



# YOJANA

G20  
भारत 2023  
भारत 2023

SEPTEMBER 2023

A DEVELOPMENT MONTHLY

₹ 22

## GOVERNANCE AND REFORMS



**SPECIAL ARTICLE**

**Accountability and  
Financial Administration**  
GIRISH CHANDRA MURMU

**LEAD ARTICLE**

**Making of a Bureaucrat**  
SRINIVAS KATIKITHALA

**FOCUS**

**Protecting the Interests of  
Consumers and Businesses**  
RAVNEET KAUR

**ELITE IAS**

(A PREMIER INSTITUTE FOR CIVIL SERVICES PREPARATION)

**Learn More, Pay Less**

ARE YOU DREAMING TO BE AN

**IAS ?**

CRACK **UPSC** IN 1<sup>ST</sup> ATTEMPT NOW

## Our Offerings

- Personal Mentorship 1:1 by Subject Expert
- GS Integrated Live Classes
- Exclusive NCERT Coverage
- Intergrated Prelims Cum Mains + Essay Test Series
- Weekly Test, Revision and Personal Guidance
- **Online/Offline Sessions**

**TALK TO US**

**8410000036, 7065202020, 8899999931**

**BOOK FREE DEMO SESSION**

**[www.eliteias.in](http://www.eliteias.in)**

# NYAYA BANDHU

## Free legal aid and advice



Under Section 12 of the Legal Services Authority Act 1987, applicants who are marginalised or disadvantaged including ST, SC, victims of trafficking or begging, women, or children, PWDs, and other eligible categories, are entitled to get free legal aid & advice through Department of Justice's Nyaya Bandhu programme.

**N**yaya Bandhu is a pro bono legal service that has been developed to connect the registered lawyers with the registered beneficiaries. This scheme gives voluntary legal advice to individuals and organisations that are unable to afford legal advice and/or cannot access legal aid. Those in genuine need of legal help are, thus, represented by lawyers for free or at a minimal cost, presenting them with an opportunity to meaningfully address their legal problems. Under this programme, practising advocates, interested to volunteer their time and services, are connected, via mobile technology, with eligible marginalised beneficiaries. Nyaya Bandhu Mobile application Android/IOS has been developed and also on boarded on the UMANG platform.

The term pro bono, short for 'pro bono publico', is a Latin term that means 'for the public good'. In practice, the term is used specifically in the context of the legal profession, referring to the practice of giving voluntary legal advice to individuals and organisations that are unable to afford legal advice and/or cannot access legal aid. Those in genuine need of legal help are, thus, represented by lawyers for free or at a minimal cost, presenting them with an opportunity to meaningfully address their legal problems.

Pro Bono Legal Services are, by nature, free. A Pro Bono Advocate registered under the Department of Justice programme shall not charge any fees for legal advice or representation rendered to the registered applicant. However, based on mutual understanding between the applicant and the advocate, the applicant may be required to incur incidental expenses like photocopying, posting, and typing charges.

A case registered by an applicant is assigned

to an advocate based on the matching of two parameters:

- Area of practice/Category of Case – Civil or Criminal
- Court of Practice/Court where the case is pending – Name of Court

This matching is done automatically through the sifting of the database of advocates stored in the programme.

### Roles and Responsibilities

- Registrar General, High Court:** Provide implementation support for the Nyaya Bandhu Panel. Manage the registration, approval, and review the performance of Lawyers. Designate an incharge to manage and administer the activities of this panel at the High Court level. To organise orientation and awareness sessions about the activities of the Nyaya Bandhu Panel on a regular basis.
- Department of Justice:** Provide support in coordination and facilitation for the successful implementation of this initiative. Conduct a quarterly review meeting in coordination with the High Court and develop a consolidated six-monthly report for submission to all stakeholders.
- CSC e-Gov:** Provides support in the design, development, operation, and maintenance of the web-based application of the Nyaya Bandhu Panel for monitoring and reporting purposes in coordination with the Department of Justice. Support in writing procedures, functions, and triggers, maintaining the database, providing training, and developing the user manual of this application.

Detailed information about the programme is available at [www.probono-doj.in](http://www.probono-doj.in) □



CHIEF EDITOR  
**MANOJYAN RANI PAL**

EDITOR  
**SHUCHITA CHATURVEDI**

**OUR REPRESENTATIVES**

Ahmedabad: Sumanben A Machhar, Bengaluru: Yashwant Shehna, Bhubaneswar: Itishree Singh Rathaur, Chennai: Sanjay Ghosh, Guwahati: Maruf Alam, Hyderabad: Krishna Vandana P, Jalandhar: Gagandeep Kaur Devgan, Kolkata: Sumita Chakraborty, Mumbai: Sangeeta Godbole, Thiruvananthapuram: Sudha S Namboothiry.

JOINT DIRECTOR, PRODUCTION  
**D K C HRUDHAINATH**

COVER DESIGN  
**BINDU VERMA**

Yojana (English): Room No. 647, Soochna Bhawan, CGO Complex, Lodhi Road, New Delhi-110 003.  
E-mail (Editorial): sec-yojanaeng-moib@gov.in

YOJANA, a development monthly published since 1957, is a theme-based journal providing in-depth analyses and views on socio-economic issues in the broader framework of government policies. Although published by the Ministry of Information and Broadcasting, YOJANA is not restricted to expressing the official point of view.

**DISCLAIMER**

- The views expressed in various articles are those of the authors and they do not necessarily reflect the views of the Government or the organisation/s they work for.
- Maps/flags used in the articles are only indicative and they do not reflect the political map or legal representation of the flag of India/any other country.
- The infographics/figures are provided by the authors through their reliable sources and YOJANA claims no responsibility for the same.
- Images, graphics and illustrations, wherever used, are mostly sourced from government channels and are indicative in nature.
- YOJANA does not own responsibility regarding the contents of the advertisements. The readers are requested to verify the claims made in the advertisements regarding courses, career-guidance books or institutions.
- YOJANA doesn't endorse or promote any brands or private entities presented as case studies in any of the articles.

**SUBSCRIPTION/GRIEVANCES**

Email: pdjuicr@gmail.com

Phone: 011-24367453

(Monday-Friday, 9:30 am- 6:00 pm)

Postal Address: Abhishek Chaturvedi, Editor, Journals Unit, Publications Division, Room No. 779, Soochna Bhawan, CGO Complex, Lodhi Road, New Delhi-110 003.

Please note that it will take atleast eight weeks to start your subscription. Kindly raise your queries/grievances about non receipt of the journals only after this period.

Let noble thoughts come to us from all sides.  
Rig Veda



**IN THIS ISSUE**

**LEAD ARTICLE**

**37 MAKING OF A BUREAUCRAT CIVIL SERVICE REFORMS THROUGH A CAPACITY BUILDING APPROACH**  
Srinivas Katikithala

**SPECIAL ARTICLE**

**11 ACCOUNTABILITY AND FINANCIAL ADMINISTRATION**  
Girish Chandra Murmu

**17 PARLIAMENTARY COMMITTEES STRENGTHENING THE SCOPE AND ROLE**  
Alaya Purewal, MR Madhavan

**24 LAW COMMISSION OF INDIA**

**29 DIRECT TAX REFORMS**  
Kamlesh Chandra Varshney

**FOCUS**

**37 PROTECTING THE INTERESTS OF CONSUMERS AND BUSINESSES**  
Ravneet Kaur

**44 CONSUMER PROTECTION ACT, 2019 STRENGTHENING PROVISIONS FOR CONSUMER PROTECTION**

**47 ROLE OF CONSTITUTIONAL BODIES IN STRENGTHENING DEMOCRACY**  
Prof GS Bajpai, Dr Raghav Pandey

**51 ADMINISTRATIVE REFORMS**  
V Srinivas

**57 WOMEN EMPOWERMENT RECENT REFORMS**  
Rekha Sharma



**REGULARS**

**22 DO YOU KNOW ? THE DIGITAL PERSONAL DATA PROTECTION ACT, 2023**

**UPCOMING ISSUE: INFRASTRUCTURE**

Number of pages: 64

Details of the Sales Outlets of the Publications Division on Page 33

YOJANA is published in Assamese, Bengali, English, Gujarati, Hindi, Kannada, Malayalam, Marathi, Odia, Punjabi, Tamil, Telugu, and Urdu.



### Microcourse on Cooperatives

The July 2023 issue is, in fact, a microcourse in itself on Cooperatives, providing a good understanding of various policy measures and depicting Cooperative-led socio-economic growth as inclusive per se. Strong cooperatives like IFFCO and Amul have shown enormous potential in changing people's lives, but we need more cooperatives like this. Thanks to the Ministry of Cooperation for taking the cooperative movement to the next level in India by creating national-level cooperatives, computerisation of PACS, etc.

– Kiran, Uttar Pradesh

### Encourage school students

As a research student, Yojana is of immense importance to me. With extraordinary themes, meticulously researched content and a diversity of views, the magazine provides well-established facts about all sectors of the Indian economy. I have been reading the magazine for about one year, and each issue is prodigious and scrupulous. I'm surely going to advocate for school students to read the magazine daily.

– Astitva Singh, New Delhi

### Collector's issue

The August 2023 Special Issue on 'Azadi Ka Amrit Mahotsav' was a collector's issue. The editorial 'Celebration of Life' was thought-provoking. Overview giving details of the flagship initiative of the Gol with its five pillars - Freedom Struggle, Ideas@75, Actions@75, Resolve@75 and Achievements@75 - was informative. Special articles and 'Focus' also made for interesting reading. The write-up 'India's G20 Presidency' was a well-researched one. It's a watershed moment for India to have got presidency of the G20. The PM made the G20 a pan-India event, symposiums, seminars, and discussions being held throughout the country, involving all sections and all age groups, and showcasing to the world India's rich culture and heritage, thereby enhancing India's image on the world stage and giving a fillip to our tourism sector. Kudos to the 'Yojana' team for bringing out such a nice issue.

– Pratap Nayak, Bhubaneswar

### Comprehensive exam coverage

It is a very important book for covering the topics of mains in a holistic manner. For example, the July 2023 Yojana, 'Sahakar se Samridhi,' gives you very short keywords on cooperatives, and many examples are from previous editions, like the article on 'SVAMITVA' scheme, 'Climate Smart Agriculture,' etc., that are extremely important for Mains exams.

– Padam Chand, Kullu

Governance, in its essence, is the art of steering a nation towards prosperity and harmony. In the diverse and vibrant tapestry of India, the journey of governance has been both a challenge and an opportunity. Over the years, the country has witnessed a series of reforms that have aimed to redefine its governance landscape, foster development, and enhance the lives of its citizens.

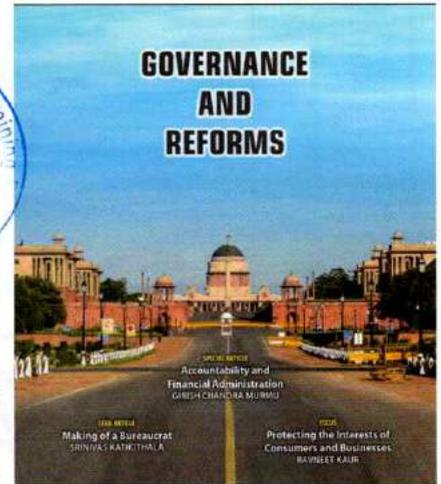
Reforms are an unavoidable aspect of a developing society. Whether driven by societal demands, or changes in global norms, reforms are vital to address the challenges and opportunities that a growing and new-age society faces. These reforms can span a wide range of areas, from electoral systems to social policies, from economic regulations to environmental protections. India has implemented transformational reforms, with e-Governance models streamlining citizens' interactions with the Government and bringing them closer together. In this digital age, they also ensure transparency and openness to government procedures, as well as the necessary protection and privileges for the citizens.

Economic reforms have propelled India onto the global stage. Liberalisation in the 1990s opened the doors to foreign investment, fostering economic growth and innovation. GST, being one of the most notable reforms of 2017, replaced a complex web of indirect taxes, thereby ushering a predictable tax regime and boosting the ease of doing business.

Accountability, another vital facet, has been strengthened through numerous institutions. Then comes the role of various constitutional bodies like the Election Commission, the Comptroller and Auditor General, the National Human Rights Commission, etc. that are vital to the functioning of a democratic and accountable governance system. The introduction of e-governance has streamlined administrative processes, reducing backlogs and enabling efficient service delivery. Digital platforms have bridged the gap between citizens and government, facilitating direct interaction and real-time feedback.

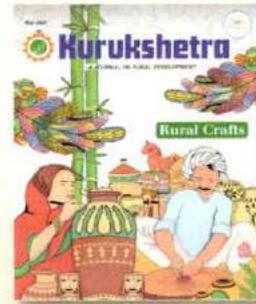
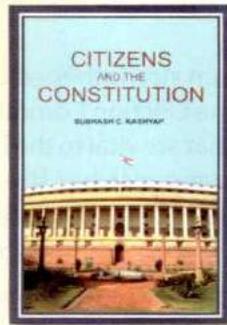
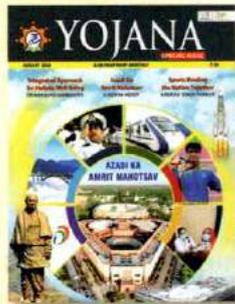
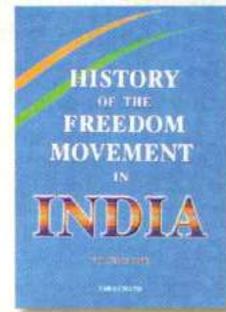
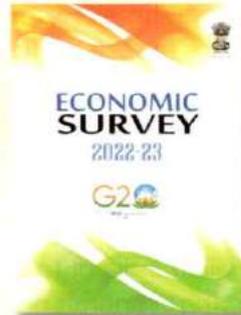
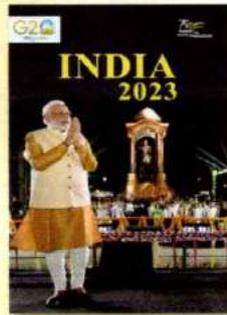
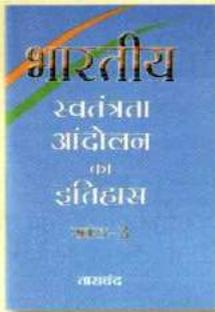
In the realm of social welfare, the Pradhan Mantri Jan Dhan Yojana (PMJDY) was launched to provide financial inclusion for all, ensuring access to banking services and insurance. The Swachh Bharat Abhiyan was another flagship programme focusing on cleanliness, sanitation, and hygiene, aiming to transform India into an open-defecation-free nation. The latest data protection law in India offers a pivotal shift towards safeguarding individuals' privacy and personal data. By emphasising stringent standards for data handling, consent management, and transparency, the law enhances user control over their information. The law bolsters citizens' rights, instills confidence in digital interactions, and positions India as a modern, privacy-conscious nation aligned with global data protection norms.

