes it difficult for the village to repair their residential houses. Such a situation, at many places, creates a hostile scenario the committe said.

The panel said the same rule applies equally to both significant and insignificant monuments. For instance, the rules above apply identically to the Ajanta and Ellora monuments as much as to kosminars, unknown cemeteries and tombs.

Fixing ASI's core mandate

The committee said that preservation of a monument or a site is a core mandate of the ASI and recommended the central agency to develop preservation plans for all its work, especially before excavations. This includes establishing clear strategies for documenting findings, conserving artefacts, and restoring structures to ensure minimal impact on the site's integrity. The ASI should focus on areas that have the potential to answer crucial historical questions and contribute to a deeper understanding of India's rich past, it said.

It also advocated the use of advanced technologies such as LiDAR, ground-penetrating radar, and 3D scanning enhanced accuracy and efficiency of excavations. Some of these techniques were recently used inside the Gyanvapi complex in Varanasi by the ASI for its court-mandated non-invasive survey, the report of which is yet to be made public.

Alternatively, to make the ASI an effective agency, it advised bifurcation of the organisation, the committee said. While the ASI can look after the core mandate – exploration, excavation and conservation aspects, the India Heritage Development Corporation (IHDC) can deal with ASI's revenue, such as ticket collection, conducting auctions, issuing licences, running cafeterias, selling mementoes and running sound and light systems.

What happens to missing monuments?

The committee said that the CAG had declared 92 CPMs as "missing". The ASI has located only 42 of these monuments, while the remaining 50 monuments are either affected by rapid urbanisation, submerged under reservoirs/dams or are untraceable.

The committee observes that "monuments once lost cannot ever be retrieved. The CPMS are central to our historical heritage. The ASI should, therefore, give the highest priority to ensuring the physical security of all CPMs across the country."

It recommended that the ministry may conduct a survey of all remaining monuments to ensure their physical existence and safety. It also recommended that regular physical surveys of all CPMs should be carried out from time to time. The ASI should maintain digital log books that include textual and photographic/ video records of the monument's physical state and location coordinates, it said, adding that this would also allow the ASI to check encroachment, if any, of these CPMs at an early stage.

Shortage of resources, fund crunch

The agency stated that as far as conservation work is concerned, there is an issue of shortage of human resources. The Ministry of Culture, under whose aegis the ASI functions, said it is finding ways and means to acquire human resources by outsourcing some work. However, the ASI expressed that this has its own limitations as such expertise is not available even outside.

The panel said India spends "a little amount" on the protection and upkeep of monuments. "It amounts to Rs 11 lakh per monument of national importance (Rs 428 crore for 3693 monuments in 2019-20)," it noted, adding that this is precious little for a culturally rich country like India.

Problems with restoration activities

The committee also said that there are certain places where restoration is being done without taking cognizance of the original design/beauty of the monument. The restoration works at many sites do not gel with the original design, it noted. In this regard, it said the ASI must undertake restoration work keeping the original structure, its relevance and aesthetics in mind. It didn't cite any major examples here. It also said "indigenous systems and traditional practices" are not being emphasised as much as they deserve.

It said that the ASI should integrate sustainable practices in conservation and restoration projects, such as using eco-friendly materials, energy-efficient techniques, and taking into consideration the long-term environmental impact of interventions.

In its response, the ASI said it has undertaken major conservation works at various locations across the country, including the Hoysala Temples in Karnataka (which has just been declared a UNESCO World Heritage Site) and Santiniketan in West Bengal (another recent WH site). The ASI informed the panel that it had undertaken conservation measures in foreign countries – such as Bamiyan Buddhas in Afghanistan; Ta Prohm and Preah Vihear temples in Cambodia; My Son Group of Temples in Vietnam; and Friday Mosque in Maldives. It informed the panel that the works outside India have been widely appreciated by the international community and the authorities in Fayaztepa and Karatepa Buddhist Sites in Uzbekistan are interested in giving their conservation work to ASI.

Other concerns

The committee notes that of the 24 agreements signed with various Monument Mitras (under Adopt a Heritage scheme), effective engagement had taken place only under

four MoUs. It also said concerns have been raised about the lack of prior experience of the private firms involved in restoration and conservation. There have been instances when companies without any expertise in the requisite domain are permitted to undertake those works, This has resulted in avoidable damage or destruction. It, therefore, recommended that only experienced Monument Mitras may be hired.

The committee observes that till date, 531 monuments, that is, about 14.4 per cent of ASI's total CPMs have been encroached. However, encroachments from only nine monuments have been removed since 2015. The committee recommended that the ASI should also provide support and assistance to individuals or families affected in the process of encroachment removal and help them transition to alternative livelihoods. https://indianexpress.com/article/explained/explained-culture/house-panel-report-on-asi-8955761/

2. Global Biofuel Alliance at G20: Land vs Water vs Food Security- Has the government addressed the trade-offs? (countercurrents.org) Updated: September 25, 2023

India has launched a Global Biofuel Alliance (GBA) at the recent G20 meeting in Delhi. The official declaration of it, as reported, reads as follows:

"The Alliance intends to expedite the global uptake of biofuel through facilitating technology advancements, intensifying utilisation of sustainable biofuels, shaping robust standard setting and certification through the participation of a wide spectrum of stakeholders. The alliance will also act as a central repository of knowledge and an export hub. GBA aims to serve as a catalytic platform, fostering global collaboration for the advancement and widespread adoption of biofuels"

While the initiative is welcome, as it seeks to facilitate energy transition from imported hydrocarbons to indigenously available bioresources, it has wider implications in terms of trade-offs via-a-vis land, water, food security etc. Have India's planners analysed those trade-offs adequately to be able to address them in a consistent manner? From the information available in the public domain and an approximate analysis as follows, it appears that the said tinter-sectoral trade-offs have not been adequately addressed.

The declaration aims at "facilitating technology advancements". Has India put together a robust R&D strategy to justify it? The answer to it is perhaps "No".

Efforts to use biofuels since 1948:

The Power Alcohol Act of 1948 provided for blending petrol with ethanol to reduce dependence on oil imports. Section 6 of the Act specifically empowered the Central government to direct use of power alcohol for motive power. Ever since then, the oil companies have been making efforts to substitute oil products such as motor spirit (petrol) and diesel with biofuels.

More recently, in January 2003, the Government of India launched the Ethanol Blended Petrol Programme (EBPP) in nine States and four Union Territories promoting the use of ethanol from molasses for blending with gasoline and the use of biodiesel from non-edible oils for blending with diesel (5% blending in either case). In April 2003, the

National Mission on Biodiesel launched by the Government identified Jatropha curcas as the most suitable tree-borne oilseed for biodiesel production. Due to ethanol shortage during 2004-05, the blending mandate was made optional in October 2004, and resumed in October 2006 in 20 States and 7 Union Territories in the second phase of EBPP (https://oar.icrisat.org/6520/1/WPS_34.pdf)

In April 2006, the Integrated Energy Policy (IPE) document of the erstwhile Planning Commission proposed that a 3-fold biofuel mission be launched to produce (i) biodiesel from non-edible oils like Jatropha and Karanja, (ii) biofuel from cellulosic ethanol and (iii) raise energy plantations.

In December 2009, the Government came out with a comprehensive National Policy on Biofuels formulated by the Ministry of New and Renewable Energy (MNRE), calling for blending at least 20% biofuels with diesel and petrol by 2017, a highly ambitious goal by any stretch of logic.

The Ministry of Petroleum & Natural Gas (MPNG) notified a national biofuel policy in 2018 aiming to achieve 20% blending of ethanol in petrol by 2030, later advanced to 2025. It is doubtful whether the Ministry can reach anywhere near that goal.

NITI Ayog released a report on 'Roadmap for Ethanol Blending in India 2020-25' in June 2021. The report estimated that India's requirement of ethanol for petrol blending would increase from 173 crore litres in 2019-20 to 1,016 crore litres in 2025-26. To meet this demand, the ethanol production capacity will have to be increased from 684 crore litres in 2019-20 to 1,500 crore litres in 2025-26. This includes a production capacity of: (i) 740 crore litres of grain-based ethanol, and (ii) 760 crores of sugar-based ethanol. The report recommended that the Ministry of Petroleum and Natural Gas should notify a plan for the availability of E10 fuel (blend of 10% ethanol and 90% petrol) by April 2022. Further, the Ministry was asked to notify a plan for continued availability of the fuel for older vehicles. The Ministry was advised that it should aim at making available fuel blended with 20% ethanol (E20) for the transport sector in a phased manner from April 2023 to ensure the availability of E20 by 2025. The roll out of higher ethanol blends may be done in phased manner, starting with the States with surplus production of ethanol.

Niti Ayog's report indicates that one litre of ethanol from sugar requires about 2,860 litres of water. In view of the need for water conservation, the report rightly recommended that suitable incentives should be used to (i) source ethanol from less water-intensive crops, and (ii) promote production from maize and second-generation sources. This is easier said than done. It is not clear whether Niti Ayog's estimates are based on realistic assumptions.

The efforts made by oil companies and other agencies to propagate biofuels over the years did not gain the expected momentum for one reason or another, even when the oil prices touched astronomical levels in 2008.

Despite the special steps taken by the government to divert cereals for biofuels, currently, the average ethanol blending percentage in petrol is around 2.0% and the biodiesel blending percentage in diesel is less than 0.1%.

Ethanol from sugar cane, rice, maize and other grains:

Production of ethanol from rice, sugar cane, maize and other grains involves significant changes in land use and cropping patterns. Rice and sugar cane are highly water-intensive and any steep increase in dependence on them for ethanol will not only necessitate significant changes in land-use patterns but also impose a severe stress on water. Either diversion of rice for ethanol production or diversion of land under rice for sugar cane and other energy crops will affect food security. These are critical trade-offs that cannot be lightly brushed aside.