In the spirit of *Kartavya Kaal*, India's governance reforms symbolise a collective stride towards a brighter future. As citizens embrace their responsibilities with newfound vigor, guided by the principles of duty and progress, a promising horizon beckons. Various institutions and constitutional bodies are paving this path with transparency, inclusivity, and accountable governance. Through these reforms, India stands poised to script a tale of transformation, where citizen participation and good governance converge to help the society at large prosper. This issue of Yojana provides a deeper understanding of governance in India and collaboratively envisions reforms that foster equality and progress. The articles in this issue cover a wide range of themes in light of the nation's recent reforms, penned by the domain experts from the institutions that are making these reforms possible. □





Publications Division  
Our collection  
for  
**Exam Preparation**



*And many more...*

Read employment related updates & in-depth analysis of important current topics weekly in Employment News

To subscribe, visit [www.employmentnews.gov.in](http://www.employmentnews.gov.in)

To place order, visit: [www.publicationsdivision.nic.in](http://www.publicationsdivision.nic.in)

Contact us at:

For books: ✉ [businesswng@gmail.com](mailto:businesswng@gmail.com)

☎ 01124365609

For journals: ✉ [pdjucir@gmail.com](mailto:pdjucir@gmail.com)

☎ 01124367453

Soochna Bhawan, CGO Complex, Lodhi Road, New Delhi - 110003



# MAKING OF A BUREAUCRAT

## CIVIL SERVICE REFORMS THROUGH A CAPACITY BUILDING APPROACH

In a youthful democracy, with a higher proportion of the population dependent on government services, any improvements at the grassroots will have exponential impacts. Therefore, the Government's increasing emphasis is on the spirit of Jan Bhagidari, on plugging the trust deficit between citizens and government processes, on innovation, and on impactful delivery signals a citizens-first approach. Through Mission Karmayogi, the 'bureaucrat' who is rule-bound is expected to transform into an empathetic civil servant by embracing the transformation from 'Rule to Role'.

**SRINIVAS KATIKITHALA**

The author is the Director, Lal Bahadur Shastri National Academy of Administration, Mussoorie. Email: [director-lbsnaa@gov.in](mailto:director-lbsnaa@gov.in)

**T**he civil service in a democratic government is an important institution. It is charged with the responsibility of assisting the political executive in framing policies, implementing them through programmes that deliver governance and welfare, and discharging system maintenance services. Through its successful actions, it generates public support for executive and legislative policy, and through its failings, it renders itself (and putatively the elected governments) accountable to the instruments of parliamentary oversight.

Through its myriad actions, it is seen assisting the executive; through the audit processes, assisting the legislature; and, in lesser breadth, assisting the other organ of state – the judiciary too. However, despite its presence in every form and shape of public activity or administration, the classical view

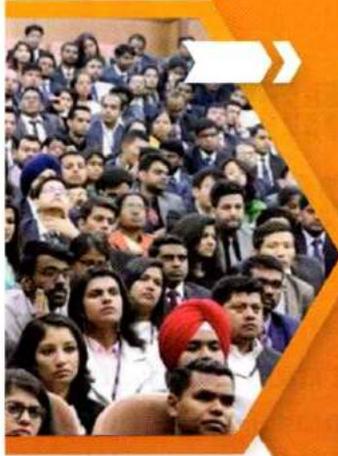
of bureaucracy is limited to that body of people organised to serve the executive sphere. Hence, this examination is limited to the popular definition.

The term 'bureaucrat', coined in France by Jacques Gournay in the 18<sup>th</sup> century and whose European form evolved in Frederick the Great's Prussia, invokes Max Weber and the characteristics identified by him. Hence, in its modern shape, it is seen as formal, impersonal, rule-bound, and hierarchical— often a negative imputation. India's Civil Service was influenced by these and the ideas of the 1854 Northcote-Trevelyan report, which resulted in the 1858 Queen's Declaration, and has ever since been organised on the meritocratic principle of open competitive examinations.

Part XIV of India's Constitution provides for efficient 'public services' by creating the Union Public Service Commission and the State



## WHAT IS MISSION KARMAYOGI ?



-  A capacity-building scheme for civil servants aimed to upgrade the post-recruitment training mechanism of the officers and employees
-  It aims to cover around 46 lakh central employees between 2020-2025
-  A digital platform called iGOTKarmayogi will act as a launchpad for the National Programme for Civil Services Capacity Building (NPCSCB)



f DOPTNewDelhi | t DoPTGol

Commissions, together with elaborate safeguards that support professionalism. Under this schema, the Indian 'bureaucrat' is a creature of the executive, subject to discipline, control, and complete superintendence. He has more 'space' in comparison to his counterparts, serving bureaucracies in other parts of the world (for example, the Hatch Act in the USA places more onerous curbs). He is called upon to play several roles, many of whose nature and scope are unambiguous, whether they are purely executive or quasi-judicial. In some roles, however, he is also called upon to play a quasi-political role when assisting political executives in their staff positions. However, a vast majority of the bureaucratic work occurs in relatively homogenous 'rule-bound spaces', where principles of Do's and Don'ts are well established. Here, the interface with the citizens or stakeholders is expected to be relatively friction-free and smooth. Paradoxically, the experience is often to the contrary. Citizen satisfaction with the quality, timeliness, and manner of rendering services is low. This complex, sometimes inchoate, role matrix of Indian bureaucracy renders capacity building arduous and the creation of an appropriate civil servant, fit to the context and role, confounding. The task of 'making a bureaucrat' is

thus fraught with several challenges and difficulties.

It is trite to suggest that the 'right man for the right job' will resolve the problem of mismatch. This is more easily said than done. To administer a vast, heterogeneous society with a complex democratic polity and an aspirational demography (now often conflated with an increasingly vocal diaspora) requires a reimagination of the civil servant, of the manner of services rendered, and of the civil service itself. All of these aspects have been addressed in the pathbreaking Mission Karmayogi Programme. Mission Karmayogi does not seek to build a bureaucracy from scratch. It is pragmatic, and while acknowledging the heterogeneity and complexity of the civil service architecture, it seeks to make incremental gains through capacity building at the interface point of civil servant-citizen and

by changing behaviour, attitudes, and abilities. In the adaptation of the existing civil service, the mission seeks to hone (a) the individual through its emphasis on the three-dimensional skills of behaviour, functional knowledge, and domain; (b) the nature of the Civil Service by rendering it adept and adaptive through continuous upskilling; and (c) the quality of services delivered through a shift from Rule to Role. All three shifts are fundamental and have long-ranging impacts.

Through Mission Karmayogi, the 'bureaucrat' who is rule-bound, is expected to transform into an empathetic civil servant by embracing the transformation from 'Rule to Role'. This is more easily said than done. How does a large bureaucratic apparatus that delivers humongous tasks across vast geographies, straddles diverse organisational cultures, operates in heterogeneous social contexts, and has innumerable repetitions harmonise a similar quality of service at the level of an individual iteration?

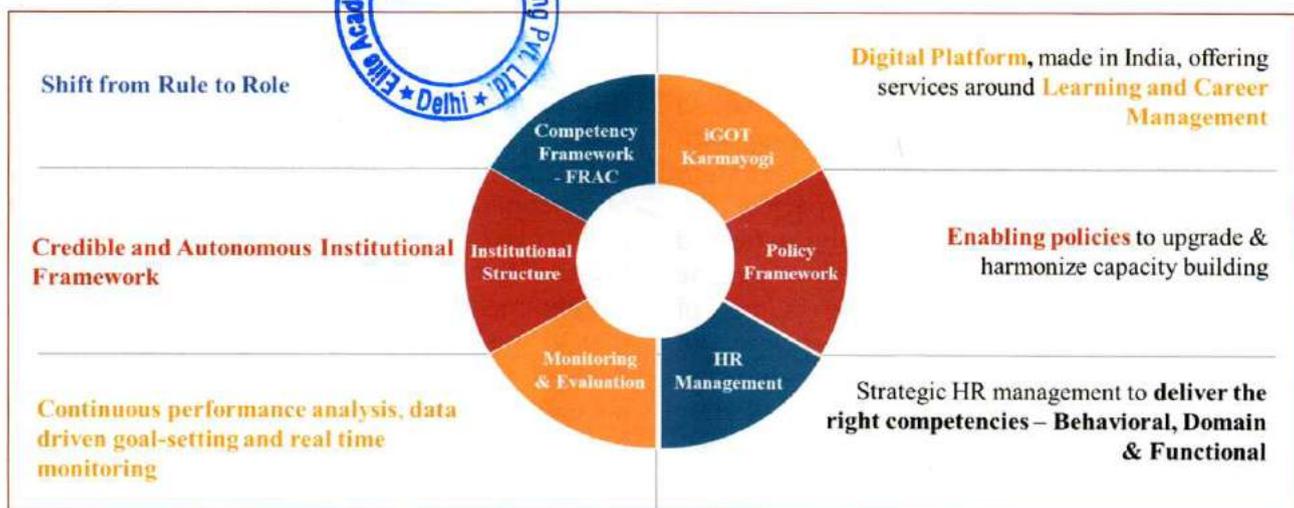
This is the import and challenge of the shift from a 'rule' to a 'role', which, while seemingly disarming the impersonal process and breathing a fresh air of discretion and custom-built response

to every citizen's demand, in fact vests autonomous action amongst a million functionaries. This implicit disaggregation harks back to a flat response with a locus at the delivery level and therefore dilutes hierarchies.

- Thus, the first large implication is a weakened pyramid. Moving away from top-led supervision, monitoring, and guidance towards bottom-level delivery with commensurate accountability fixed at the delivery point in the direction of change. In a country as diverse as ours, we need effective command structures as well as strengthened and able capabilities at the middle and bottom; hence the emphasis on capability creation at the level of every individual civil servant. How to transform vast numbers of hitherto 'untrained' (those who are not recipients of continuous training, unlike in the case of the senior civil service) into lifelong learners?
- This is the second implication of the process—infusing the spirit of a lifelong learner who delivers to the task on the strength of continuous inputs received from functioning civil servants. How do millions of civil servants who perform tasks at a population scale transform into continuous, lifelong learners? This is envisaged by delivering to them consumable content in byte sizes through the 'any time-any place-any device' digital learning ecosystem. Again, this is easier said than done. There is no doubt that digital technologies exist and algorithms are in use that enable targeted delivery to individuals. Examples abound in targeted

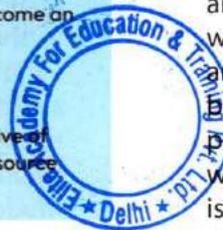
advertising and customised preference listings in e-commerce portals. However, how do we identify individual-level requirements in a bureaucratic ecosystem such as ours?

- This is the third implication of the shift from 'rule' to 'role'. Identification of every job level, function level, and task level skill is articulated by a novel disaggregation model named FRAC (Framework of Roles, Abilities, and Competencies), which is the mapping out of these multitudinous actions at the various levels of the bureaucratic structure. A prototype of this framework was designed and made available by the DoPT upon the launch of the Mission. This template model is now available for the different agencies, ministries, and state government entities to adapt. An early proofing challenge was imposed by the Global Covid pandemic, and in India, the requirement of suddenly and simultaneously training thousands of doctors, medical and para-medical workers, policemen, youth volunteers, and so on was responded to by the prototype iGOT (Integrated Government On-Line Training) platform, which trained nearly 1.5 million civil servants on certified courses in less than 8-10 weeks during April-May of 2020. This is a noteworthy achievement, yet in its complexity, it was still moderate since it involved a determinate number of roles. On the other hand, a whole-of-government scale involves indeterminable numbers of tasks. The challenge for the future is thus for each ministry, department, and organisation to take upon itself this process of internal examination and prepare its role and task sets. FRAC are thus



## Karmayogi Guidelines, 2023

- Equip Civil Services with fit-for-future knowledge, skills and attitude to deliver on national priorities with the spirit of jan-bhagidari
- Enable Civil Services Training Institutions to become an effective implementation arm for Civil Service capacity building
- Online capacity building interventions on iGoT Karmayogi platform to facilitate overall objective of shift from rule-based to role-based Human Resource Management in Government



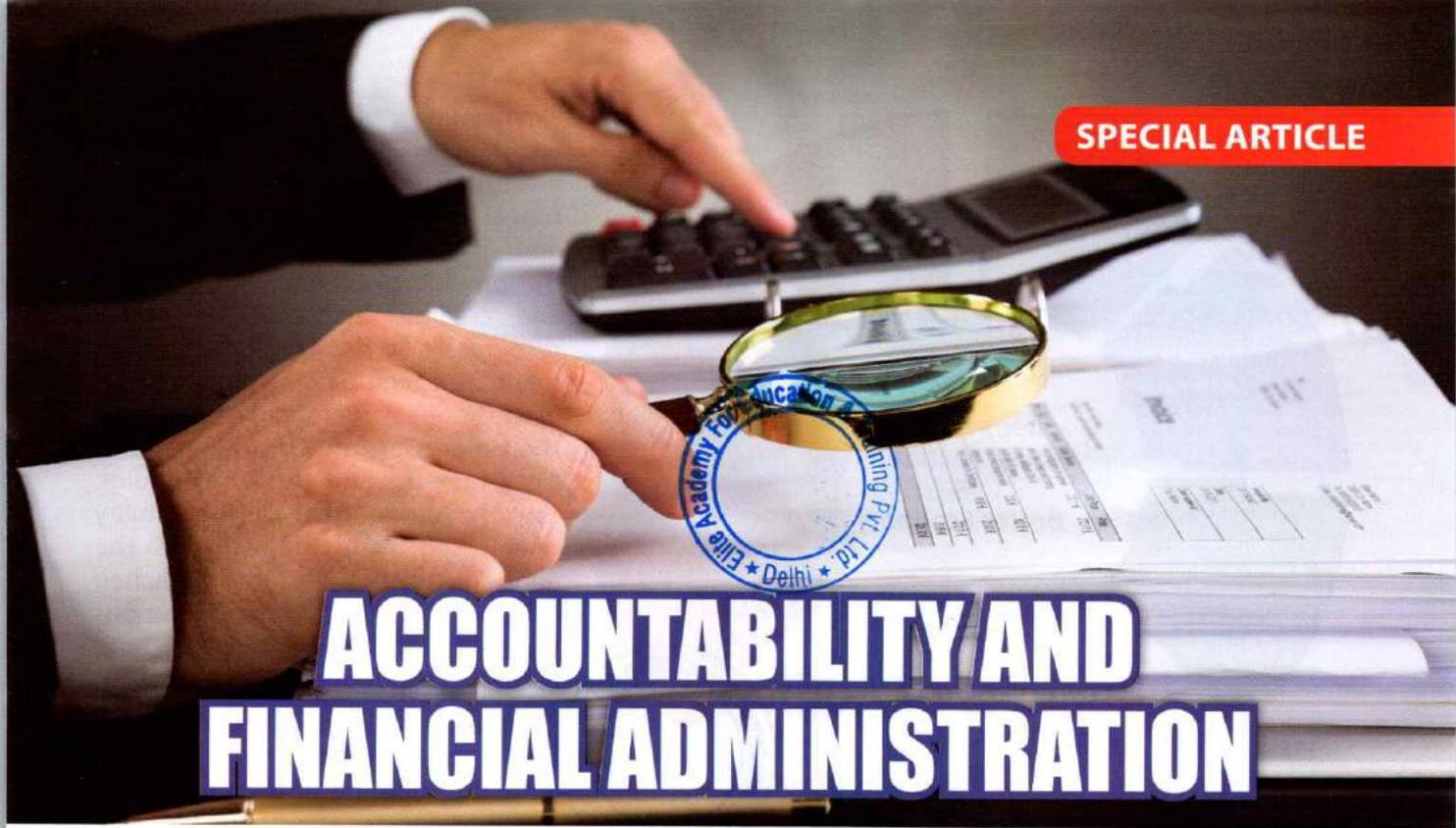
the cartilage of the bureaucratic anatomy—the connecting tissue that makes the body functional. Once this vast array of complex processes is mapped out, who will create the 'learning' material, in consumable byte sizes? This is the next conundrum.

- The fourth implication of the shift from 'Rule' to 'Role' is the ability to curate and create learning material which has always been a specialist job, and content has always been king. Creating an enabling environment responsive to the sudden hunger for consumption, fueled by learner demand (often as a consequence of accountability being cast at the delivery level as well as citizen pressure for better service), predicates a response framework that is as wide as the demand framework. Thus, a 'Content Market Place' is envisaged. The economic actors in this *bazaar* are the creators, ranging from public sector institutions, private sector knowledge entities, academia, and even individuals who are a natural part of this ecosystem. This marketplace is intended to provide consumable content along with an IMPACT SCORE for each piece of content constructed by evaluating the impact on the workplace (comprising those whose tagged competencies have been certified by the content providers) so that future consumers of this content can make informed choices and pay for their quantum of consumption using the resources placed in their learning wallets by their managers. The IMPACT SCORE of content is determined based on utility, contemporaneity,

ease of use, popularity, etc. A marketplace is thus built; the next layer demanding resolution is as follows: While the localised markets of 'capacity building' respond to local needs, how does the whole thing get addressed? How do these different processes get harmonised?

- This is the fifth implication of the shift— that, while action may happen at the citizen level, all microactions must converge into a national whole – an agenda for the whole organisation and of the national direction. This synergy is brought about by the annual capacity building plans of ministries and their eventual alignment with the national direction. This alignment is affected by the architecture of the Mission Programme, which comprises two gears – the think tank Capacity Building Commission to render critical advice and a technical organisation to manage the Digital Learning ecosystem, now named Karmayogi Bharat.
- The last and sixth piece in the architecture is the governance framework in the form of a Prime Minister-led Human Resource Council, supported by its secretariat— the Cabinet Secretariat Coordination Unit.

The transformation of a traditional rule-bound 'bureaucrat' into a role-driven 'civil servant' is a long-needed reform that augurs well for public welfare. A public whose basic needs are well served by government administration without any dithering, harassment, or misconduct is the hallmark of modern societies. In a youthful democracy, with a higher proportion of the population dependent on government services, any improvements at the grassroots will have exponential impacts. Therefore, the government's increasing emphasis on the spirit of *Bhagidari*, on plugging the trust deficit between citizens and government processes, on innovation, and on impactful delivery signals a citizens-first approach. This, in other words, is a declaration of discomfort with a 'Rule Orientation', and a preference for improved role delivery. The Spirit of the Civil Servant, repurposed under the 'National Programme for Civil Services Capacity Building', is that of the 'Karmayogi' serving during the Amrit Kaal of independent India's journey towards increased prosperity. No longer a static rule-bound bureaucrat but a driven, dynamic, empathetic, able, and compassionate civil servant. □



# ACCOUNTABILITY AND FINANCIAL ADMINISTRATION

**The institution of the Comptroller and Auditor General (CAG) plays a key role in the Public Financial Management space of the country. CAG advises the Government on the manner in which the accounts of the Union and State Governments are to be maintained. The CAG's institution upholds the trust reposed by tax payers in India and investors in Indian enterprises; and continues to contribute constructively towards the goal of establishing a robust financial administration.**

**GIRISH CHANDRA MURMU**

The author is the Comptroller and Auditor General of India. Email: [cagoffice@cag.gov.in](mailto:cagoffice@cag.gov.in)

**P**ublic administration in India is rooted in ancient history, dating back to the 4<sup>th</sup> century BCE. The *Arthashastra* (meaning the science of material gain), written by Kautilya, is the oldest written text on public administration in the world. The treatise deals with issues of politics, statecraft, and governance. Accountability of financial systems finds mention as a system of thorough audit of the accounts in accordance with the rules of business, relevant precedents, circumstances, and calculations.

The institution of the Comptroller and Auditor General (CAG) came into existence in the year 1860

and later gained Constitutional status in 1950. The founding fathers of the Constitution envisaged an important role for the CAG in keeping a watch over the expenses voted on by the Parliament. The CAG occupies a unique position as an authority that prescribes the form in which the accounts would be rendered by the Government and conducts audits of all the receipts and expenditures of the Government.

The Constitution ensures the independence of the CAG from the legislature and the executive. The CAG has complete discretion in the discharge of his functions, including the selection of audit issues,



## Benefits of Audit

the manner of conduct and reporting of audits and the organisation and management of his office. The business of the CAG's institution is conducted through the Indian Audit & Accounts Department. Together, the CAG and the IA&AD constitute the Supreme Audit Institution (SAI) of India. SAI India is a 41,700-people strong institution with 137 field offices in the country and abroad.

The CAG plays a key role in the Public Financial Management space of the country. Public Finances are authorised for collection and utilisation by the Legislature; and the Executive appropriates sums of money in accordance with the budgetary allocations authorised. The CAG advises the Government on the manner in which the accounts of the Union and State Governments are to be maintained. While for the Union Government, the Controller General of Accounts prepares the accounts, for the State Governments, the responsibility is vested with the CAG. The accounts of Union and State Governments are subject to audit by the CAG, who submits the audited accounts along with the Audit Report to the President of India, the Governors of the States, and the Administrators of the Union Territories (UTs) for laying in the Parliament and the State/UT Legislatures.

Accountability in financial administration is enforced at three levels: the Executive ministries' and departments' own internal audit mechanisms, external audits by the CAG, and independent

examination of subjects by the Legislative Committees. The CAG's institution is a strong pillar in effecting transparency in financial systems and promoting good governance by providing timely, independent, and credible assurance on public resources. CAG has a nationwide audit mandate encompassing all three tiers of the federal structure of governance: the Union Government, the State/UT Governments, and the local bodies, thus, ensuring that accountability is enforced up to the last mile. The audit jurisdiction includes attached & subordinate offices, autonomous bodies, Statutory authorities and Public Sector Undertakings (PSUs).

The Legislative Committees are a powerful tool for ensuring accountability and promoting good governance. The CAG Audit Reports presented to the Parliament/State Legislatures are selected by the Legislative Committees for detailed examination. The CAG functions as a friend, philosopher, and guide to the legislative committees by suggesting topics of focus and highlighting issues of concern. The committees carry out an in-depth examination of the CAG's Audit observations and call upon the executive ministries and departments to explain their actions on the irregularities pointed out in the reports. Executive Ministries/Departments are required to furnish Action Taken Notes to the legislative committees stating the action taken on the CAG's observations and recommendations. These Action Taken Notes are vetted by the CAG before they are submitted to the committees. In this manner, the CAG plays a crucial role in the accountability cycle in governance.

Audit by the CAG is of three types: financial attest audit to ascertain the accuracy and correctness of the financial statements of the entity; compliance audit to check adherence to applicable rules, regulations, and procedures; and performance audit to assess whether systems within the entity operate with economy, efficiency, and effectiveness. The Subject matter for audits is selected through a meticulous process of risk assessment involving a thorough understanding of the auditable entity and the environment it

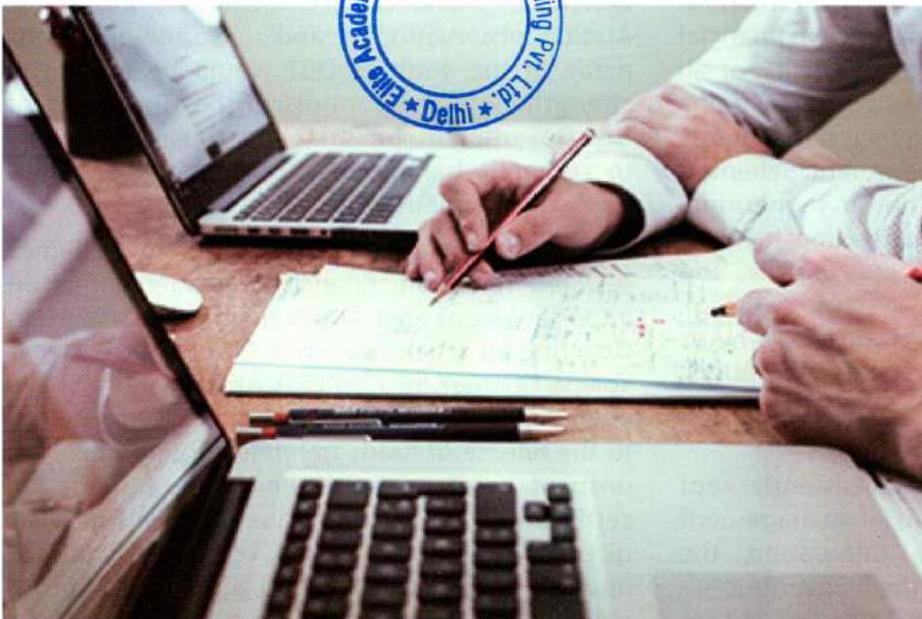
operates in. Internal audit reports of the ministries and departments, analysis of voucher level data using analytics tools, and financial audits are useful inputs in the risk assessment process to identify potential issues that require deeper examination through compliance and performance audits.

Audit observations are communicated to the management of the audited entity through Inspection Reports, Separate Audit Reports on accounts of statutory authorities, management letters, etc. This provides an opportunity for the management to rectify deficiencies and take corrective action. Significant audit observations are reported to the Parliament and the State Legislatures through the CAG's Audit Reports. These include the Audit Reports on Union Government Appropriation and Finance Accounts, State Finances Audit Reports, General Purpose Financial Reports on the functioning of Government PSUs, and a multitude of Compliance and Performance Audit Reports. Besides audit observations on budgetary management, CAG's Audit Reports also contain information on macro-fiscal analysis of key indices and fiscal position, including deficits/surplus, analysis of finances of the Government, critical changes in major fiscal aggregates relative to the previous year, trends, fiscal sustainability, the debt profile, and key Public Account transactions. These analyses provide valuable insights to the Government on the financial condition of the State and

facilitate better decision making in key areas like fiscal sustainability and debt management. In addition, the reports contain practical, constructive, and action-oriented implementable recommendations that are directed at enhancing financial accountability and prudence.

Audit efforts propel good governance by way of policy changes, design improvements, mid-course corrections, strengthening systems, etc. For example, if there are certain omissions/commissions in tax administration that can lead to a potential loss of receipts to the government, audit reports become an enabler for corrective action. Audit Reports on tax receipts contain instances of under-assessment of taxes, non-recovery of receivables, and losses that necessitate recovery from the concerned parties. Based on an audit of receipts during 2021-22, the Union and State Governments accepted that recoveries of Rs 25,571 crore needed to be made. The Income Tax Department carried out recoveries of Rs 415 crore in the last three years to rectify errors in assessment of taxes pointed out by audit.