Indirectly, if the farming community is persuaded to shift from conventional crops to energy crops, the demand for which may not be steady, they are likely to get exposed to undue risks.

Food security:

The National Biofuel Policy notified by the Ministry of Petroleum on June 4, 2018 (amended later without any significant change in the approach) envisages "allowing conversion of surplus quantities of food grains to ethanol." It is doubtful whether India, with its rapidly increasing population, can hope to have "surplus" food grains in the foreseeable future, which can be made available with certainty for ethanol production. A paramount requirement for the biofuel policy to succeed is to ensure a steady supply of ethanol, as otherwise it will erode consumer confidence and cause a setback.

A 2011 ADB study, "Food Security, Energy Security, and Inclusive Growth in India The Role of Biofuels" (<u>https://www.adb.org/publications/food-security-energy-</u> <u>security-and-inclusive-growth-india-role-biofuels</u>) indicated that a goal to achieve a 20% ethanol blend in fuel will necessitate 63.8 million ha of additional land to be brought under sugar cane. The requirement will be much more today, as fuel needs of the transport sector have further increased.

Land availability being severely limited in India, with landless households cultivating almost the entire extent of the so-called "wasteland" for raising food crops to sustain themselves, it is doubtful whether any significant extent of additional land would be available at all, either for sugar cane or any other energy crop.

As a result of the increasing population, the demand for food grains and consequently the demand for agricultural land, including irrigated land, will continually increase. However, the total extent of agricultural land in the country has stagnated around 180 million hectares (MHA). Out of it, the extent of irrigated land has fluctuated around 100-112 MHA.

In terms of demand for food grains, what really matters is the per capita consumption.

Though the production of food grains in the country increased marginally, the per capita availability (kg per year) of food grains has stagnated as follows:

(kg/year)

Item	2004	2014	2022
Rice	71.3	72.3	69.6
Wheat	59.2	66.8	68.8

Other

cereals

25.3 22.6 29.8

Therefore, bringing an additional extent of even 63.8 MHA of land under sugar cane, as estimated in 2011 by in the above-cited ADB report, will involve a corresponding extent of diversion of land from food grains, adversely affecting the country's food security. Sugar cane is water-intensive. Therefore, such a large scale diversion of land to sugar cane will also impose a stress on scarce water resources, as explained below.

Water scarcity:

As stated earlier, the total irrigated area in the country has been fluctuating around 100-112 MHA. In many regions of India, ground water aquifers stand overexploited.

A recent official report (https://pib.gov.in/PressReleasePage.aspx?PRID=1881845) corroborates this situation. The annual per-capita water availability of less than 1700 cubic meters is considered a water-stressed condition. Based on the 2019 study undertaken by the CWC of "Reassessment of Water Availability in India using Space Inputs", the average annual per capita water availability for the year 2031 has been assessed as 1367 cubic meters. As per Dynamic Ground Water Resource Assessment 2022. out of the total 7089 assessment units (Block/Taluks/ Mandals/watersheds/Firkas) in the country, 1006 units in 16 States/UTs have been categorised as 'Over-exploited' where the Annual Ground Water Extraction is more than the Annual Extractable Ground Water Resource. 260 units have been categorised as 'Critical', 885 units as 'Semi-critical', 4780 units as 'Safe' and 158 units as 'Saline'.

This shows that policy options that tend to increase dependence on water, as in the case of shifting to ethanol produced from rice or sugar cane, will accentuate the country's water stress and will eventually fail to take off.

Rice for ethanol:

As an interim measure, the government has allowed the use of rice for ethanol production. FCI sold 1.3 millions tonnes of rice for ethanol from December 2022 till end of June 2023, as against a total annual procurement level of 56 million tonnes (https://economictimes.indiatimes.com/industry/renewables/fci-sells-13-05-lakh-tn-rice-worth-rs-2610-cr-for-ethanol-production-till-july-10-in-2022-23-dec-nov/articleshow/102147585.cms?from=mdr). If rice is to be diverted for ethanol on a much large scale, it will evidently hurt food security, in addition to the fact that rice itself is a water guzzling crop. Converting rice into ethanol would imply a corresponding increase in the water intensity of ethanol. Food security is a right

conferred on the citizen by the Constitution and that right cannot be compromised.

Sugar cane:

According to one conservative estimate, meeting E20 with ethanol produced from molasses by 2030 would require an additional 1320 million tons of sugarcane, 348 billion cubic meters of water, and 19 million hectares of land in India (https://iopscience.iop.org/article/10.1088/1748-9326/ab9925/meta) In other words, production of ethanol from sugar will increase stress on both scarce land resources and scarce water resources and it will give rise to both land and water conflicts.

Maize and other cereals:

Considering an ethanol yield of 380 litres/ tonne as suggested by the NITI Ayog, meeting the maize requirement for ethanol production will require an additional 4.82 MHA of land under maize, more than half of the present 10 MHA under maize cultivation. A policy based on producing ethanol from maize will thus involve major land-use changes. (https://www.orfonline.org/research/the-implications-of-indias-revised-roadmap-for-biofuels/)

Land being a scarce resource, its use for alternate purposes needs to be evaluated carefully. For example, one estimate (<u>https://ieefa.org/wp-content/uploads/2022/03/Indias-Ethanol-Roadmap-Off-Course_March-2022.pdf</u>) shows that the annual travel distance of electric vehicles recharged from 1hectare of solar insolation will be equivalent to ethanol produced from cultivating maize over 187 hectares. Full implementation of Niti Ayog's road map for ethanol from maize may require as much as 30,000 additional sq. km to come under cultivation of maize.

Brazil's ethanol programme:

Brazil's sugarcane ethanol programme is perhaps the most successful biofuel program in the world so far. Brazil is the world's largest producer of fuel ethanol. In addition to providing 40% of its gasoline market with ethanol, Brazil exports a significant quantity of ethanol to Europe, Japan, and the United States. However, as reported in a research article the Journal of Institute of in the Physics (https://iopscience.iop.org/article/10.1088/1748-9326/1/1/011002/pdf), a successful biofuel programme calls for a steady supply of ethanol, as otherwise, the consumers of biofuel will shift back to oil products, which the biofuels are expected to replace. In Brazil, there have been significant fluctuations in ethanol production from year to year, which eroded consumer confidence in its steady availability. There have also been public concerns about Brazil's sugarcane ethanol programme causing soil erosion, biodiversity problems as a result of land-use changes, local air pollution problems caused by burning of sugarcane plantations before harvest and so on.

India's planners should study the case of Brazil and see how ethanol blending can be implemented in the Indian conditions, without leading to inter-sectoral conflicts.

Environmental implications:

The national biofuel policy as notified by MPNG in line with Niti Ayog's roadmap will not only involve major shifts in the land-use patterns and increased demand for water with its associated direct impacts on the environment but also call for abridging the existing environment laws and procedures that may compound the increasing problems of pollution.

There is research literature to suggest that the environment implications of biofuels are far more worrisome than usually thought. For example, a recent research publication (<u>https://doi.org/10.1073/pnas.2101084119</u>) on "Environmental outcomes of the US Renewable Fuel Standard", the the world's largest existing biofuel program of cornbased ethanol in the United States states as follows:

"the RFS (Renewable Fuel Standard) increased corn prices by 30% and the prices of other crops by 20%, which, in turn, expanded US corn cultivation by 2.8 Mha (8.7%)

and total cropland by 2.1 Mha (2.4%) in the years following policy enactment (2008 to 2016). These changes increased annual nationwide fertilizer use by 3 to 8%, increased water quality degradants by 3 to 5%, and caused enough domestic land use change emissions such that the carbon intensity of corn ethanol produced under the RFS is no less than gasoline and likely at least 24% higher. These tradeoffs must be weighed alongside the benefits of biofuels as decision-makers consider the future of renewable energy policies and the potential for fuels like corn ethanol to meet climate mitigation goals"

R&D effort in India:

While Niti Ayog's ambitious roadmap for energy transition from hydrocarbons to biofuels is commendable, unless it rests on a sound R&D foundation, it will not go far.

Considering that the mission to promote ethanol as a fuel started decades ago, by now, India ought to have set up a vast network of research facilities aimed at developing technologies for producing biofuels, which place minimal stress on land, water and other natural resources.

One of the major problems that India faces today is dealing with the rapidly worsening problem of disposal of urban waste. The per capita daily urban waste generation in India is around 330-550 grams. This adds up to roughly 50 million tonnes of waste per year, which will increase 125 million MT vear 2031 to a bv (https://www.niti.gov.in/sites/default/files/2021-12/Waste-Wise-Cities.pdf). What portion of this can be tapped for conversion to energy? Can the conversion efficiencies be enhanced and adverse environmental impacts mitigated? There are other wastes generated in the economy, both organic and inorganic. Can they be converted to energy and can the conversion efficiencies enhanced? In some States, agricultural wastes are being burnt causing air pollution. Can such wastes be processed into biofuels? (https://www.siliconrepublic.com/innovation/mit-biofuels-biotech-greenhouse-gas) Can water and land intensities of biofuels be reduced? These are the areas which India's R&D work needs to address. What we need urgently are R&D studies aimed at finding solutions relevant to India. Is there a cogent R&D strategy put in place, supporting the national biofuel policy? The answer to it is in the negative.

India's overall R&D expenditure in proportion to GDP has plummeted from 0.8% in 2009 to 0.64% at present, indicating the low priority given to it by the planners. It is among the lowest in the world. The proportion of that earmarked for biofuels is miniscule.