CAG's audit of receipts has also proved instrumental in ensuring that public funds are realised in accordance with the prevailing laws. For example, during the audit of search and seizure assessments in the Income Tax Department, the audit raised observations relating to the absence of provisions in the Income Tax Act, non-compliance to the Income Tax provisions, non-centralisation of search assesses, non-levy of penalties, etc. In response, the Government made amendments in the Income Tax Act with the insertion of a new Section 79A providing that an assessee will not be allowed any set off of losses on undisclosed income, consequent to a search operation; and Sub-Section (1A) in section 149 stating that any taxable income of a previous period that had escaped assessment can now be assessed under the Act.



Similarly, CAG conducts audit of the Government companies in which classification errors, misstatements, irregularities requiring rectification in the financial statements, and issues in corporate governance are highlighted. During 2021-22, from the audit of 1,351 companies and corporations, there were amendments to Notes to the Accounts of Rs 49,089.53 crore, changes in profit and loss of Rs 13,694.18 crore, and changes in assets and liabilities of Rs 1,07,340.76 crore, as well as classification

mistakes of Rs 32,015.80 crore. Recommendations made in the various Audit Reports on Central and State PSEs unanimously emphasise the need for Governments and management of public sector companies to ensure compliance with the statutory provisions, rules, regulations and guidelines so as to improve corporate governance.

The Public Financial Administration in India has undergone several reforms over the years. With digitalisation, Governments have moved towards an Integrated Financial Management System (IFMS), which is a comprehensive payment, receipt, accounting, and management information system. This has enabled transparency in financial administration by increasing the visibility of all transactions, including revenue deposits, funds released to Implementing Agencies, payments made to beneficiaries of Government Schemes, etc., and thereby facilitating better monitoring. Automation of other governance mechanisms such as electronic filing of tax returns and assessments, toll collection system (FASTag), Bharatkosh, Direct Beneficiary Transfers, e-NAM, etc. has further enhanced transparency in public financial management and enabled better accountability mechanisms.

The CAG's institution has consistently kept pace with the changing financial management ecosystem. The process of integrating the accounting software with the Government's IFMS has been initiated. This has helped to

**The CAG Audit Reports presented to the Parliament/State Legislatures are selected by the Legislative Committees for detailed examination. The CAG functions as a friend, philosopher, and guide to the legislative committees by suggesting topics of focus and highlighting issues of concern.**

improve the efficiency of accounting processes and free up accounting personnel to carry out a greater number of voucher validation and assurance checks, thereby delivering enhanced accuracy in accounts. On the audit side, the adoption of a data-led approach to auditing has facilitated faster delivery and improved the quality of audit outcomes to strengthen financial administration. An institutional framework for the digital audit of GST revenues has also been established. Similarly, the application of data analytics tools has helped

in analysing big data sets to identify outliers and highlight potential red flags to strengthen controls not only in financial administration but in overall governance mechanisms.

Further, Government reforms in financial administration have been a major focus area for performance audits in the recent past. For instance, the CAG's institution has conducted or is conducting several audits of the Direct Benefit Transfer (DBT) system to assess the efficacy and efficiency of the system, with a focus on correct identification, coverage of all intended beneficiaries and correct and timely payments. Audit observations and recommendations made in the audit of DBT would be helpful in strengthening the controls in the IT systems of the Government for enabling timely payments to authentic beneficiaries, preventing pilferages, duplicate payments, etc.

In addition, for all Government schemes selected for audit, financial management is an important focus area. Audits of financial systems in Government schemes such as MNREGA, PM Awaas Yojana, DDUGJY, SAUBHAGYA, AIBP, and NRHM have been conducted, in which systemic issues relating to the release of funds to implementing agencies, unspent balances, non-submission of utilisation certificates; and financial irregularities such as diversion of funds, parking of funds, fictitious/fraudulent expenditure, and non-realisation of revenue were highlighted. The audit observations,

along with evidence based recommendations, have provided insights to the Government in steering positive change by means of course corrections, changes in implementation design, and the removal of bottlenecks at the cutting-edge level.

Emerging challenges in today's world have to be addressed with a holistic approach, keeping in mind existing inequalities, unique and diversified systems, the digital divide and sustainability. In the age of liberalisation and enhanced autonomy, policymakers and society have certain expectations from the Nation's auditor, to build and sustain confidence in the working of the executive and bring in better transparency and accountability in their functioning. The CAG's institution upholds the trust reposed by tax payers in India and investors in Indian enterprises; and continues to contribute constructively towards the goal of establishing a robust financial administration.

One of the major strategic goals of SAI India is to add value to the Public Financial Management

System. The integration of SAI accounting offices with the State Government financial systems opens up access to financial information flows and big datasets, which can and would be leveraged to improve the efficiency of auditing functions. The Strategic Plan of the CAG's institution for 2023-2030 envisions strengthening the linkage between the Accounts and Audit verticals. This will be achieved by building capacities for data analytics, specifically for financial information analysis, with the aim of enabling the accounting offices to become advisors in Public Financial Management as well as support PFM outcomes.

Fundamental beliefs in the institutional values, professionalism, competence, social awareness, and commitment to provide credible assurance on the collection and utilisation of public resources are the key components that support the legacy of the prestigious institution of the CAG of India as a torchbearer of good governance. □



# ELITE IAS

## GS INTEGRATED COURSE 2024

04 SEPTEMBER, 5PM  
11 SEPTEMBER, 11AM  
25 SEPTEMBER, 9AM  
29 SEPTEMBER, 5PM



**ABHINAV JAIN, IAS**  
(ALL INDIA RANK-14)



# PARLIAMENTARY COMMITTEES STRENGTHENING THE SCOPE AND ROLE

Parliamentary Committees serve an important role in scrutinising the work of the Government and improving the quality of Bills brought before Parliament. The effectiveness of Parliamentary Committees is crucial to the effective functioning of Parliament. Reports submitted by the Committees allow for informed debate in the Parliament. Additionally, Committees provide a forum to build consensus across party lines, develop subject expertise, and consult with experts and stakeholders.

**ALAYA PUREWAL**  
**MR MADHAVAN**

The authors work with PRS Legislative Research, New Delhi. Email: [alaya@prsindia.org](mailto:alaya@prsindia.org), [madhavan@prsindia.org](mailto:madhavan@prsindia.org)

**A**s a key state organ, Parliament performs inherently varied and complex functions, including making laws and overseeing executive business. However, it is unwieldy to thoroughly deliberate on issues placed before it. To address this, it has formed several Committees that investigate specific issues in detail and report back to Parliament. Parliament relies

on Parliamentary Committees to thoroughly scrutinise matters. Therefore, Parliament functions in two modes: on the floor of the House and in Committees. Reports submitted by the Committees allow for informed debate in Parliament. Additionally, Committees provide a forum to build consensus across party lines, develop subject expertise, and consult with experts and stakeholders.<sup>1</sup>

**Table 1: Types of reports published by Subject Committees**

Report type	No. of Reports				% of Total Reports			
	14 <sup>th</sup> LS	15 <sup>th</sup> LS	16 <sup>th</sup> LS	17 <sup>th</sup> LS*	14 <sup>th</sup> LS	15 <sup>th</sup> LS	16 <sup>th</sup> LS	17 <sup>th</sup> LS*
Bills**	134	145	41	21	13%	14%	4%	2%
DFG	333	285	331	343	32%	28%	31%	38%
Topics	158	159	194	118	15%	16%	18%	13%
ATR	416	423	504	404	40%	42%	47%	45%
Total	1,041	1,012	1,070	892				

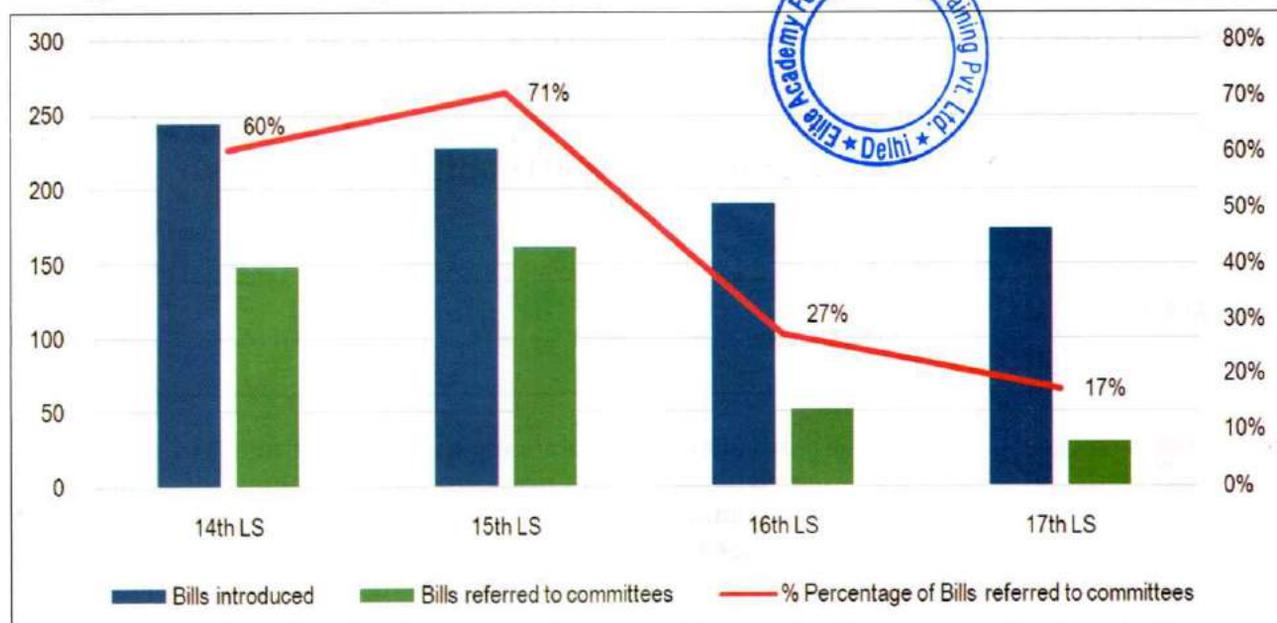
Notes: \*as of July 2023, \*\*does not include Bills referred to Joint Parliamentary Committees, LS refers to Lok Sabha.

Sources: Digital Sansad; Madhavan MR, "Parliament" in Rethinking Public Institutions in India<sup>9</sup>; PRS.

Standing Committees can be broadly categorised into four types: (i) subject, (ii) financial, (iii) accountability, and (iv) administrative. Parliament may also form Ad hoc Committees from time to time. For instance, the *Jan Vishwas* (Amendment of Provisions) Bill, 2022 was referred to a Joint Parliamentary Committee, which is an Ad-hoc Committee. Such Committees are disbanded after submitting the report.

Department-related Committees, or subject Committees, ensure oversight over each ministry. A Minister is not eligible to be a member. There are 24 subject Committees, and each Committee has 31 members, with 21 from the Lok Sabha and 10 from the Rajya Sabha. Membership in Committees is

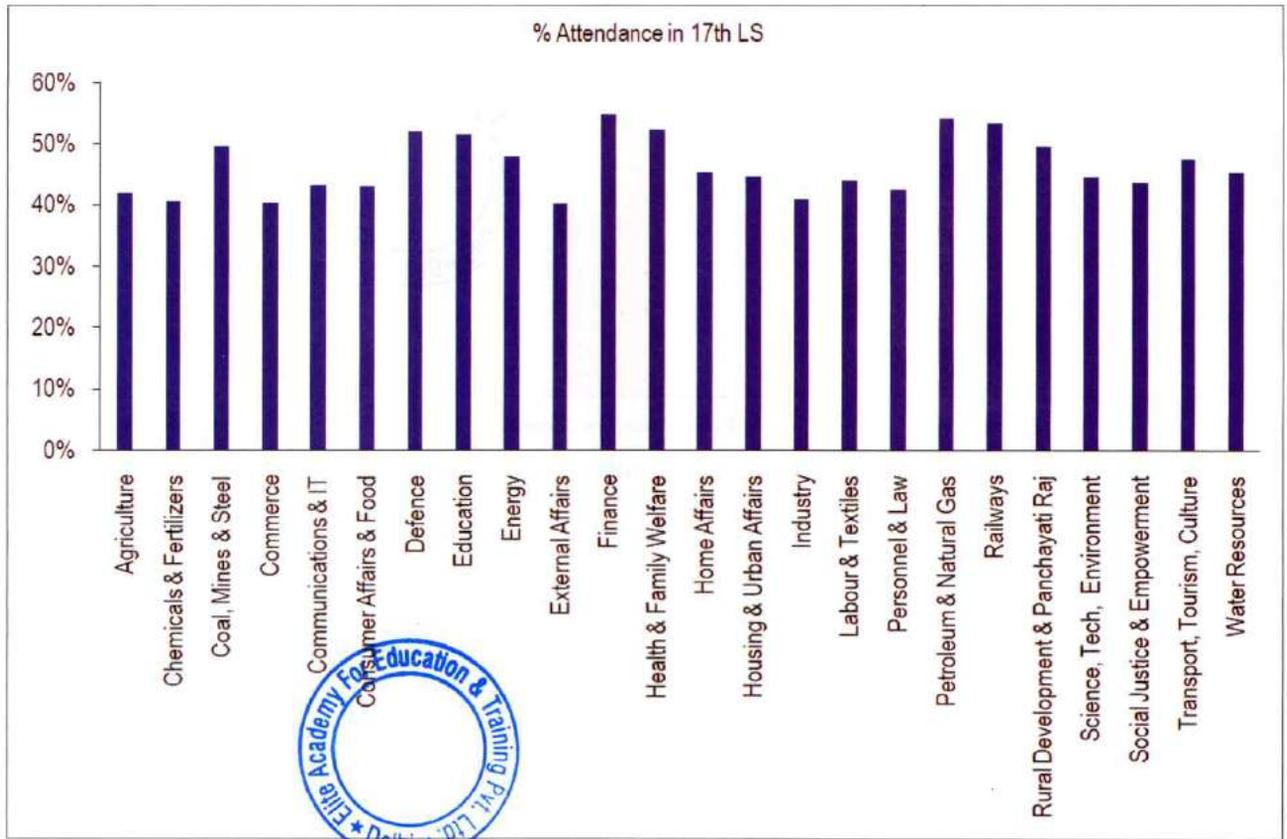
allocated to parties in proportion to their strength in the House. Subject Committees review proposed laws, select subjects for closer examination, and scrutinise the allocated budget for each ministry. To ensure proper scrutiny of Bills before passage, they can be referred to a subject Committee for detailed examination. Committees have contributed to improving laws passed by Parliament. For instance, the Anti-Maritime Piracy Bill, 2019, mandated the death penalty if an act of piracy caused death.<sup>2</sup> The Standing Committee on External Affairs noted that the Supreme Court had ruled that the mandatory death penalty violated the fundamental rights to equality and liberty.<sup>3</sup> It recommended that the penalty be modified to life imprisonment or death.



**Figure 1: Number of Bills Referred to Committees between the 14<sup>th</sup> Lok Sabha and the 17<sup>th</sup> Lok Sabha**

Note: \* as of the end of Monsoon Session of 2023, LS refers to Lok Sabha.

Sources: Digital Sansad; PRS



**Figure 2: Average attendance in Subject Committee Meetings in the 17th Lok Sabha\* (in %)**

Note: \* as of July 2023.

Sources: Digital Sansad; PRS.

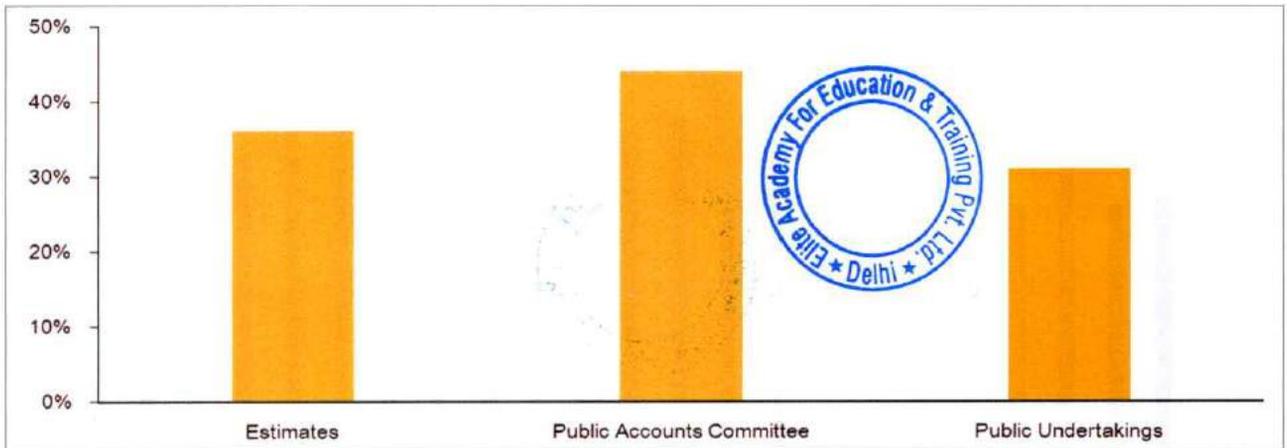
Parliament incorporated this change when it passed the Bill.<sup>4</sup>

Financial Committees consist of three Committees: Estimates, Public Undertakings, and Public Accounts. A minister is not eligible to be a member. The Estimates Committee examines pre-budget estimates of ministries; the Committee on Public Undertakings (CoPU) examines the functioning of public undertakings; and the Public Accounts Committee (PAC) reviews the government's spending statement approved by Parliament. There are other Committees that investigate administrative and accountability matters related to Parliament and the House's day-to-day business. These Committees include the Committee on Privileges, which examines questions involving breaches of rights, privileges, and immunities enjoyed by Members of Parliament. The Committee on Petitions examines complaints sent to it in the form of petitions by the public. Additionally, Ad hoc Committees are appointed by

either House for a specific purpose. They cease to exist when they finish the task assigned to them and submit a report. In this article, we look at the scope and role of financial and subject Committees.

The effectiveness of Parliamentary Committees is crucial to the effective functioning of Parliament. There are several areas where Parliamentary Committees need improvement and strengthening.

**Referring all Bills to Committees:** Currently, Bills are not automatically referred to a Committee. The decision of whether a Bill should be referred to a Committee depends on the decision of the Speaker or Chairman, in consultation with the Minister presenting the Bill. Referring all Bills to a Committee would ensure that all laws go through a minimum level of Parliamentary scrutiny. For instance, the Motor Vehicles Act, 1988, requires the owner of every motor vehicle to take third-party insurance, which will cover compensation awarded to any person in case of an accident.<sup>5</sup> An amendment Bill in 2016 capped the insurance payout at Rs 10 lakh



**Figure 3: Average attendance in Finance Committee Meetings in the 17th Lok Sabha\* (in %)**

Note: \* as of July 2023.

Sources: Digital Sansad; PRS

in case of death.<sup>6</sup> The Standing Committee pointed out that the compensation would be awarded by the courts and does not have an upper limit.<sup>7</sup> Therefore, there should be no cap on the insurance payout so that it covers the entire compensation. Parliament accepted this recommendation while passing the Bill.

During the 17<sup>th</sup> Lok Sabha, until the end of the Monsoon Session of 2023, 17% of Bills have been referred to Committees (see Figure 1). This number has been declining over the last three Lok Sabhas, (as shown in Table 1). Discussing the recommendations made by the Committees or specifying the reasons for rejecting certain recommendations is also not mandatory. However, discussing these details in the House could help make laws robust. Further, consulting with experts on proposed laws may help address potential gaps in legislation. The National Commission to Review the Working of the Constitution (2002) noted that all Bills introduced in Parliament should automatically be referred to subject Committees for detailed consideration and discussion. Further, subject Committees should also review the implementation of laws passed by Parliament in their respective subject.<sup>1</sup> In some Parliamentary systems, such as the United Kingdom, all Bills other than Money Bills are automatically referred to Committees.<sup>8</sup>

**Attendance of MPs:** Parliamentary Committees hold multiple meetings to discuss issues through deliberations among Members. The participation of Members in these meetings is essential for the success of the Committee system. However, the

attendance of MPs in Committee meetings is low. In the 17<sup>th</sup> Lok Sabha, as of July 2023, the average attendance for subject Committees meetings was 47% (see Figure 2). The attendance in financial Committees drops further to 37%. In comparison, attendance in Parliament was 79% for the same time period. The quorum for a Committee meeting is one-third of the Committee members, which is around 10 members for a subject Committee. The National Commission to Review the Working of the Constitution Report (2002) noted that there was large scale absenteeism in Committee meetings.<sup>10</sup> Further, it observed instances where a single Committee encompassed too many ministries. It was noted that these Committees may not be able to conduct an in-depth examination of the functioning of multiple ministries.

**Shortage of technical staff and experts:**

The role of Committees includes examining selected matters in greater depth than is possible in the House and reporting any conclusions of those examinations to the House. Parliamentary Committees can consult with expert witnesses, stakeholders, and the public to better understand complicated issues and the potential impact of policies or legislation. The National Commission to Review the Working of the Constitution (2002) recommended that funds be secured to assist these Committees in conducting inquiries, holding public hearings, and collecting data. Currently, technical support available to Parliamentary Committees is limited to a secretariat that helps with scheduling meetings and taking notes. This is in contrast to

other democracies like Canada, where the Library of Parliament provides research staff to all Committees on request.<sup>11</sup> They provide background information and identify potential witnesses for the Committee. Committees are free to seek additional or more specialised research help from outside the Library of Parliament.

**Public transparency:** Committee reports are usually made public, but the internal workings of the Committee may not be transparent. As a measure of transparency, the minutes of Parliamentary Committee meetings are included within Committee reports. However, the meetings themselves are held behind closed doors. While closed door meetings allow for greater room to reach party consensus, they may hinder public awareness of key findings of Parliamentary Committees. Therefore, the National Commission to Review the Working of the Constitution (2002) recommended that major reports of all Parliamentary Committees be discussed in Parliament, especially where there is a disagreement between any Committee and the Central Government.<sup>10</sup> In contrast, some other democracies provide live webcasts of meetings. In Canada, Parliament allowed Committees to broadcast their proceedings within guidelines established by the Committee on House Management in 1991.<sup>12</sup> During the Covid-19 pandemic, the United Kingdom had live coverage of the Health and Social Care Committee on the country's preparedness for the pandemic.<sup>13</sup>

The National Commission to Review the Working of the Constitution (2002) recommended certain reforms for Parliamentary Committees.<sup>10</sup> These include the establishment of three new Committees: the Constitution Committee, the Committee on National Economy, and the Committee on Legislation.<sup>10</sup> The Committee noted that it may not be necessary to continue the existing Committees on Estimates, Public Undertakings and Subordinate Legislation as the topic covered by them can be covered by subject Committees or the proposed Committees.<sup>10</sup> The recommendation has not been implemented.

In conclusion, Parliamentary Committees serve an important role in scrutinising the work of the Government and improving the quality of Bills brought before Parliament. They enable parliamentarians to access stakeholder and expert

views, and forge consensus across party lines on contentious issues. Some reforms, such as referring every Bill to a Committee and providing expert staff to subject and finance committees, can improve their effectiveness. □

*(Note: The authors thank Niranjana Menon for helping collate the data.)*

## Endnotes

1. Background Paper on Working on Parliament and Need for Reforms, Volume II, Book 3, National Commission to Review the Working of the Constitution Report, 2002, <https://legalaffairs.gov.in/sites/default/files/WORKING%20OF%20PARLIAMENT%20AND%20NEED%20FOR%20REFORMS.pdf>.
2. The Anti-Maritime Piracy Bill, 2019, [https://prsindia.org/files/bills\\_acts/bills\\_parliament/2019/The%20Anti-Maritime%20Piracy%20Bill,%202019.pdf](https://prsindia.org/files/bills_acts/bills_parliament/2019/The%20Anti-Maritime%20Piracy%20Bill,%202019.pdf).
3. Standing Committee on External Affairs, The Anti-Maritime Piracy Bill, 2019, Lok Sabha, February 2021, [https://prsindia.org/files/bills\\_acts/bills\\_parliament/2019/17\\_External\\_Affairs\\_6.pdf](https://prsindia.org/files/bills_acts/bills_parliament/2019/17_External_Affairs_6.pdf).
4. The Anti-Maritime Piracy Act, 2022, <https://egazette.gov.in/WriteReadData/2023/243355.pdf>.
5. The Motor Vehicles Act, 1988, <https://www.indiacode.nic.in/bitstream/123456789/1798/1/A1988-59.pdf>.
6. The Motor Vehicles (Amendment) Bill, 2016, [https://prsindia.org/files/bills\\_acts/bills\\_parliament/2016/Motor%20Vehicles%20\(Amendment\)%20Bill,%202016-.pdf](https://prsindia.org/files/bills_acts/bills_parliament/2016/Motor%20Vehicles%20(Amendment)%20Bill,%202016-.pdf).
7. Standing Committee on Transport, Tourism and Culture, The Motor Vehicles (Amendment) Bill, 2016, Rajya Sabha, February 8, 2017, [https://sansad.in/getFile/rsnew/Committee\\_site/Committee\\_File/ReportFile/20/78/243\\_2020\\_9\\_15.pdf?source=rajyasabha](https://sansad.in/getFile/rsnew/Committee_site/Committee_File/ReportFile/20/78/243_2020_9_15.pdf?source=rajyasabha).
8. "General Bills (including Public Bill Committees)", UK Parliament, as accessed on July 27, 2023, <https://www.parliament.uk/about/how/committees/general/>.
9. Madhavan M.R, "Parliament" in Rethinking Public Institutions in India, ed. Devesh Kapur, Pratap Bhanu Mehta and Milan Vaishnav, Oxford University Press, 2016.
10. Chapter 5 'Parliament and State Legislatures', Volume I, National Commission to Review the Working of the Constitution Report, 2002, <https://legalaffairs.gov.in/sites/default/files/chapter%205.pdf>.
11. "Committees", House of Commons, Parliament of Canada, as accessed on July 27, 2023, <https://www.ourcommons.ca/marleaumontpetit/DocumentViewer.aspx?Language=E&Sec=Ch20&Seq=8>.
12. "The Parliamentary Record", House of Commons, Parliament of Canada, as accessed on July 27, 2023, [https://www.ourcommons.ca/procedure/procedure-and-practice-3/ch\\_24\\_2-e.html](https://www.ourcommons.ca/procedure/procedure-and-practice-3/ch_24_2-e.html).
13. "Live Coronavirus Committee", BBC Parliament, March 05, 2020, <https://www.bbc.co.uk/programmes/m000ghsb>.