Though the mission to replace hydrocarbons with biofuels started decades ago, no tangible steps have been taken to build a network of research facilities for biofuels till date. While DST's Clean Fuel Research Institute and IOC's R&D centre have been active, their efforts have been half-hearted, constrained by budget allocations. Had the government been serious about increasing investment in R&D on biofuels, it could have allocated sufficient funds for it from the Oil Industry Development Cess.

According to the CAG (https://cag.gov.in/uploads/download_audit_report/2021/Report%20No.%207%20of%2020 21_English_(12-7-2021)-061a4c5a0ceebc7.43031638.pdf), the government collected Rs 1,28,461 Crores from this cess during the ten-year time frame from 2010-11 to 2020-

21, but failed to transfer any amount to the Oil Industry Development Board (OIDB). Even out of the net proceeds of Rs 72,384 Crores transferred to OIDB, only Rs 15,506 Crores were spent on its activities, the proportion of it going for R&D in biofuels being marginal. This shows the low priority accorded by the government to R&D activity for enhancing oil use efficiencies in general and for R&D work on biofuels in particular.

Conclusion:

It is clear that the Global Biofuel Alliance (GBA) announced at the recent G20 meeting, though a positive initiative, is not supported adequately by an analysis of the intersectoral trade-offs it involves and it does not rest on a matching R&D strategy. It fails to take advantage of the possibility of producing biofuels from urban and other wastes, the disposal of which has posed a serious problem. One can only hope that those who have planned this initiative wake up to these concerns and take corrective measures urgently. <u>https://countercurrents.org/2023/09/global-biofuel-alliance-at-g20-land-vs-water-vs-food-security-has-the-government-addressed-the-trade-offs/</u>

3. Aadhaar Biometrics Unreliable In 'Hot, Humid' India, Says Moody's; Centre Rejects Claims (*outlookindia.com*) Sep 26, 2023

After global credit agency Moody made sweeping assertions against Aadhaar, claiming that it poses security and privacy risks, the Centre issued a strong rebuttal stating that the report in question does not cite either primary or secondary data or research in support of the opinions presented in it.

Moody's Investors Service claimed that the Aadhaar, which is the world's largest digital id program, often results in service denials and the reliability of biometric technologies, especially for manual labourers, in "hot and humid climates" is questionable. The concerns raised by Moody's comes almost a year after the country's top auditor, the Comptroller and Auditor General (CAG) of India had criticised the Unique Identification Authority of India (UIDAI) for Aadhaar's "deficient data management".

What the Moody's said

While the Moody's report from September 17 notes that Aadhaar enables access to public and private services, with verification via fingerprint or iris scans, and alternatives like OTPs, with an aim to integrate marginalised groups and expand access to welfare benefits, it also noted that the system faces several hurdles including the burden of establishing authorisation and concerns about biometric reliability.

The agency also red-flagged certain security and privacy risks to users with such centralised systems where a single entity such as a government electoral roll "controls and manages a user's identifying credentials and their access to online resources".

Government's response

The unique id Aadhaar's custodian said that the report in question does not cite either primary or secondary data or research in support of the opinions presented in it.

"A certain investor service has, without citing any evidence or basis, made sweeping assertions against Aadhaar, the most trusted digital ID in the world. Over the last decade, over a billion Indians have expressed their trust in Aadhaar by using it to authenticate themselves over 100 billion times," the UIDAI said in a statement.

It said that the report ignores that biometric submission is also possible through contactless means such as face authentication and iris authentication. "The investor service did not make any attempt to ascertain facts regarding the issues raised by it from the Authority. The sole reference cited in the report is in respect of the Unique Identification Authority of India (UIDAI), by referring to its website. However, the report incorrectly cites the number of Aadhaars issued as 1.2 billion, although the website prominently gives the updated numbers," the UIDAI said.

Retorting to fears against privacy concerns, the statement said, "In addition, the option of mobile OTP is also available in many use cases. The report also avers that there are security and privacy vulnerabilities in a centralised Aadhaar system. The factual position in this regard has been repeatedly disclosed in response to Parliament questions, where Parliament has been categorically informed that till date no breach has been reported from the Aadhaar database."

The Electronics and IT Ministry also highlighted that the G-20 Global Partnership for Financial Inclusion (GPFI), in a report prepared by the World Bank, has stated that the "implementation of DPIs such as Aadhaar (a foundational digital ID system), along with the Jan Dhan bank accounts, and mobile phones, is considered to have played a critical role in enhancing ownership of transaction accounts. Such accounts, it said, have gone up from approximately one-fourth of adults in 2008 to over 80% now — "a journey that it is estimated could have taken up to 47 years without DPIs".

The ministry also said a number of international agencies, including the IMF and the World Bank, have lauded Aadhaar and several nations have also engaged with the UIDAI to understand how they may deploy similar digital ID systems.

Moody's report and Centre's rebuttal comes at a time when several issues have been raised around Aadhaar's privacy over the last few years. The CAG last year raised concerns that there are issues of data-matching, errors in authentication, and shortfall in archiving in Aadhaar. <u>https://www.outlookindia.com/national/aadhaar-biometrics-unreliable-in-hot-humid-india-says-moody-s-centre-rejects-claims-news-320643</u>

4. Govt Calls Moody's Opinion on Aadhaar as 'Baseless', Says Most Trusted Digital ID in India (goodreturns.in) Sep 26, 2023

The government slammed Moody's Investors Services' opinion of Aadhaar where the rating agency questioned the reliability of the country's 12-digit biometric universal identity. The Ministry of Electronics & IT on September 25 called Moody's views on Aadhaar "baseless". The ministry also said, that over the last decade, over a billion Indians have expressed their trust in Aadhaar by using it to authenticate themselves over 100 billion times.

In a statement, the ministry said, "a certain investor service has, without citing any evidence or basis, made sweeping assertions against Aadhaar, the most trusted digital ID in the world," adding, "Over the last decade, over a billion Indians have expressed their trust in Aadhaar by using it to authenticate themselves over 100 billion times."

"To ignore such an unprecedented vote of confidence in an identity system is to imply that the users do not understand what is in their own interest," the ministry said.

On Monday, Moody's raised red flags about Aadhaar biometrics. The rating agency observed that Aadhaar enables access to public and private services, with verification via fingerprint or iris scans, and alternatives like One-Time Passcodes, with an aim to integrate marginalised groups and expand welfare benefits access, as reported by Indian Express. However, it added, the system faces hurdles, including the burden of establishing authorisation and concerns about biometric reliability.

Moody's concerns over Aadhaar came after India's top auditor, the Comptroller and Auditor General (CAG) knocked the doors of the Unique Identification Authority of India (UIDAI) for Aadhaar's deficient data management.

As per the ministry, Moody's report in question does not cite either primary or secondary data or research in support of the opinions presented in it. The investor service did not make any attempt to ascertain facts regarding the issues raised by from the Authority. The sole reference cited in the report is in respect of the Unique Identification Authority of India (UIDAI), by referring to its website. However, the report incorrectly cites the number of Aadhaars issued as 1.2 billion, although the website prominently gives the updated numbers.

Further, the ministry pointed out that Moody's report avers that the use of biometric technologies results in service denials for manual laborers in India's hot, humid climate, an obvious reference to India's Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS).

The ministry argued that it is evident that the authors of Moody's are unaware that the seeding of Aadhaar in the MGNREGS database has been done without requiring the worker to authenticate using their biometrics, and that even payment to workers under the scheme is made directly crediting money in their account and does not require the worker to authenticate using their biometrics.

Further, the ministry said, "The report ignores that biometric submission is also possible through contactless means like face authentication and iris authentication. In addition, the option of mobile OTP is also available in many use cases."

In case of the concern over security and privacy vulnerabilities in a centralised Aadhaar system, the ministry said, "The factual position in this regard has been repeatedly disclosed in response to Parliament questions, where Parliament has been categorically informed that till date no breach has been reported from Aadhaar database. Further, Parliament has laid down robust privacy protections in the law governing the Aadhaar system and these are observed through robust technological and organisational arrangements."

State-of-the-art security solutions are in place, along with a federated database and encryption of data both at rest and in motion, the ministry added.

Also, the ministry said, "While the vote of confidence of a billion-plus Indians is sufficient testimony to the value offered by Aadhaar, it is pertinent that a number of international agencies, including the IMF and World Bank, have lauded the role of Aadhaar. Several nations have also been engaged with the Authority to understand how they may deploy similar digital ID systems."

"Aadhaar is the foundational Digital Public Infrastructure (DPI) of the India stack," the ministry said.

Recently, the G20 New Delhi Declaration has welcomed the G20 Framework for Systems of Digital Public Infrastructure, a voluntary and suggested framework for the development, deployment and governance of Digital Public Infrastructure (DPI), and welcomed India's plan to build and maintain a Global Digital Public Infrastructure Repository (GDPIR), a virtual repository of DPI, voluntarily shared by G20 members and beyond.

https://www.goodreturns.in/news/govt-calls-moodys-opinion-on-aadhaar-asbaseless-says-most-trusted-digital-id-in-india-1302357.html

5. मूडीज ने 'आधार' के बायोमेट्रिक तकनीक पर उठाए सवाल, जानिए सरकार की सफाई के बावजूद क्यों करनी चाहिए चिंता (jansatta.com) Sep 26, 2023

भारत का डिजिटल आईडी 'आधार' एक बार फिर सवालों के घेरे में है। दुनिया की जानी-मानी रेटिंग एजेंसी मूडीज इन्वेस्टर्स ने आधार की विश्वसनीयता पर सवाल उठाया है। मूडीज ने आधार की बायोमेट्रिक टेक्नोलॉजी पर सवाल उठाते हुए कहा है कि यह गर्म और ह्यू मिडिटी वाले क्षेत्र के विश्वसनीय ढंग से काम नहीं कर पाता। इससे लोगों को कई सर्विस से वंचित रहना पड़ जाता है।

सरकार ने मूडीज के दावे को खारिज करते हुए कहा है कि इन्वेस्टर्स सर्विस एजेंसी ने बिना किसी सबूत के दुनिया की सबसे भरोसेमंद डिजिटल आईडी आधार के खिलाफ दावा किया है। बता दें कि पिछले साल देश शीर्ष लेखा परीक्षक CAG आधार डेटा के त्रुटिपूर्ण प्रबंधन के लिए भारतीय विशिष्ट पहचान प्राधिकरण (UIDAI) की खिंचाई की थी।

आधार को लेकर मूडीज ने क्या कहा है?