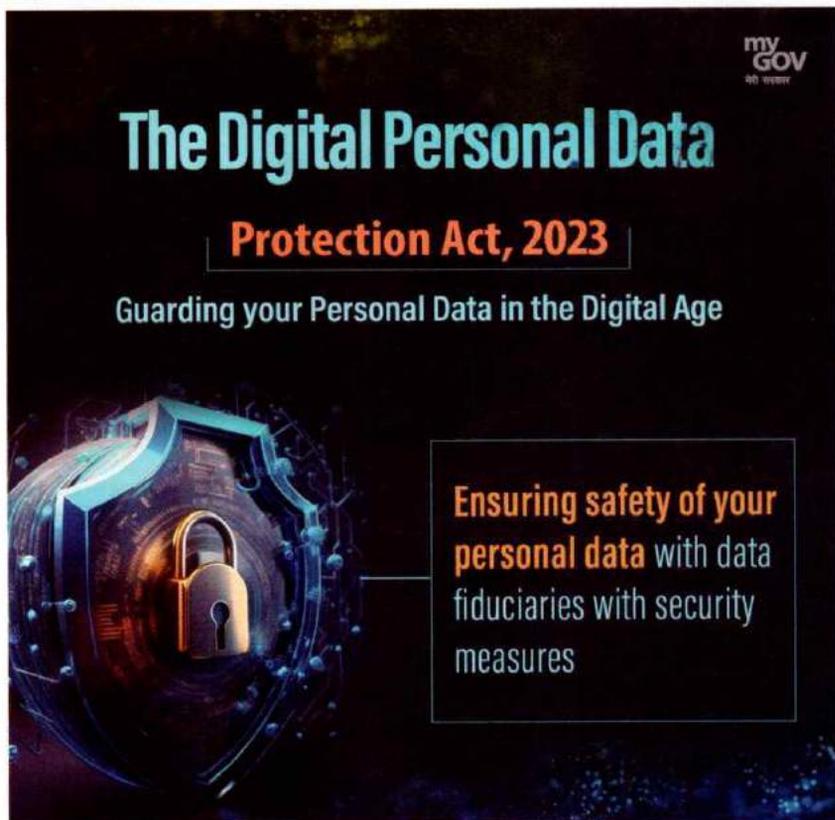
# THE DIGITAL PERSONAL DATA PROTECTION ACT, 2023

**T**he Act provides for the processing of digital personal data in a manner that recognises both the rights of individuals to protect their personal data and the need to process such personal data for lawful purposes, and for matters connected therewith or incidental thereto.

1. The Act protects digital personal data (that is, the data by which a person may be identified) by providing for the following:
  - a. The obligations of Data Fiduciaries (that is, persons, companies, and government entities who process data) for data processing (that is, collection, storage, or any other operation on personal data);
  - b. The rights and duties of Data Principals (that is, the person to whom the data relates); and
  - c. Financial penalties for breaches of rights, duties, and obligations.

The Act also seeks to achieve the following:

  - a. Introduce data protection law with minimum disruption while ensuring necessary change in the way Data Fiduciaries process data;
  - b. Enhance the Ease of Living and the Ease of Doing Business; and
  - c. Enable India's digital economy and its innovation ecosystem.
2. The Act is based on the following seven principles:
  - a. The principle of consented, lawful, and transparent use of personal data;
  - b. The principle of purpose limitation (use of personal data only for the purpose specified at the time of obtaining consent from the Data Principal);
  - c. The principle of data minimisation (collection of only as much personal data as is necessary to serve the specified purpose);
  - d. The principle of data accuracy (ensuring data is correct and updated);
  - e. The principle of storage limitation (storing data only until it is needed for the specified purpose);
  - f. The principle of reasonable security safeguards; and



g. The principle of accountability (through adjudication of data breaches and breaches of the provisions of the Act and imposition of penalties for the breaches).

3. The Act has few other innovative features:

The Act is concise and SARAL, that is, Simple, Accessible, Rational & Actionable Law as it—

- Uses plain language;
  - Contains illustrations that make the meaning clear;
  - Contains no provisos (“Provided that...”); and
  - Has minimal cross-referencing.
4. By using the word ‘she’ instead of ‘he,’ for the first time it acknowledges women in Parliamentary law-making.

5. The Act provides for following rights to the individuals:

- The right to access information about personal data processed;
- The right to correction and erasure of data;
- The right to grievance redressal; and
- The right to nominate a person to exercise rights in case of death or incapacity.

For enforcing his/her rights, an affected Data Principal may approach the Data Fiduciary in the first instance. In case he/she is not satisfied, he/she can complain against the Data Fiduciary to the Data Protection Board in a hassle-free manner.

6. The Act provides for following obligations on the data fiduciary:

- To have security safeguards to prevent personal data breach;
- To intimate personal data breaches to the affected Data Principal and the Data Protection Board;
- To erase personal data when it is no longer needed for the specified purpose;



## Digital Personal Data Protection Act 2023

Digital India Dialogues held for consultation with stakeholders on DPDP Act 2023

2,000+ Suggestions received from citizens through MyGov portal

Comments received from 37 Ministries/Departments and 46 organisations, Industry, Academia, Lawyers and other stakeholders

#IndiaTechade  
#NewIndia



- To erase personal data upon withdrawal of consent;
  - To have in place grievance redressal system and an officer to respond to queries from Data Principals; and
  - To fulfill certain additional obligations in respect of Data Fiduciaries notified as Significant Data Fiduciaries, such as appointing a data auditor and conducting periodic Data Protection Impact Assessment to ensure higher degree of data protection.
7. The Act safeguards the personal data of children also.
- The Act allows a Data Fiduciary to process the personal data of children only with parental consent.
  - The Act does not permit processing which is detrimental to well-being of children or involves their tracking, behavioural monitoring or targeted advertising. □

Source: PIB

# LAW COMMISSION OF INDIA

**T**he Law Commission of India is a non-statutory body and is constituted by a notification of the Government of India, Ministry of Law & Justice, and Department of Legal Affairs with definite terms of reference to carry out research in the field of law, and the Commission makes recommendations to the Government (in the form of Reports) as per its terms of reference. The Law Commission takes up various subjects on references made by the Department of Legal Affairs, Supreme Court, and High Courts and submit reports. The Law Commission of India provides excellent, thought-provoking, and vital reviews of the laws in India.

The Government has constituted the 22<sup>nd</sup> Law Commission of India for a period of three years, with effect from 21 February 2020. The term of the 22<sup>nd</sup> Law Commission has since been extended up to 31 August, 2024. The composition of the 22<sup>nd</sup> Law Commission of India is as follows:

- i. a full-time Chairperson;
- ii. four full-time Members (including Member-Secretary);
- iii. Secretary, Department of Legal Affairs, as ex officio Member;
- iv. Secretary, Legislative Department as ex officio Member; and
- v. not more than five part-time Members.

## How does the Law Commission Function?

- The Commission works on projects based on references received from the Central Government and/or from the Supreme Court and High Courts. At times, keeping in view the importance of the subject matter, the Commission initiates studies on specific subjects, suo moto.

## Methodology

- On receipt of references for examination, priorities are decided and preparatory work is assigned to the Member/Member-Secretary of the Commission. Depending on the nature and scope of the topic, research, methodologies for the collection of data and views are formulated keeping the scope of the proposal for reform in mind.

Discussion at Commission meetings during this period helps not only in articulating the issues and focusing on the research but also in evolving a consensus among members of the Commission. What emerges out of this preparatory work in the Commission is a working paper outlining the problem and suggesting matters deserving consideration. At times, the paper is sent out for circulation among the public and concerned interest groups/stakeholders with a view to eliciting objections and suggestions. Usually, a carefully

## Strengthening Justice Delivery System

Constitution of 22<sup>nd</sup> Law Commission of India  
The Law Commission of India will:



Identify laws which are no longer relevant & can be immediately repealed



Examine the existing laws in the light of Directive Principles of State Policy



Undertake research for bringing reforms in the justice delivery systems



Convey to Govt its views on subject relating to **judicial administration**; research to any foreign countries; simplification of **Central Acts**

prepared questionnaire is sent to interest groups/stakeholders.

- The Law Commission makes every effort to ensure that the widest section of people/stakeholders are consulted in formulating proposals for law reforms. In this process, the Commission brings along professional bodies and academic institutions. Seminars and workshops are organised to elicit critical opinions on proposed strategies for reform. The Law Commission, while taking initiatives in facilitating Law Reform and the Rule of Law towards the continuous development of the country, has made wider consultations with the stakeholders.

### Final Report

- Once the data and views/suggestions are assimilated, the Commission evaluates them, and the information is utilised for appropriate incorporation in the report, which is written under the guidance of the Chairman, Members, and Member-Secretary of the Commission. It is then subjected to close scrutiny by the full Commission in the meeting. Once the Report and summary are finalised, the Commission may decide to prepare a draft amendment or a new



## eCourts MMP Leveraging Technology & Enhancing Court's Efficiency

### eCourts Mobile Services App

- Enter the 16 alphanumeric Case Number Record (CNR) without any - (hyphen) or space.
- On Clicking search button, the current status and entire history of the case will be shown.



If you don't know the CNR number of Case then it can be searched by other options like Party Name, Advocate Name, etc.

bill, which may be appended to its report. Thereafter, the final report is submitted to the Central Government for consideration.

- It is obvious that the success of the Commission's work in law reform is dependent upon its capacity to consult the widest section of people and stakeholders and collect data, views, suggestions, and possible inputs from the public and concerned interest groups. The commission is constantly on the lookout for strategies to accomplish this goal within the limited resources available to it.
- The Commission always welcomes suggestions from any person, institution, or organisation on the issues under consideration of the Commission.

### Follow-Up

The Reports of the Law Commission are laid before Parliament from time to time by the Department of Legal Affairs, Ministry of Law and Justice, and forwarded to the concerned administrative Departments/Ministries for implementation. They are acted upon by concerned Departments/ Ministries depending on the Government's decision. Invariably, the Reports are cited in Courts, by Parliamentary Standing Committees, and in academic and public discourses.

Source: PIB and Law Commission of India

## PERMANENT LOK ADALAT

Catering to Public Utility Services

Services defined under Section 22-A of LSA Act, 1987

- Transport Service for the carriage of passengers or goods by air, road, or water
- Postal, telegraph or telephone service
- Supply of power, light or water to the public by any establishment
- System of public conservancy or sanitation
- Service in hospital or dispensary
- Insurance service
- Education or Educational Institutions
- Housing and Real Estate Services

To Apply for Legal Aid Visit [www.nalsa.gov.in](http://www.nalsa.gov.in)



INCOME TAX RETURN

# Direct Tax Reforms

Tax policy reform is a continuous process. There are various tax reforms and administrative initiatives undertaken from time to time. There is always a time lag in producing desired effect. Tax rate reductions in particular lead to a reduction in tax collection in the short term. Hence, the success of tax reforms should be seen over a period of time rather than analysing each year separately. Ease of doing business is also one area where tax policies are required to continue to pay attention. It has always been the effort of the Government to ensure easy compliance with tax laws as part of its ease of doing business initiative.

**KAMLESH CHANDRA VARSHNEY**

The author is Joint Secretary-(TPL-1), Department of Revenue, Ministry of Finance, Govt. Email: jstpl1@nic.in

**E**conomic growth is an objective that every government works for. The government is required to facilitate economic growth through policy initiatives and infrastructure development. Developing countries in particular also have to ensure inclusive growth. This requires financing of various social objectives and public service

programmes. The ability of the government to live up to these responsibilities largely depends on the amount of revenue generated through various sources. Taxation remains one of the major sources of raising revenues for these objectives, as it is an instrument of social and economic engineering. Tax collections help the government to provide education, healthcare, housing, and



Ministry of  
**FINANCE**



## DELIVERY ON BUDGET PROMISES (2022-23)

Central Board of Direct Taxes

### Reduction of Alternate Minimum Tax rate for Cooperatives

#### Progress so far

Finance Act, 2022 has reduced the rate at which the cooperative societies are required to pay Alternate Minimum Tax to 15% bringing them at par with companies.



#### Announcement

Currently, cooperative societies are required to pay Alternate Minimum Tax at the rate of eighteen and one half per cent. However, companies pay the same at the rate of fifteen per cent. To provide a level playing field between co-operative societies and companies, I, propose to reduce this rate for the cooperative societies also to fifteen per cent.

other basic facilities to the people to improve their quality of life and address the problems of poverty, unemployment, and slow development.

While raising revenues, the government needs to ensure that it does not impact the development of trade and industry. Increasing tax rates or imposing new taxes may not always be the best option to increase tax revenue, as it may adversely impact businesses. How to increase tax revenue without increasing tax rates or imposing new taxes has always been a challenge. It is also the responsibility of the tax administration to ensure that every citizen pays their fair share of taxes. New business models and new technology keep throwing up new challenges for tax administration in ensuring efficient tax collection.

#### Tax Reforms

In Direct Tax, the Government of India has undertaken substantial tax reforms in the last few years to ensure that tax collection increases in a non-adversarial manner through a stable and predictable tax regime. There are four pillars of this reform:

- i. Removing exemption/deduction and reducing tax rates

- ii. Widening and deepening tax base through various measures
- iii. Using technology to increase efficiency in the income tax department
- iv. Reducing litigation by providing tax certainty

#### Removing exemption/deduction and reducing tax rates

A study report to the G20 Development Working Group by the IMF, OECD, UN, and World Bank in October 2015 concluded that tax incentives are often found to be redundant in attracting investment in developing countries; that is, the same investments would have been undertaken even if no incentives had been provided. These tax incentives harm the revenue-raising capability of developing countries, as they lead to unhealthy tax competition—a race to the bottom.

Around the same time, India announced a major tax policy reform. The then Finance Minister, in his budget speech for the 2015-16 Budget, announced that,

*"...The basic rate of Corporate Tax in India at 30% is higher than the rates prevalent in the other major Asian economies, making our domestic*

industry uncompetitive. Moreover, the effective collection of Corporate Tax is about 23%. We lose out on both counts, i.e. we are considered as having a high Corporate Tax regime but we do not get that tax due to excessive exemptions. A regime of exemptions has led to pressure groups, litigation and loss of revenue. It also gives room for avoidable discretion. I, therefore, propose to reduce the rate of Corporate Tax from 30% to 25% over the next 4 years. This will lead to higher level of investment, higher growth and more jobs. This process of reduction has to be necessarily accompanied by rationalisation and removal of various kinds of tax exemptions and incentives for corporate taxpayers, which incidentally account for a large number of tax disputes."