मूडीज ने आधार को परिभाषित करते हुए कहा है कि यह दुनिया का सबसे बड़ा डिजिटल आईडी प्रोग्राम है। यह नागरिकों की सार्वजनिक और निजी सेवाओं तक पहुंच को सक्षम बनाता है। कहीं पर आधार देने पर उसका सत्यापन फिंगरप्रिंट या आईरिस स्कैन के जरिए होता है। वन-टाइम पासकोड जैसा विकल्प भी मिलता है। आधार का उद्देश्य हाशिए पर रहने वाले समूहों को एकजुट करना और कल्याणकारी लाभों को उन तक पहुंचाना है।

मूडीज़ ने कहा, "आधार सिस्टम को कई बाधाओं का सामना करना पड़ता है। लेकिन सबसे ज्यादा चिंता अथराइजेशन और बॉयोमीट्रिक की विश्वसनीयता पैदा करती है। सिस्टम की समस्याओं के कारण वेरिफिकेशन न होने से अक्सर लोगों को सर्विस नहीं मिल पाती। बायोमेट्रिक टेक्नोलॉजी की विश्वसनीयता, विशेष रूप से गर्म और आर्द्र जलवायु में काम करने वाले मजदूरों के लिए संदिग्ध है।

सरकार की प्रतिक्रिया

अपने बयान में सरकार ने कहा कि मूडीज़ ने दावा तो किया है लेकिन अपनी राय को साबित करने के लिए डेटा या शोध का हवाला नहीं दिया है। इन्वेस्टर्स सर्विस ने जो मुद्दे उठाए हैं, उनसे जुड़े तथ्यों का का पता लगाने के लिए यूआईडीएआई से संपर्क नहीं किया गया है। भारत की गर्म और आर्द्र जलवायु में आधार बायोमेट्रिक्स के काम न करने सवाल पर सरकार ने कहा कि चेहरे के प्रमाणीकरण और आईरिस प्रमाणीकरण जैसे संपर्क रहित माध्यमों से भी बायोमेट्रिक जमा करना संभव है।

रिपोर्ट में यह भी कहा गया है कि केंद्रीकृत आधार प्रणाली में सुरक्षा और गोपनीयता संबंधी कमजोरियां हैं। इस संबंध में तथ्यात्मक स्थिति का खुलासा संसद के सवालों के जवाब में बार-बार किया गया है। संसद को स्पष्ट रूप से सूचित किया गया है कि आज तक आधार डेटाबेस से कोई उल्लंघन की सूचना नहीं मिली है।

सरकार ने यह भी कहा कि आईएमएफ और विश्व बैंक जैसी अंतरराष्ट्री य एजेंसिजें यों ने "आधार की सराहना की है"। इसमें कहा गया है, "कई दूसरे देश भी आधार की टेक्नोलॉजी समझने के लिए भारत के साथ जुड़े हैं ताकि वे ऐसा डिजिटल आईडी सिस्टम अपने यहां ला सकें।

विश्वसनीयता संबंधी चिंताओं का क्या?

आधार की विश्वसनीयता पर चिंताएं महत्वपूर्ण हैं क्योंकिक्यों यह एक प्राइमरी आइडेंटिटी डॉक्यूमेंट है जो सरकार की कई कल्याणकारी योजनाओं से जुड़ा हुआ है। यदि आधार की तकनीक विश्वसनीय नहीं है, तो इससे बड़ी संख्या में लोगों के विभिन्न सब्सिडी से वंचित रहने की आशंका है, जिसके वे हकदार हैं। ध्यान रहे, सरकारी सब्सिडी पर निर्भर रहने वाले बहुत से लोग ऐसे भी हैं जिन्हें इसकी सबसे ज्यादा जरूरत है।

कुछ आंकड़ों पर एक नजर

31 जुलाई, 2023 तक, 765.30 मिलियन भारतीयों ने सार्वजनिक वितरण प्रणाली के माध्यम से राशन प्राप्त करने के लिए आधार को राशन कार्ड से जोड़ा था। पहल के माध्यम से 280 मिलियन से अधिक लोगों ने एलपीजी सब्सिडी के लिए आधार को रसोई गैस कनेक्शन से जोड़ा।

788 मिलियन से अधिक आधार को एनपीसीआई मैपर पर बैंक खातों के साथ विशिष्ट रूप से जोड़ा गया है। और पीएम किसान योजना के तहत लगभग 100 प्रतिशत किसान-लाभार्थी आधार के माध्यम से जुड़े हुए हैं।

लिबटेक इंडिया के वरिष्ठ शोधकर्ता लावण्या तमांग ने इंडियन एक्सप्रेस को बताया कि "आधार की विश्वसनीयता एक मुद्दा बन जाता है क्योंकिक्यों आप आवश्यक सेवाओं की डिलीवरी के लिए बायोमेट्रिक्स पर निर्भर हैं। जबकि बायोमेट्रिक्स दोषरहित नहीं है। बता दें कि तमांग जिस लिबटेक इंडिया में है वह एक एक एक्शन रिसर्च संगठन है जो पीडीएस जैसे कल्याणकारी कार्यक्रमों पर ध्यान रखता है।

तमांग कहते हैं, "ऐसी विफलताओं के परिणाम बेहद गंभीर हो सकते हैं। उदाहरण के लिए, झारखंड में आधार बायोमेट्रिक्स मैच न होने और इसके परिणामस्वरूप लोगों को पीडीएस से राशन नहीं मिलने के कारण भूख से लोगों की मौत हो जाती है।"

सीएजी की रिपोर्ट में क्या था? आधार आज भले ही यह 1.3 अरब से अधिक भारतीयों के लिए वास्तविक पहचान बन गया है। लेकिन आधार की गोपनीयता और विश्वसनीयता के मुद्दे पिछले कुछ वर्षों में बार-बार उठाए गए हैं। पिछले साल सीएजी ने एक रिपोर्ट में डेटा मिलान, प्रमाणीकरण में त्रुटियां और डेटा संग्रह में कमी का मुद्दा उठाया था। रिपोर्ट में कहा गया था कि कुछ मामलों में 10 साल बाद भी आधार कार्ड धारकों का डेटा उनके आधार नंबर से मेल नहीं खाता है।

रिपोर्ट में कहा गया था कि भले ही यूआईडीएआई दुनिया के सबसे बड़े बायो मेट्रिक डेटाबेस में से एक का रखरखाव कर रहा हो, लेकिन उसके पास डेटा संग्रह नीति नहीं है।"

सीएजी ने पिछले अप्रैल में 108 पेज की रिपोर्ट में कहा, "यूआईडीएआई ने अपने स्वयं के नियमों के प्रावधानों के विपरीत, मार्च 2019 तक बैंकों,कों मोबाइल ऑपरेटरों और अन्य एजेंसिजें यों को मुफ्त में प्रमाणीकरण सेवाएं प्रदान कीं, कीं जिससे सरकार को राजस्व का नुकसान हुआ।" <u>https://www.jansatta.com/jansatta-special/moody-questioned-reliability-of-</u> <u>aadhaar-biometric-technologies/3019575/</u>

STATES NEWS ITEMS

6. CAG report: Building Amaravati immense financial burden on state's exchequer (*newstap.in*) September 25, 2023

The report revealed that taking up such a humongous project would drain not only the coffers of the present Governments but would prove detrimental for the finances of the State in the future

AMARAVATI: The performance and audit report of the Comptroller and Auditor General of India on the efficacy of implementation of the 74th Constitutional Amendment Act, has said that the grandiose plan to construct a Greenfield capital Amaravati will cause an immense financial burden on the newborn State.

The report which was released during the Assembly session on Monday, revealed that taking up such a humongous project would drain not only the coffers of the present Governments but would prove detrimental for the finances of the State in the future. The CAG report opined that the then Government handed over the contract for drafting a master plan in nomination mode. It also found fault with the way the Government released Rs 28 crore for adviser firms on a nomination basis.

The report also pointed out that the construction of 'Praja Vedika' by the then TDP Government was a sheer waste of public money. <u>https://www.newstap.in/andhra-pradesh/cag-report-building-amaravati-immense-financial-burden-on-states-exchequer-1496572</u>

7. CAG raps TDP, YSRCP governments over capital project in Amaravati (thehindu.com) September 25, 2023

Unfruitful expenditure was incurred on the capital project and the purpose of Land Pooling Scheme was not achieved, says CAG report

The Comptroller and Auditor General of India (CAG) has made some serious observations pertaining to the capital city of Amaravati, asserting that unfruitful

expenditure was incurred on the capital project and that the purpose of the Land Pooling Scheme (LPS) was not achieved.

The CAG, in its compliance report for the financial year ended in March, 2021, rapped both the previous and present State governments. The report was tabled in Andhra Pradesh State Assembly on September 25 (Monday).

The CAG rapped the successive State governments asserting that the land acquired through the Land Pooling Scheme (LPS) had been lying idle after spending ₹2,244.94 crore, and that the objective of the LPS was not achieved.

The CAG also posited that the change in policy resulted in uncertainty over 55 packages that are still open contracts and require ₹28,047.82 crore for completion.