Accordingly, the process of removing exemptions and deductions was started. Since the exemptions available to existing investments were grandfathered, it was announced that the tax rates would be reduced in four years. Further, in a historic tax reform, corporate tax rates were reduced through the Taxation Laws (Amendment) Ordinance 2019, on 20 September 2019, to 25.17% (including surcharge and cess) for existing domestic companies, at their option, which do not avail of specified exemptions/deductions. A lower rate of 17.16% (including surcharge and cess) was provided for new domestic manufacturing companies (incorporated on or after 1 October 2019) that start manufacturing on or before 31 March 2023 (later extended to 31 March 2024). This was later enacted through the Taxation Laws (Amendment) Act 2019. Similar lower tax rates have been provided for cooperative societies.

Similar reforms were carried out in personal income tax in 2020 by providing an option for taxpayers to shift to the new tax regime with lower tax rates but without exemption/deduction. The Finance Act, 2023, has further reduced the tax rates in the new tax regime to make it more attractive.

However, immediately after the major reform for corporates, the economy faced a major challenge in the form of Covid. During this time, many countries were advocating imposing new taxes. However, the Government continued its resolve to provide a stable tax regime. The handling of the economy during Covid times and

the increased buoyancy in tax collections post-Covid have received appreciation from many international organisations. The result of reducing tax rates by eliminating exemption/deductions has also started showing results.

### Widening and Deepening of Tax Base

An efficient tax system ensures that all taxpayers pay their fair share of taxes. Many reforms have been taken to achieve this objective in past few years. These are:

- i. New Tax Deduction at Source (TDS) and Tax Collection at Source (TCS) provisions have been introduced like TDS on payment of rents by Individual/HUF, TDS on e-commerce operation, TDS on cash withdrawal above a threshold, TDS on large payments by Individual/HUF, TDS on Purchase of goods, TDS on benefit/perquisite in course of business/profession, TDS on virtual digital assets, TDS on online games, TCS on purchase of car, TDS on sale of goods, TDS on LRS and purchase of overseas tour programme package, etc.
- ii. Various measures have been taken to ensure that high net worth taxpayers pay their fair share of taxes, like removing arbitrage on the sale of market-linked debentures and debt mutual funds, removing ambiguity on the taxation of return from business trusts classified as debt, putting a cap on saving long-term capital gains tax by way of investment in residential property, a higher surcharge for high net worth taxpayers, etc.
- iii. The Black Money (Undisclosed Foreign Income & Assets) & Imposition of Tax Act, 2015, was enacted to make provisions to deal with the problem of black money, which is undisclosed foreign income/assets stashed abroad. The Benami Transactions (Prohibition) (Amendment) Act, 2016 was enacted to prohibit Benami transactions with consequent provisions to recover properties held as Benami.
- iv. The third-party information collection mechanism has been strengthened to collect information on undeclared income/assets.
- v. Various amendments have been made to encourage the use of digital transactions in place of cash transactions.

Financial Year	GDP at current price (Rs lakh crore)	Direct Tax collection (Rs lakh crore)	GDP growth	Direct tax growth
2014-15	125.41	6.96	10.4%	8.96%
2015-16	135.67	7.42	8.25%	6.63%
2016-17	153.62	8.50	13.23%	14.53%
2017-18	170.98	10.03	11.30%	18.00%
2018-19	188.87	11.38	10.46%	13.46%
2019-20	200.75	10.51	6.29%	-7.65%
2020-21	198.00	9.47	-1.36%	-9.85%
2021-22	236.64	14.12	19.51%	49.12%
2022-23	272.41	16.64	15.12%	17.63%

(Source: Time series data from income tax website)

### Using Technology to Increase Efficiency of the Income Tax Department

It has always been the effort of the Government to ensure easy compliance with tax laws as part of its ease of doing business initiative. Compliance through reporting has been provided to ensure that taxpayers pay their fair share of taxes. When taxpayers do not comply with tax laws voluntarily, there is a need to introduce new reporting or new TDS/TCS provisions. This often increases compliance and conflicts with ease of doing business. This conflict is often faced by policymakers in all countries. However, technology has been a great enabler in overcoming this conflict. The Income Tax Department has taken a number of initiatives that have helped taxpayers comply with tax laws voluntarily. These reforms are:

- i. Earlier, third-party information was used for reopening the assessments, which often resulted in prolonged litigation. Now third-party information is populated in the Annual Information Statement (AIS), which is visible to the taxpayer at the time of furnishing his tax return. Thus, the taxpayer is urged to include all income in its tax return and pay proper tax voluntarily.
- ii. An e-Verification scheme has been introduced with a facility to update returns with some additional tax. In some cases, which are selected based on risk parameters, this scheme issues enquiry to verify the mismatch

between the information furnished in the income tax return and the third party information. This gives taxpayers another opportunity to explain their position and also to update their returns, if needed. Thus, taxpayers get another opportunity to comply with their obligations voluntarily.

- iii. Faceless system of assessment and appeal has started in the Income Tax Department to bring efficiency to the process and provide taxpayers with the convenience of replying to various queries without visiting the income tax office.
- iv. In addition, the income tax department has taken strides in direct tax e-governance initiatives wherein end-to-end technology driven services are being provided to the taxpayers on the one hand and technology driven processing of tax returns with issuance of refunds within the department is being done on the other. CPC-ITR, CPC-TDS, E-filing systems, Refund Bankers Scheme and online tax payments are developments that have ensured seamless online furnishing of tax returns, online payment of taxes, quicker processing of tax returns and speedy issuance of refunds. All this has been achieved through the re-engineering of processes and the onboarding of all stakeholders, including deductors, banks, government agencies, third-party agencies, taxpayers, tax professionals, and tax administrators.

## Reducing Litigation by Providing Tax Certainty

Tax litigation consumes a lot of time and resources from all stakeholders, i.e., taxpayers, tax administration, courts, and tribunals. Early resolution of disputes brings efficiency to tax collection. It has been the endeavour of the Government to reduce litigation. Many steps have been taken in this direction. Advance Pricing Agreement (APA) has been a success story in reducing litigation in transfer pricing. Last year, a record 95 APAs were signed. The Government has also introduced amendments to provide certainty on various issues to reduce tax disputes. Similarly, circulars/FAQs have been issued regularly to provide clarity on interpretation.

e-Verification scheme along with facility to update return, discussed earlier, has reduced reasons for issuance of re-assessment notices in many cases. In just about one year time, more than 30 lakh updated returns have been filed and taxes due have been paid. If re-assessment notices were to be issued in all these cases, it would have resulted in prolong litigation.

### Result of these Reforms

As a result of various direct tax reforms undertaken by the Government, the tax collection in direct tax has shown a significant increase having buoyancy of more than 1 over the years. This means that over a long period of time, direct tax growth is higher than the growth in GDP. This indicates efficiency in tax collection as well as

positive impact of direct tax reforms.

There are various tax reforms and administrative initiatives undertaken from time to time. There is always a time lag in producing desired effect. Tax rate reductions in particular lead to a reduction in tax collection in the short term. Hence, the success of tax reforms should be seen over a period of time rather than analysing each year separately. If we take the period from 2013-2014 to 2022-23, in nine years, GDP has grown from Rs 113.55 lakh crore to Rs 272.41 lakh crore, i.e., growth of 140%. During the same period direct tax collection grew from Rs 6.39 lakh crore to Rs 16.61 lakh crore i.e., growth rate of 160% giving long term direct tax buoyancy of 1.15. This higher than 1 tax buoyancy signifies efficiency of tax administration and success of various tax reforms.

### Future Challenges

The journey of direct tax policy reform has been rewarding so far. But there are challenges ahead. Tax policy reform is a continuous process. More reforms are contemplated along the above lines in order to ensure that direct tax collection remains buoyant. More reforms are also required to reduce tax litigation and ensure tax certainty at an early stage. Ease of doing business is also one area where tax policies are required to continue to pay attention. Last but not least, it should always be the endeavour to ensure that all those who are required to pay direct tax pay their tax fairly and voluntarily. □

## Sales Outlets of Publications Division

New Delhi	Soochna Bhawan, CGO Complex, Lodhi Road	110003	011-24365609 011-24365610
Navi Mumbai	701, B Wing, 7th Floor, Kendriya Sadan, Belapur	400614	022-27570686
Kolkata	08, Esplanade East	700069	033-22486696
Chennai	'A' Wing, Rajaji Bhawan, Basant Nagar	600090	044-24917673
Thiruvananthapuram	Press Road, Near Government Press	695001	0471-2330650
Hyderabad	204, II Floor CGO Towers, Kavadiiguda, Secunderabad	500080	040-27535383
Bengaluru	I Floor, 'F' Wing, Kendriya Sadan, Koramangala	560034	080-25537244
Patna	Bihar State Co-operative Building, Ashoka Rajpath	800004	0612-2675823
Lucknow	Hall No 1, II Floor, Kendriya Bhawan, Sector-H, Aliganj	226024	0522-2325455
Ahmedabad	4-C, Neptune Tower, 4th Floor, Nehru Bridge Corner, Ashram Road	380009	079-26588669



# PROTECTING THE INTERESTS OF CONSUMERS AND BUSINESSES

Competition plays a crucial role in shaping how businesses operate and interact with each other. It creates an environment where businesses are constantly pushed to improve, innovate, and meet consumer needs effectively. The Competition Act, with CCI as its working arm, not only regulates markets but also facilitates fair competition and a level playing field for businesses. While the Competition Law doesn't explicitly address consumer rights, it prioritises consumers' interests by fostering a market free from anti-competitive forces and abuse of dominance.

**RAVNEET KAUR**

The author is the Chairperson, Competition Commission of India, New Delhi. Email: [cci-chairman@nic.in](mailto:cci-chairman@nic.in)

**W**hile it may seem that consumers' and businesses' interests are at odds, when viewed through the lens of competition, both share a common stake. The Competition Law aims to protect the interests of both consumers and businesses by fostering a competitive environment in markets and preventing anti-competitive practices. It ensures fair competition

and a level playing field for all market players, thereby encouraging innovation and efficiency. The law is enforced by the Competition Commission of India (CCI), which acts as a regulatory body to safeguard competition conditions and consumer welfare.

CCI's mandate includes preventing anti-competitive practices, promoting and sustaining competition, and protecting consumers'



## What is an International Cartel?

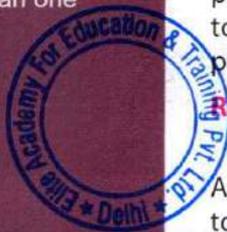
An International Cartel is said to exist, when not all of the enterprises in a cartel are based in the same country or when the cartels affects markets of more than one country.

**CARTEL**

#KnowYourCompetitionLaw

CCI\_India | competitioncommissionofindia | @competitioncommissionofindia

This is informative in nature. Viewers are advised to seek legal advice wherever necessary. visit [www.cci.gov.in](http://www.cci.gov.in)



as price increases, reduced product choices, and suppressed innovation.

CCI's advocacy initiatives and policy recommendations further promote pro-competitive policies and protect consumers' interests. By maintaining a competitive marketplace, the law benefits both businesses and consumers and encourages efficiency, innovation, and growth in the Indian economy.

Competition regulation corrects market disruptions, fostering economic development by providing freedom and incentives for businesses to grow while protecting consumers from powerful market players.

### Role of CCI in markets and its tools

CCI, deriving its genesis from the Competition Act, 2002, has striven since its inception in 2003 to develop and flourish an ecosystem of healthy competition in the Indian Economy. CCI is living up to its core principles imbibed in the preamble of the Act. It is an expert body that acts as a watchdog for competition conditions in the Indian markets. Its mandate includes preventing practices that harm competition, promoting and sustaining competition, ensuring freedom of trade for all participants, and protecting consumer

interests. The Competition Act, with CCI as its working arm, not only regulates markets but also facilitates fair competition and a level playing field for businesses.

Unlike the Monopolies and Restrictive Trade Practices Act, 1969, the modern Competition Act, 2002, focuses on checking and correcting abuse of dominance by market entities, which can harm competition in India. CCI is responsible for preserving the competitive process and ensuring trade freedom by prohibiting exclusionary and exploitative practices by dominant undertakings.

CCI uses a variety of tools and mechanisms to enforce

interests. The law focuses on checking abuses of dominance and market power, promoting fair play, and curbing cartels and collusive dealings that harm consumers and honest businesses.

A robust competition mechanism supports the growth of businesses, enhances productivity, and increases the international competitiveness of domestic industries. It also helps in regulating mergers and acquisitions to ensure they do not negatively impact competition or consumers.

While the Competition Law and Consumer Law approach the issue from different angles, they both seek to ensure the well-being of consumers. The enforcement of competition law plays a crucial role in detecting and penalising anti-competitive practices that harm consumers, such

**While the Competition Law and Consumer Law approach the issue from different angles, they both seek to ensure the well-being of consumers. The enforcement of competition law plays a crucial role in detecting and penalising anti-competitive practices that harm consumers, such as price increases, reduced product choices, and suppressed innovation.**

competition laws, promote fair competition, and protect consumer interests. Some of the key tools employed include:

- 1. Advocacy:** Engaging in educational and awareness campaigns to promote competition principles among businesses, consumers, and policymakers. Advocacy efforts also involve providing policy recommendations to government bodies at the central and state levels. CCI publishes advocacy materials for guidance and use by stakeholders. These materials are illustrative and easy to comprehend. The Advocacy booklet is published in 13 languages, including English and Hindi. Advocacy with procurement officers places emphasis on competitive tendering processes, enhancing value for money for procurers. A special emphasis on competition compliance programmes for enterprises lowers the cost of competition

**Cartels and bid-rigging tactics hurt not only end consumers but also businesses in such a way that they merely create an illusion of choice while, in essence, suffocating businesses by reducing their bargaining power.**

enforcement and results in competition compliant businesses.