It pointed out that the consultants for the preparation of the Master Plan were selected by the then Telugu Desam Party (TDP) government on a nomination basis rather than following the procedures.

'Huge financial burden'

The recommendations of the Expert Committee were not considered and the Andhra Pradesh government opted to acquire 70% of the total land required for the capital city through land pooling mechanism, said the CAG said, adding that it 'left (a) huge financial burden' in the immediate and future periods.

The Andhra Pradesh Capital Region Development Authority (APCRDA) and Amaravati Development Corporation Limited (ADCL) got into contractual agreements for infrastructural packages for ₹33,476.23 crore 'without firming up a financial plan'.

As against the requirement of ₹55,343 crore worked out for the period between 2016 and 2023, the APCRDA could raise only ₹11,487.16 crore from all sources, the CAG said.

'Budgetary support not provided'

The budgetary support was not provided as per the financial plan brought out nor any effort was made after February 2019 by the YSR Congress Party (YSRCP) government.

Debt financing from the market is taken as the major resource for funding the development of the capital city. Against the planned mobilisation of ₹33,476.23 crore, the APCRDA borrowed ₹8,540.52 crore only.

"The change in policy on capital city development since May 2019 resulted in uncertainty over 55 packages that are still open contracts and require ₹28,047.82 crore for completion," the CAG said.

Out of the proposed works on the development of LPS infrastructure worth ₹13,802,75 crore, only ₹183.04 crore was spent by September 2021. Only four of the 16 packages achieved physical progress of 10% to 18%. The remaining 12 packages were still in the preliminary stage.

Of the 19 packages of government buildings worth ₹6,848.58 crore, only two packages worth ₹526.74 crore were completed. The remaining 17 packages achieved a physical progress of zero to 95% after spending ₹1,505.22 crore. As all the packages have come to grinding halt since May 2019, it is doubtful if these packages would progress and the amount of ₹1,505.22 crore already spent on these packages, thus, became unfruitful, the CAG said.

Due to improper planning, the material procured for re-routing of 220 KV underground cables worth $\gtrless208.67$ crore was lying idle without any utilisation. Further, the expenditure of $\gtrless60$ crore incurred towards re-routing of 400 KV lines had become unfruitful due to stoppage of works, the CAG report said.

Action of the APCRDA to allow construction of grievance cell building (Praja Vedika) constructed during the TDP regime unauthorisedly within the waterbody against the laid rules and subsequent demolition of the building by the YSRCP government had resulted in waste of public money of ₹11.51 crore, the report added. https://www.thehindu.com/news/national/andhra-pradesh/cag-raps-tdp-ysrcp-governments-over-capital-project-in-amaravati/article67345389.ece

8. Ward Secretariat system in Andhra Pradesh is against the spirit of Constitution, says CAG (thehindu.com) September 25, 2023

The Village Secretariat system is against the spirit of the Constitution, the Comptroller and Auditor General of India (CAG) said in its report on the efficacy of implementation of the 74th Constitutional Amendment Act, tabled in the Andhra Pradesh State Assembly on Monday.

In its report, the CAG said that the Ward Committees were not formed in the State. Instead, the State government introduced (in July 2019) the system of Ward Secretariats with an intention of decentralised governance. "The Ward Secretariats were formed without participation of elected representatives at the ward-level. Thus, formation of Ward Secretariats at the ward-level without formation of ward committees diluted the spirit of the Constitution as envisaged for local self-governance," the CAG said, adding, "We recommend that the government should form Ward Committees and integrate Ward Secretariats with Ward Committees and Area Sabhas to realise self-governance."

Out of 18 functions, the Andhra Pradesh government devolved 13 functions fully and three functions partially to municipal corporations and devolved only seven functions fully and five functions partially to municipalities/ nagar panchayats. Out of devolved functions also, all Urban Local Bodies (ULBs) had the full functional role in five functions only.

"The powers to assess, recruit and devise the service conditions of the staff in ULBs is retained completely by the State government. Hence, there is no autonomy for ULBs in the matter of human resources. The ULBs lacked adequate manpower as 20% of sanctioned posts were vacant in test-checked ULBs, affecting efficient service delivery. ULBs were largely dependent on outsourced staff for service delivery. We recommend that the State government may delegate adequate powers to ULBs to assess and recruit required staff to ensure efficient service delivery," the report said. https://www.thehindu.com/news/national/andhra-pradesh/ward-secretariat-

system-in-andhra-pradesh-is-against-the-spirit-of-constitution-sayscag/article67345610.ece

9. Ward Secretariat system in AP against the spirit of Constitution, says CAG (newindianexpress.com) 26 September 2023

VIJAYAWADA: The Comptroller and Auditor General of India (CAG) felt that the formation of the Ward Secretariat system in the State is against the spirit of the Constitution.

In its performance audit report on the efficacy of implementation of the 74th Constitutional Amendment Act, which was tabled in the AP Legislative Assembly on Monday, the CAG mentioned that the formation of Ward Secretariats at the ward level without the formation of Ward Committees diluted the spirit of the Constitution as envisaged for local self-governance.

Observing that Ward Committees were not formed and instead, the State government introduced the system of Ward Secretariats in July 2019 with the intention of decentralised governance, the CAG explained that the Ward Secretariats were formed without the participation of elected representatives at the ward level.

It recommended the State government to form Ward Committees and integrate Ward Secretariats with Ward Committees and Area Sabhas to realise self-governance. The audit body observed that the State government had been overriding the powers over Urban Local Bodies (ULBs).

'Andhra govt told to delegate adequate powers to ULBs'

With regard to the 74th Constitutional Amendment Act (74th CAA), which came into effect in June 1993, provided a Constitutional status to Urban Local Bodies (ULBs), the CAG observed that the State government had been overriding the powers over Urban Local Bodies (ULBs), which was against the spirit of the Constitutional Amendment.

Out of 18 functions, the State government devolved 13 functions fully and three functions partially to municipal corporations and devolved only seven functions fully and five functions partially to municipalities/nagar panchayats.

Out of devolved functions, all ULBs had the full functional role in five functions only. Stating that the objective of the 74th CAA was to entrust the delivery of major civic functions to ULBs, the CAG found that the function of urban planning, including town planning, regulation of land use and urban poverty alleviation, continued to be delivered by parastatals.

"The powers to assess, recruit and devise the service conditions of the staff in ULBs is retained completely by the State government. Hence, there is no autonomy for ULBs in the matter of human resources. The ULBs lacked adequate manpower as 20% of sanctioned posts were vacant in test-checked ULBs, affecting efficient service delivery. We recommend that the Andhra Pradesh government delegate adequate powers to ULBs to assess and recruit required staff," the report said. https://www.newindianexpress.com/states/andhra-pradesh/2023/sep/26/ward-secretariat-system-in-ap-against-the-spirit-of-constitution-says-cag-2618333.html

10. CAG Report Finds Glaring Holes in Development of AP Capital *(sakshipost.com)* Sep 25, 2023

Amaravati: The Comptroller and Auditor General of India (CAG) has made some shocking revelations on the development of capital city Amaravati in Andhra Pradesh in its report which was released on Monday, September 25.

The audits conducted between December 2016 to September 2021 shed light on the financial burden in the near future on the public exchequer due to the decision of previous Chandrababu Naidu-led TDP government

The CAG findings revealed that the recommendations of the expert committee were ignored by the then government and opted to acquire 70 percent of the total land required for the capital city. This land was acquired through land pooling mechanism and this exercise resulted in the huge financial burden for the state in the immediate and future periods. In addition to this, due process was not followed in selecting the consultants for preparing the Master Plan of the capital city. https://www.sakshipost.com/news/andhrapradesh/cag-report-finds-glaring-holesdevelopment-ap-capital-232257

11. CAG Concerns about Jagan's Only Idea! (m9.news) September 26, 2023

The Comptroller and Auditor General (CAG) has expressed its displeasure with the YCP government and Chief Minister Jaganmohan Reddy. The report presented in the AP Assembly has sparked outrage, with the CAG critiquing the policies of the YSRCP government.

The CAG has submitted audit reports for the financial year 2020-21, and one of its major contentions is the illegality of establishing village and ward secretariats. The CAG argues that the establishment of the village and ward secretariat system went awry without the involvement of elected public representatives.

According to the report, village and ward secretariats were established for decentralized governance without the formation of ward committees. The CAG has expressed frustration with the AP government, contending that the system of village and ward secretariats implemented in July 2019 has undermined the constitutional spirit.

The CAG has admonished that the establishment of village and ward secretariats at the grassroots level is detrimental to local self-governance. To promote self-governance, the CAG has recommended the formation of ward committees with public representatives. <u>https://www.m9.news/politics/cag-expresses-concerns-over-jagans-secretariats/</u>

12. कैंग का कहना है कि आंध्र प्रदेश में वार्ड सचिवालय प्रणाली संविधान की भावना के खिलाफ है (jantaserishta.com) 26 Sept 2023

विजयवाड़ा: भारत के नियंत्रक एवं महालेखा परीक्षक (सीएजी) ने महसूस किया कि राज्य में वार्ड सचिवालय प्रणाली का गठन संविधान की भावना के खिलाफ है।

74वें संवैधानिक संशोधन अधिनियम के कार्यान्वयन की प्रभावकारिता पर अपनी प्रदर्शन ऑडिट रिपोर्ट में, जिसे सोमवार को एपी विधान सभा में पेश किया गया था, सीएजी ने उल्लेख किया कि वार्ड समितियों के गठन के बिना वार्ड स्तर पर वार्ड सचिवालयों के गठन ने भावना को कमजोर कर दिया। जैसा कि संविधान में स्थानीय स्वशासन की परिकल्पना की गई है।

यह देखते हुए कि वार्ड समितियों का गठन नहीं किया गया था और इसके बजाय, राज्य सरकार ने विकेंद्रीकृत शासन के इरादे से जुलाई 2019 में वार्ड सचिवालय की प्रणाली शुरू की, सीएजी ने बताया कि वार्ड सचिवालय का गठन वार्ड स्तर पर निर्वाचित प्रतिनिधियों की भागीदारी के बिना किया गया था।

इसने राज्य सरकार को स्व-शासन को साकार करने के लिए वार्ड समितियों का गठन करने और वार्ड समितियों और क्षेत्र सभाओं के साथ वार्ड सचिवालयों को एकीकृत करने की सिफारिश की। लेखापरीक्षा निकाय ने पाया कि राज्य सरकार शहरी स्थानीय निकायों (यूएलबी) पर शक्तियों का हनन कर रही है।

'आंध्र सरकार ने यूएलबी को पर्याप्त शक्तियां सौंपने को कहा'

जून 1993 में लागू हुए 74वें संवैधानिक संशोधन अधिनियम (74वें सीएए) के संबंध में, जिसने शहरी स्थानीय निकायों (यूएलबी) को संवैधानिक दर्जा प्रदान किया, सीएजी ने पाया कि राज्य सरकार शहरी स्थानीय निकायों पर शक्तियों का उल्लंघन कर रही है। यूएलबी), जो संवैधानिक संशोधन की भावना के खिलाफ था।

18 कार्यों में से, राज्य सरकार ने 13 कार्यों को पूर्ण रूप से और तीन कार्यों को आंशिक रूप से नगर निगमों को सौंप दिया और केवल सात कार्यों को पूरी तरह से और पांच कार्यों को आंशिक रूप से नगर पालिकाओं/नगर पंचायतों को सौंप दिया।

हस्तांतरित कार्यों में से, सभी यूएलबी की केवल पाँच कार्यों में पूर्ण कार्यात्मक भूमिका थी।

यह कहते हुए कि 74वें सीएए का उद्देश्य यूएलबी को प्रमुख नागरिक कार्यों की डिलीवरी सौंपना था, सीएजी ने पाया कि शहरी नियोजन के कार्य, जिसमें टाउन प्लानिंग, भूमि उपयोग का विनियमन और शहरी गरीबी उन्मूलन शामिल हैं, पैरास्टैटल्स द्वारा वितरित किए जाते रहे।

"यूएलबी में कर्मचारियों की सेवा शर्तों का आकलन, भर्ती और तैयार करने की शक्तियां पूरी तरह से राज्य सरकार द्वारा बरकरार रखी गई हैं। इसलिए, मानव संसाधन के मामले में यूएलबी के लिए कोई स्वायत्तता नहीं है। यूएलबी में पर्याप्त जनशक्ति की कमी थी क्योंकि नमूना-जांच किए गए यूएलबी में स्वीकृत पदों में से 20% रिक्त थे, जिससे कुशल सेवा वितरण प्रभावित हुआ। हम अनुशंसा करते हैं कि आंध्र प्रदेश सरकार आवश्यक कर्मचारियों का आकलन और भर्ती करने के लिए यूएलबी को पर्याप्त शक्तियां सौंप दे, "रिपोर्ट में कहा गया है।

https://jantaserishta.com/local/andhra-pradesh/ward-secretariat-system-in-apagainst-the-spirit-of-constitution-says-cag-2847754

13. Excise dept suffered short realisation of duty worth Rs 1.45 cr: CAG (themeghalayan.com) September 26, 2023

This was revealed by the Comptroller and Auditor General of India (CAG) in its report on revenue sector for the year ended March 31, 2022.

SHILLONG: Alleged fraudulent practice by two bonded warehouses had led to short realisation of excise duty to the tune of Rs 1.87 crore. Subsequently, however, an amount to the tune of Rs 42 lakh was recovered from one bonded warehouse.

This was revealed by the Comptroller and Auditor General of India (CAG) in its report on revenue sector for the year ended March 31, 2022.

The report said that scrutiny of records – conducted in June 2020, October-November 2022 – pertaining to procurement and sale of rum revealed that two bonded warehouses namely M/s Ram Bonded Warehouse, Shillong and M/s VW Bonded Warehouse, Shillong had inflated their sales of rum at concessional rates of excise duty to canteen licensees by 58.461 cases during the period from April 1, 2015 to December 19, 2017.

It was seen that the two bonded warehouses had inflated their sale quantity of rum to canteen licensees by 45,291 cases and 13,170 cases, thereby evading excise duty to the tune of Rs 1.45 crore and Rs 0.42 crore respectively.

"This fraudulent practice by the bonded warehouses led to short realisation of excise duty to the tune of Rs 1.87 crore," the CAG said.

"This indicated that the excise department had issued sale permits to the canteens without verifying the stock account and had also failed to conduct periodical stock taking as per the provisions of the Rules ibid," it said while adding that the lapses on the part of the department allowed the two bonded warehouses to misuse the provisions of the notification dated April 28, 2011 ibid and report sale of a higher quantity of rum at concessional rates of excise duty than actual stock available.

On this being pointed out in August 2021, the department issued (in August 11, 2021, February 21, 2022 and September 20, 2022) demand notices to the bonded warehouses for recovery of the excise duty.

The matter was further reported to the Government (October 2021 and December 2022). In response, the department stated in February 2023 that M/s VW Bonded warehouse has made full payment of Rs 42 lakh. However, the reply is silent about recovery of revenue from M/s Ram Bonded Warehouse as on March 2023.

Meanwhile, the CAG recommended that the government needs to strengthen the mechanism for issue of sales permits to ensure that the stock of the dealer is invariably verified before the permit is issued and that the government needs to ensure recovery of dues from M/s Ram Bonded Warehouse at the earliest. <u>https://themeghalayan.com/excise-dept-suffered-short-realisation-of-duty-worth-rs-1-45-cr-cag/</u>

14. Tiger Needs Teeth (themeghalayan.com) September 26, 2023

Come Parliament and state Assembly sessions and the media is flush with reports about findings of the Comptroller and Auditor General (CAG) of India, an independent authority under Article 148 of the Constitution of India. The CAG, by virtue of being the head of Indian Audit and Accounts, is the guardian of the public purse and supervises the whole financial system of the country at both the central and state levels. Along with the Supreme Court, the Election Commission of India and the Union Public Service Commission, the CAG is supposedly one of the bulwarks of the democratic system of the Government in India. Its responsibility is to enforce the Indian Constitution and parliamentary legislation governing financial management. CAG helps the parliament/state legislatures hold their respective governments accountable. None other than the venerable Dr. B R Ambedkar had said that the CAG shall be the most important officer under the Constitution of India and his duties are far more important than the duties of even the judiciary.

Years down the line though, this "important" officer appears more like a paper tiger with little real power to discharge his/her crucial responsibility of helping the parliament/state legislatures hold their respective governments accountable; the governments simply do not seem to care. Take, for instance, the CAG report vis-a-vis the Meghalaya government, tabled in the just-concluded Meghalaya Assembly's autumn session; it is a lament. The CAG's Social Economic Sectors Audit Report states that departments concerned have remained silent even on Public Accounts Committee Reports tabled in the House for the past several years, with some of the departments not even bothering to reply to the observations made on financial irregularities pointed out; the government has not even deigned to respond to 3,639 paragraphs over the past 33 years. Lack of action for long periods is fraught with the risk of perpetuating financial and compliance irregularities pointed out, the report said.

The CAG suffers from several limitations that impede functioning to the fullest. For one, the report is post-facto i.e., after the expenditure is incurred and has only prospective value in improving systems and procedures; there is no power to audit Public Private Partnership investments; today, NGOs have become a conduit for a multitude of government schemes, but there is no provision for auditing of funds that are given to an NGO and elected local bodies; District Rural Development Authority are now managing large sums of money for rural development, yet they also are outside the purview of CAG audits. Under such circumstances and to make meaning of the CAG, it is imperative, therefore, that the officer is given more teeth by way of judicial powers to penalise officials unwilling to cooperate, to start with. It must be drilled into the collective head of officials that they can make light of CAG only at their own peril. https://themeghalayan.com/tiger-needs-teeth/

15. Govt to study CAG findings (theshillongtimes.com) Sep 25, 2023

SHILLONG, Sep 25: The Power department is likely to convene a meeting to study a report of the Comptroller and Auditor General of India (CAG) which pointed out glaring irregularities in the implementation of the Saubhagya scheme.

The irregularities are about giving undue financial benefit to contractors and wasteful expenditures worth multi-crore rupees.

It was learnt most of the top officers of the Power department are out of station and hence, the meeting will be called next week.

Highly-placed sources in the department ruled out any fresh inquiry into the alleged "scam", stating that an inquiry into everything was conducted a few years ago.

It is clearly visible that the recent report of the CAG has not caused any stirring within the machinery of the state.

In fact, if one flips the pages of history pertaining to the several past years, few of the departments have even refused to provide information about what actions have been taken after the irregularities were pointed out in the CAG reports.

The report has told the government to address the problem of inaction by some of the departments.

Over a period of more than three decades, various departments are yet to reply to more than 3,600 paragraphs, according to the CAG report.

It said that "3,639 paragraphs relating to the period from 1988-89 to March 2022 were outstanding."

Of the total 3,639 outstanding paragraphs pertaining to 700 Inspection Reports (IRs), the CAG is yet to get even the first reply against 792 paragraphs pertaining to 116 IRs from the audited departments.

"Lack of action on IRs and audit paragraphs for long periods is fraught with the risk of perpetuating financial and compliance irregularities pointed out in those reports. It may also result in dilution of internal controls in the governance process as the irregularities pointed out in audit are not acted upon by those in charge of the governance process," the CAG report on Social and Economic Sectors for the year ended March 31, 2022, stated.

This results in inefficient and ineffective delivery of public goods and services, fraud, corruption and loss to the public exchequer, the CAG emphasised, adding that the state government needs to institute an effective mechanism to review and take expeditious action to address the concerns flagged in the IRs and audit paragraphs.

"To ensure accountability of the Executive to the issues contained in these Audit Reports, the Public Accounts Committee (PAC) of the Meghalaya Legislative Assembly issued instructions (July 1993) for submission of suo motu explanatory notes by the concerned Administrative Departments within one month of presentation of the Audit Reports in the State Legislature. For this, the departments are not required to wait for any notice from PAC. Suo motu Explanatory Notes are yet to be received from 16 departments in respect of nine PA reports and 32 draft paragraphs which featured in the Audit Reports for the years 2010-11 to 2019-20 as on 31 December 2022," the report stated.

It may be recalled that the CAG report had pointed out that despite an advisory from the Cabinet secretary, the MePDCL took an injudicious decision for awarding works under the Saubhagya scheme to contractors at their quoted rates resulting in avoidable expenditure of Rs 156 crore.

The report also pointed out undue financial benefit given to contractors under Saubhagya and DDUGJY to the tune of Rs 1.96 crore.

Opposition leader Ronnie V Lyngdoh said as the CAG report has been tabled, it is now the duty of the Public Accounts Committee (PAC) to summon the departments concerned to seek an explanation and initiate action.

The pressure groups refused to comment on the matter, saying that they will first study the CAG report. <u>https://theshillongtimes.com/2023/09/26/govt-to-study-cag-findings/</u>

16. CAG का कहना है कि PM-KISAN का कार्यान्वयन खामियों से है प्रभावित (jantaserishta.com) 25 Sep 2023

नियंत्रक एवं महालेखा परीक्षक ने मेघालय सरकार के पीएम-किसान के कार्यान्वयन में खामियों को उजागर किया, जिससे योजना के लाभार्थियों की वास्तविकता पर संदेह पैदा हो गया।

सीएजी ने कहा कि राज्य में अयोग्य लाभार्थियों द्वारा दावों के जोखिम से इनकार नहीं किया जा सकता है।

पीएम-किसान (प्रधानमंत्री किसान सम्मान निधि), प्रत्यक्ष लाभ हस्तांतरण के माध्यम से केंद्र से 100% वित्त पोषण वाली एक योजना, किसानों के लिए आय सहायता और जोखिम शमन प्रदान करने के लिए फरवरी 2019 में शुरू की गई थी।

इस योजना के तहत, पात्र किसानों को कृषि और संबद्ध गतिविधियों के साथ-साथ घरेलू जरूरतों से संबंधित खर्चों को पूरा करने के लिए प्रति वर्ष 6,000 रुपये की आय सहायता मिलती है। वित्तीय सहायता हर चार महीने में 2,000 रुपये की तीन समान किस्तों में जारी की जाती है।

सीएजी रिपोर्ट के मुताबिक, भूमि-धारण दस्तावेज या रिकॉर्ड, जो योजना के लिए लाभार्थियों की पहचान या चयन का मुख्य मानदंड है, की ठीक से जांच नहीं की गई और निर्धारित मानदंडों का पालन नहीं किया गया। इसमें कहा गया है कि जिला कृषि अधिकारियों ने एमएएफडब्ल्यू और एचएलसी द्वारा भूमि स्वामित्व प्रमाण पत्र के निर्धारित प्रारूप का पालन नहीं किया।

योजना के तहत कवर किए जा रहे लाभार्थियों की वास्तविकता संदिग्ध है और अयोग्य लाभार्थियों द्वारा दावों के जोखिम से इंकार नहीं किया जा सकता है क्योंकि योजना के तहत कवर किया जाने वाला भूमि क्षेत्र कुल खेती योग्य भूमि से 6,63,053.07 हेक्टेयर (214%) अधिक है। रिपोर्ट में कहा गया है.

सीएजी ने यह भी कहा कि विभाग ने अभी तक लाभार्थियों के डेटा को विशिष्ट बायोमेट्रिक पहचान-सीडेड डेटा के साथ नहीं जोड़ा है। इसमें कहा गया है कि लाभार्थियों के डेटा का अद्यतनीकरण और सत्यापन ठीक से नहीं किया गया है। रिपोर्ट में कहा गया है कि इन कमियों के परिणामस्वरूप अयोग्य लाभार्थियों को योजना का लाभ दिया गया, जैसे पति और पत्नी दोनों को भुगतान, एक ही लाभार्थियों को दोहरा भुगतान और एक ही बैंक खाते से कई लाभार्थियों को लाभ हस्तांतरित करना। रिपोर्ट में कहा गया है कि राज्य स्तर पर पीएमयू की स्थापना न होने के कारण उच्च स्तर पर समग्र निगरानी का अभाव भी हुआ।

इन निष्कर्षों के आधार पर, सीएजी ने राज्य सरकार को एमएएफडब्ल्यू और एचएलसी के निर्देशों के अनुसार भूमि-धारण प्रणाली के आधार पर किसानों या लाभार्थियों की पहचान सुनिश्चित करने के लिए भूमि का सर्वेक्षण करने की सलाह दी। इसने सरकार से यह सुनिश्चित करने के लिए भी कहा कि भूमि स्वामित्व प्रमाणपत्र को नामित प्राधिकारी के प्रतिहस्ताक्षर के बिना अपलोड करने की अनुमति नहीं दी जाए।

सीएजी ने कहा कि सरकार जिला कृषि कार्यालयों द्वारा योजना मानदंडों का पालन नहीं करने के कारणों की जांच कर सकती है और तदनुसार जिम्मेदारी तय कर सकती है।

उसने सिफारिश की है कि राज्य सरकार योजना के लाभ के फर्जी दावों को खारिज करने और दस्तावेजों की कम जांच में शामिल अधिकारियों की जिम्मेदारी तय करने के लिए लाभार्थियों द्वारा प्रस्तुत भूमि रिकॉर्ड की व्यापक समीक्षा कर सकती है।

सीएजी ने कहा कि राज्य सरकार पति और पत्नी दोनों को किए गए भुगतान को बाद की किस्तों से समायोजित कर सकती है या राशि की वसूली कर सकती है और विस्तृत जांच के बाद जिम्मेदारी तय की जाएगी।

पंजीकृत लाभार्थियों को अद्वितीय बायोमेट्रिक पहचान-सीडेड डेटा के साथ जोड़ने और नए पंजीकरण के लिए इसे अनिवार्य बनाने के लिए तत्काल कदम उठाए जाने चाहिए, और बैंकों को निर्देश दिया जा सकता है कि वे भविष्य में कोई भी भुगतान जारी करने से पहले सभी लाभार्थियों के केवाईसी दस्तावेजों को अद्यतन करना सुनिश्चित करें, ऑडिट निकाय ने सलाह दी.

राज्य सरकार एक ही बैंक खाता संख्या के साथ विभिन्न लाभार्थियों के दोहरे भुगतान और पंजीकरण के मुद्दों की जांच कर सकती है और तदनुसार जिम्मेदारी तय कर सकती है। सीएजी ने कहा कि दोहरे भुगतान को अगली किस्तों से समायोजित किया जा सकता है या संबंधित लाभार्थियों से वसूला जा सकता है।

इसमें यह भी कहा गया है कि विभाग को यह सुनिश्चित करना चाहिए कि विफल लेनदेन के खिलाफ तुरंत सुधारात्मक कार्रवाई की जाए ताकि पात्र लाभार्थियों को योजना के लाभ से वंचित या विलंबित न किया जाए।

राज्य सरकार प्रशासनिक व्यय के लिए धन की उपलब्धता सुनिश्चित करने के अलावा योजना की समग्र निगरानी के लिए राज्य स्तर पर एसपीएमयू की स्थापना में तेजी ला सकती है, और अपात्र लाभार्थियों को हटाने और छूटे हुए पात्र लाभार्थियों को शामिल करने के लिए निगरानी को मजबूत किया जाना चाहिए। सीएजी ने कहा. <u>https://jantaserishta.com/local/meghalaya/pm-kisan-implementation-marred-by-faults-says-cag-2846316</u>

17. कैंग ने संदिग्ध दरों पर दवाओं की खरीद को किया है चिह्नित (jantaserishta.com) 25 Sep 2023

नियंत्रक एवं महालेखा परीक्षक (सीएजी) ने केंद्रीय खरीद बोर्ड (सीपीबी) द्वारा अनुमोदित दरों से अधिक दरों पर दो आवश्यक दवाओं की खरीद पर चिंता जताई है।सीपीबी आवश्यक दवाओं की अनुमोदित दरों की सूची बनाए रखने के लिए जिम्मेदार है। स्वास्थ्य सेवा निदेशालय (डीएचएस) मुश्किल में पड़ गया क्योंकि वह ठोस कारण बताने में विफल रहा, जिसके परिणामस्वरूप सरकारी विभाग को लगभग 87 लाख रुपये का खर्च करना पड़ा, जिसे टाला जा सकता था।

डीएचएस का बचाव आवश्यक दवाओं की सूची में तीन दवाओं को शामिल करने और विभिन्न जिलों से तत्काल मांग का हवाला देते हुए एक अपरिहार्य परिदृश्य के दावे पर आधारित था। कथित तौर पर, दवाओं को बाजार दरों पर खरीदना पड़ा क्योंकि अनुमोदित आपूर्तिकर्ता तुरंत सीपीबी-निर्धारित दरों को पूरा नहीं कर सके।

हालांकि, सीएजी रिपोर्ट ने औचित्य को खारिज कर दिया और बताया कि 31 जनवरी, 2019 को ऑर्डर की गई सूखी सिरप की 1.50 लाख बोतलें और 500 मिलीग्राम टैबलेट की 80,370 स्ट्रिप्स की खरीद, केवल दिसंबर 2019 और सितंबर 2020 में पहुंची। यह 11 की महत्वपूर्ण देरी है -19 महीने सीधे तौर पर आपातकालीन दावे का खंडन करते हैं।

इसके अतिरिक्त, डीएचएस जिला अधिकारियों से दवाओं के लिए मांगपत्र की प्रतियां या निर्धारित दरों को पूरा करने में अनुमोदित आपूर्तिकर्ताओं की असमर्थता का कोई भी रिकॉर्ड किया गया सबूत प्रदान करने में विफल रहा।

इसके अलावा, निदेशालय संविदात्मक दायित्वों के उल्लंघन के लिए दोषी कंपनियों के खिलाफ की गई कार्रवाई का समर्थन करने वाला कोई भी दस्तावेज पेश नहीं कर सका।

सीएजी रिपोर्ट में सिफारिश की गई है कि राज्य सरकार गैर-अनुमोदित आपूर्तिकर्ताओं से ऊंची दरों पर दवाओं की खरीद के पीछे के कारणों की पहचान करने के लिए गहन जांच शुरू करे। रिपोर्ट में इन खामियों के लिए जिम्मेदार संबंधित अधिकारी को जवाबदेह ठहराने की भी बात कही गई है। <u>https://jantaserishta.com/local/meghalaya/cag-flags-purchase-of-medicines-at-</u> <u>dubious-rates-2846304</u>

SELECTED NEWS ITEMS/ARTICLES FOR READING

18. Going back to old pension system is a bad idea (thehindubusinessline.com) September 25, 2023

The pension system in India has indeed evolved from primarily being based on defined benefits (DB) to incorporating elements of defined contributions (DC). This transition is particularly evident with the introduction of the National Pension System (NPS) in 2004, which shifted from a defined benefit structure to a defined contribution system.

Under the NPS, both employees and employers make regular contributions to individual pension accounts. Retirement benefits depend on the accumulated contributions and investment returns. The Reserve Bank of India's latest report (September, 2023) opines that reverting to the old pension scheme by States may lead to significant long-term fiscal burdens, despite short-term savings.

Global Pension Trends

Globally, countries like the US, UK, Australia, Sweden, and Japan had transitioned from defined benefits to defined contribution pension schemes. This shift, which is more fiscally sustainable, placed more onus on individuals to provide for their retirement.

Increased life expectancy, the need to limit budget deficits, and the desire to give people more control over their retirement assets are the reasons why defined contributuion plans are gaining momentum.

In spite of global trends, Rajasthan, Chhattisgarh, Jharkhand, Punjab, and Himachal Pradesh, have recently announced their plans to revert to the Old Pension Scheme (OPS). Vote bank politics is often the reason why some States are reverting to OPS.

Moreover, OPS eliminates the investment risk borne by individuals in NPS, ensuring that retirees are not exposed to market fluctuations, and also contributes to economic stability by providing retirees with a stable income, reducing the risk of sudden income drops and financial instability among the elderly.

The primary argument supporting the return to OPS often revolves around the immediate fiscal relief it promises. OPS is seen as a way to quickly reduce pension expenses, potentially freeing up financial resources for States grappling with budgetary constraints or seeking to allocate funds to critical sectors like healthcare, education, and infrastructure.

However, the real complexity arises when evaluating the enduring fiscal consequences of such a transition. The RBI study on the fiscal impact of States reverting to OPS showed that the cumulative pension burden under OPS could be as much as 4.5 times greater than that under NPS. This substantial disparity is expected to accumulate over the period spanning from 2023 to 2084.

If States move to OPS in 2023, the supplementary pension burden will gradually intensify in the subsequent years, surpassing the NPS contributions by the 2030s.

These findings give rise to concerns regarding the sustainability of this transition. While OPS may provide immediate relief in terms of reduced costs, the study posits that these near-term advantages may be overshadowed by the mounting unfunded pension obligations in the long term.

Consequently, there exists the potential for escalating fiscal strain to unsustainable levels over the medium to long term. However, forecasting future pension outlays is complicated due to fluctuating factors such as interest rates, longevity, and salary/pension growth, which can affect risk premiums and capital costs in the economy.

India's pension landscape aligns with global trends in fiscal responsibility, yet the recent inclination of States towards OPS raises complex challenges. The RBI report further emphasises the likelihood of significantly higher long-term pension obligations under OPS compared to the NPS. The decision should strike a balance between the social security of the retiree and the fiscal prudence of the State. https://www.thehindubusinessline.com/opinion/going-back-to-old-pension-system-is-a-bad-idea/article67345813.ece

19.Govt sets up expert committee to look into time and cost
overruns in hydro power projects
(economictimes.indiatimes.com) September 26, 2023

Recognizing the recurring challenges in hydroelectric projects, primarily due to unforeseen geological surprises causing time and cost overruns, the Ministry of Power announced the establishment of a Standing Technical Committee this Wednesday.

These challenges have resulted in significant delays and budgetary overruns, impacting project development and efficiency.

Background and Purpose

Indian hydroelectric projects have frequently faced unpredictable geological issues. While the Central Electricity Authority (CEA) already has a provision under the Techno Economic Concurrence for project developers to document such geological occurrences, the Ministry of Power's decision aims to fortify the resolution process.

Traditionally, developers sought the Ministry's intervention post such events, leading to the setup of an expert committee for each case. This new initiative streamlines the process, eliminating the need for multiple committees.

Terms of Reference

The committee will analyze and study geological surprises in hydroelectric projects, evaluate the extra time and costs required due to these surprises. It will also scrutinize and evaluate proposals for enhanced projects costs submitted by project developers.

The committee will produce bi-annual reports for the Ministry of Power and has the flexibility to include additional members for specific projects when necessary.

Committee Composition

The committee will be headed by the Member (Hydro) of the CEA. Other members include Chief Engineer (HPM) and Chief Engineer (HPA) from the CEA. Representatives from the Geological Survey of India, the Central Water Commission. Additionally, representatives from concerned State Governments will join based on the specifics of individual proposals. Overseeing the proceedings, the Director (HPM) of the CEA serves as the Member Secretary.

Implementation and Reporting

With the approval from the Chairperson of the Central Electricity Authority (CEA), this initiative is anticipated to bring about a structured approach to tackling challenges. The committee's operational modalities will be decided in its inaugural meeting.

Stakeholder Engagement

The Ministry of Power has initiated discussions with relevant stakeholders like state governments, energy departments, and hydro developers to ensure collaborative efforts in this initiative.

The establishment of this committee is a monumental step for India's hydroelectric sector, aiming for seamless project execution, effective cost management, and thereby strengthening the nation's energy infrastructure and environmental sustainability.

https://energy.economictimes.indiatimes.com/news/power/govt-sets-up-expertcommittee-to-look-into-time-and-cost-overruns-in-hydro-powerprojects/103941009

20. Mumbai News: Delay In 5 City Projects Escalates Cost By ₹2,676 Crore (freepressjournal.in) September 25, 2023

Mumbai: The delay in completing several bridges across the city has resulted in their cost escalation in the past few years.

An ex-corporator and activist has raised a concern about the recent increase in construction cost of Dahisar-Bhayander Link road (DBLR). A Congress leader has also requested the Chief Minister Eknath Shinde and Deputy Chief Minister Devendra Fadnavis to look into the matter and stop the practice of cost escalation.

The ambitious DBLR project, which will ease connectivity between the island city and the western suburbs has seen a cost escalation even before its construction started.

Ravi Raja, former opposition leader of the BMC and senior Congress leader said, "The estimated cost of the project was ₹1,600 crore in 2016 and has now increased to ₹4,000 crore while the project is still under tendering stage. The civic body's lack of planning has resulted in a waste of taxpayers' money. Do the administrators think that they are not answerable to anyone? We have requested the chief minister to take the necessary steps to stop such malpractices in the BMC."

Ganesh Shetty, an activist from Vikhroli said, "East-West connectivity in Vikhroli has been an issue ever since the level-crossing gate was shut 10 years ago. After consistent efforts by the locals and activists, a work order was issued for the bridge in May 2018. When several agencies are involved in the project, they are expected to work in coordination to avoid delays and cost escalation. I have been after the project for the past 10 years."

The estimated cost of the bridge has escalated from ₹45.77 crore to ₹97.37 crore, while the new estimated completion date is June 2024.

"Citizens have to suffer due to the incompletion of the project"

Anil Galgali, an RTI activist said, "The work on Vidyavihar rail over the bridge has been delayed, resulting in cost escalation. The citizens have to suffer due to the incompletion of the project. There will be no delay in obtaining various permissions if the railway administration initiates a single window scheme in such a project".

The actual cost of the bridge was ₹99.98 crore, which rose to ₹108 crore after the railways made some changes to the design. The length of the bridge was also increased, which led to the cost rising to ₹178.93 crore, and the new deadline is mid-2024, civic sources informed.

GMLR project

The estimated cost of building the twin tunnels as well as renting a casting yard and the disposal of debris has raised the cost of the Goregaon Mulund Link Road (GMLR) project by ₹132 crore.

The Delisle bridge in Lower Parel has seen a cost escalation of ₹14 crore due to several delays in the past five years. However, a senior civic official said, "Big projects like GMLR, DBLR, coastal roads are the first of its kind here and it takes time to complete and sometimes delays the work." <u>https://www.freepressjournal.in/mumbai/mumbai-news-delay-in-5-city-projects-escalates-cost-by-2676-crore</u>