## 2. Anti-Competitive Agreements Detection:

Monitoring and investigating agreements between competitors that may violate the Competition Act, 2002, such as cartels, price-fixing, bid-rigging, market allocation schemes, resale price maintenance, etc. Cartels and bid-rigging tactics hurt not only end consumers but also

businesses in such a way that they merely create an illusion of choice while, in essence, suffocating businesses by reducing their bargaining power.

- 3. Abuse of Dominance Assessments:** Scrutinising dominant firms' conduct to ensure they do not exploit their market power to harm competitors or exclude new entrants.
- 4. Digital Tools and Data Analytics:** CCI also uses advanced digital tools and data analytics to process datasets, identify potential violations, and support evidence-based decision-making.
- 5. Fines and Penalties:** Imposing fines and sanctions on those found guilty of violating competition laws serves as a deterrent and encourages compliance. In cases of abuse of a dominant position, the CCI can impose a penalty of up to 10% of the average turnover for the last three preceding financial years. For cartels, CCI may impose a penalty of up to three times the profit or ten percent of the turnover for each year of the continuance of such an agreement, whichever is higher. Individual officers of the enterprise can also be penalised by CCI. It may impose a penalty that may extend up to 10% of the average total income derived by the relevant individual in the three prior financial years (as recorded in their income tax statements submitted to the tax authorities in India).
- 6. International Cooperation:** Cooperating with other competition authorities and regulatory bodies to address cross-border



## What is the fees to be paid for filing information?

The information which is filed with the Commission should be accompanied by proof of payment of fees as below:

**Rs. 5,000** (Five Thousand) in case of an Individual or HUF

**Rs. 10,000** (Ten Thousand) in case of NGO, Consumer Association, Co-operative Society, or Trust.

**Rs. 40,000** (Forty Thousand) in case of Firm or Company having turnover in the preceding year up to Rs. 2 Crore

**Rs. 1,00,000** (One Lakh) in case of Firm or Company having turnover in the preceding year exceeding Rs. 2 Crore and up to Rs. 50 Crore.

**Rs. 5,00,000** (Five Lakh) in cases not covered above.

#KnowYourCompetitionLaw

CCI\_India | competitioncommissionofindia | @competitioncommissionofindia

This is initiative in figure. Visits are advised to seek legal advice wherever necessary. Visit [www.cci.gov.in](http://www.cci.gov.in)



## What are the issues on which information can be filed?

The information can be filed on the issues like anti-competitive agreements and abuse of dominant position which causes or is likely to cause an appreciable adverse effect on competition in the markets in India.



#KnowYourCompetitionLaw

CCI\_India | competitioncommissionofindia | @competitioncommissionofindia

This is informative in nature. Viewers are advised to seek legal advice whenever necessary. VISIT WWW.CCI.GOV.IN

competition issues and also acquire international best practices. CCI enters into MoUs with foreign counterparts in order to facilitate international cooperation.

- Market Studies:** Conducting in-depth market studies to identify potential competition issues, understand market dynamics, barriers to entry, and anti-competitive behaviour. Study reports help identify potential areas requiring market correction and also suggest the formulation of evidence-based policies.
- Merger Control:** Reviewing mergers, acquisitions, and amalgamations to assess their potential impact on competition. CCI evaluates whether the proposed transactions may cause an appreciable adverse effect on competition (AAEC), harming consumer welfare. CCI scrutinises mergers, acquisitions, and amalgamations in a quick and decisive manner. Provisions like Green Channel provide ease of business and facilitate trust among stakeholders.
- Leniency Programmes:** Offering incentives to parties to come forward and provide information about their involvement in anti-competitive practices, often providing

reduced penalties for cooperation.

- Remedies:** Requiring companies to take corrective actions, divest assets, or make structural changes to address competition concerns identified by CCI.

These tools and mechanisms allow CCI to foster competitive markets, protect consumers from anti-competitive practices, and promote economic growth and innovation.

## Relation between Competition and Consumer Protection

While the Competition Law doesn't explicitly address consumer rights, it prioritises consumers' interests by fostering a market free from anti-competitive forces and abuse of dominance. Although different in approach from consumer laws, both aim to ensure consumer well-being. Competition and consumer policies correct market failures and function effectively; consumer-specific laws focus on the demand side and advocate rights, while competition laws emphasise the supply side, guaranteeing consumers diverse choices and affordable prices. Fair competition serves as a fundamental pillar for consumer welfare by offering a wide



## What type of information can be shared through the Confidentiality Ring?

- Entire confidential case records or part thereof as decided by the Commission while setting up the Confidentiality Ring can be made accessible through the Confidentiality Ring.

However, following category of documents are not ordinary accessible to the members of confidentiality ring-

- documents/material obtained through search and seizure operations;
- e-mail dumps;
- call detail records; or
- any other document/material in the nature of personal information.



#KnowYourCompetitionLaw

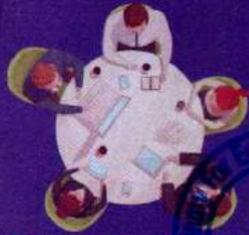
CCI\_India | competitioncommissionofindia | @competitioncommissionofindia

This is informative in nature. Viewers are advised to seek legal advice whenever necessary. VISIT WWW.CCI.GOV.IN



## When and by whom can the Confidentiality Ring be set up?

The Commission may, if considered necessary or expedient, set up Confidentiality Ring(s) at any time during the proceedings. Such ring comprises authorized representatives of the parties who would only be able to access the confidential information in an unredacted form. The Commission, while setting up a Confidentiality Ring, may decide the extent of information to be made accessible as well as the parties and their members to be included in the Confidentiality Ring, as deemed appropriate for the purpose.



#KnowYourCompetitionLaw

CCI\_India competitioncommissionofindia @competitioncommissionofindia

This is informative in nature. Viewers are advised to seek legal advice wherever necessary. Visit WWW.CCI.IN

and meet consumer needs effectively. In fact, a well-implemented competition regime is a catalyst for entrepreneurial markets and the current startup economy of India is reaping the benefits of the active competition regulation mechanism, which ensures that the competition between businesses is based on merit so that entrepreneurial energy and investments are not wasted in navigating anti-competitive barriers and levelling tilted playing fields. Even in the current era of digitalisation, CCI's enforcement and advocacy system prioritises that the market outcomes in digital sector are driven by fair play of market forces and do not get entangled in the self-perpetuating, anti-competitive strategies of a small cohort of players to reap the benefits of the digital revolution in the highest order of efficiency and economic opportunity.

Further, better competition in the local market results in greater productivity and growth and increases the international competitiveness of domestic businesses. A distorted market burdened with anti-competitive ineffectiveness ends up hurting domestic GDP growth and can become detrimental to economy of the nation at large.

### Conclusion

With the legislative framework of competition regulation in India and the tools available to CCI, it can be concluded that competition fosters consumer interests by acting as a catalyst for innovation, efficiency, and growth, compelling businesses to continuously improve and offer better products and services.

As a linking law between businesses and consumers, competition law can be said to be a boon for both. On the business side, competition can help businesses identify consumers' needs and then develop new products or services to meet them, which in turn allows consumers to have access to better choices. □

### References

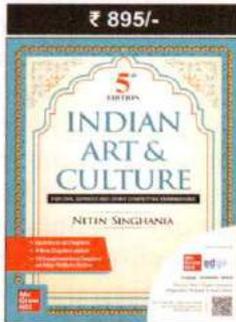
1. Explaining benefits to businesses, International Competition Network
2. Advocacy materials, Competition Commission of India
3. The benefit of competition policy for consumers; United Nations Conference on Trade and Development

range of products and services at the lowest cost. Competition law endeavours to maintain sufficient choice for consumers by sustaining competitive conditions in the market from the supply side. In sum and substance, they complement each other in establishing the rights of consumers and supplement each other by their actions, which intend for a larger market correction beneficial to all stakeholders.

Taking a cue from the United Nations Guidelines for Consumer Protection, a link between the two can be established to state that fair competition is a fundamental pillar upon which the vine of consumer welfare grows, as effective competition is indispensable to providing consumers with the greatest range of choice among products and services at the lowest cost.

### Relation between Competition and Business

The relationship between business and competition is a fundamental aspect of the market economy. Competition plays a crucial role in shaping how businesses operate and interact with each other. Competition creates an environment where businesses are constantly pushed to improve, innovate,



ISBN: 9789355325921

**A GAME-CHANGER FOR  
UPSC CIVIL SERVICES ASPIRANTS  
4 COLOUR EDITION  
WITH PLUCK-OUT CHART**

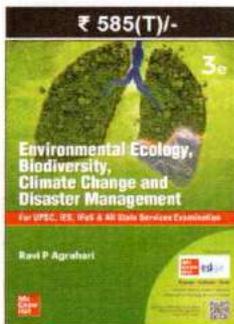
Indian Art and Culture, 5/e

**Author: Nitin Singhania**



**Key Features:**

- This is a 4-colour edition containing 25 chapters and a pluck-out chart on UNESCO World Heritage Sites in India
- Includes 3 comprehensive sections: Visual Arts, Performing Arts and Culture of India
- Includes four new chapters on Indian Sculpture and Pottery, Indian Tribal Culture, Trade, Traders and Cultural Exchange, and Legendary Cities of Ancient and Medieval India
- Contains solved prelims 2023 paper as part of chapters
- Inclusion of 10 modules on McGraw Hill Edge



ISBN: 9789355325723

**A COMPREHENSIVE TITLE ON  
THE SUBJECT – WITH MIND MAPS,  
FIGURES AND FLOW CHARTS**

Environmental Ecology, Biodiversity, Climate Change & Disaster Management, 3/e

**Author: Ravi P. Agrahari**

**Key Features:**

- Includes important topics such as Greenwashing, Climate Action Tracker, Miyawaki method and many more to align with the recent examination trend
- Covers in detail important statutes such as the statutory body established under the Commission for Air Quality Management in National Capital Region and Adjoining Areas Act, 2021, SUP ban under the Plastic Waste Management (Amendment) Rules, 2021, etc.
- Includes 2013-2022 Mains Questions with Explanations on Environment and Disaster Management
- Dedicated section on PYQs from UPSC and other competitive examinations

With free access to



ENGAGE · EVALUATE · EXCEL

Toll Free Number: 18001035875 | support.india@mheducation.com | www.mheducation.co.in

# CONSUMER PROTECTION ACT, 2019

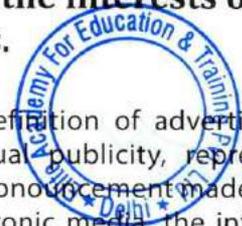
## STRENGTHENING PROVISIONS FOR CONSUMER PROTECTION

Under the provisions of the Consumer Protection Act, 2019, a Central Consumer Protection Authority (CCPA) has been established with effect from July 2020 to regulate matters, inter alia, relating to false or misleading advertisements that are prejudicial to the interests of the public and consumers as a class.

**T**o further strengthen the provisions for consumer protection, especially in the new era of globalisation, online platforms, e-Commerce markets, etc., the Consumer Protection Act, 2019 was enacted to replace the Consumer Protection Act of 1986. It, inter alia, provides for improved protection for consumers involved in online transactions. The Consumer Protection Act 2019 has widened the scope of the definition of 'consumer' to include persons who buy or avail of goods or services online or through electronic means, which was not present in the Consumer Protection Act of 1986. The Consumer Protection Act 2019 has

also included a definition of advertisement as any audio or visual publicity, representation, endorsement or pronouncement made by means of, inter alia, electronic media, the internet or a website.

The CCPA has notified the Guidelines for Prevention of Misleading Advertisements and Endorsements for Misleading Advertisements, 2022, on 9 June 2022 with the objective of curbing misleading advertisements and protecting the consumers who may be exploited or affected by such advertisements. As per these guidelines, due diligence is required for endorsement of advertisements so that any





### More Power to the Consumer!



**Consumer Protection Act, 2019 Comes into Force (1/4)**

 Consumer Protection Act, 2019 replaced the Consumer Protection Act, 1986 to provide timely administration & settlement of consumers' dispute

 The new Act empowers & protect the rights of consumers through various notified rules & provisions related to:

- Consumer Protection Councils
- Consumer Disputes Redressal Commissions
- Mediation
- Product Liability
- Rules on e-commerce and direct selling
- Penalty for adulterant & spurious goods



### More Power to the Consumer!



**Consumer Protection Act, 2019 Comes into Force (2/4)**

 Establishment of Central Consumer Protection Authority (CCPA) to promote, protect & enforce the rights of consumers

 CCPA empowered to perform the followings:

- Conduct investigations into violations of consumer rights & institute complaints /prosecution
- Order recall of unsafe goods and services
- Order discontinuance of unfair trade practices & misleading advertisements
- Impose penalties on manufacturers/endorsers/publishers of misleading advertisements



## More Power to the Consumer!



### Consumer Protection Act, 2019 Comes into Force (3/4)

-  Product liability provision to deter manufacturers & service providers for delivering defective products or deficient services
-  Alternate dispute resolution mechanism of Mediation for early settlement of cases
-  Simplified dispute resolution process
  - State & District Commissions can now review their own orders
  - Empowerment of Consumer Commissions to enforce their orders
  - Ease of approaching Consumer Commissions through electronic filing of complaints & Videoconferencing for hearing
  - Deemed admissibility after 21 days of filing; Appeals only on question of law after second stage




## More Power to the Consumer!



### Consumer Protection Act, 2019 Comes into Force (4/4)

-  Provision of Rules for prevention of unfair trade practice by e-commerce platforms
  - Every e-commerce entity to provide information relating to return, refund, grievance redressal mechanism, etc. including country of origin
  - Acknowledge the receipt of any consumer complaint within 48 hours
  - Redress the complaint within one month from the date of receipt
-  Punishment of manufacturer or sale of adulterant/spurious goods, Suspension of license up to 2 years in case of first conviction & cancellation of license for subsequent conviction

such endorsement in an advertisement must reflect the genuine, reasonably current opinion of the individual, group, or organisation making such representation and must be based on adequate information about, or experience with, the identified goods, product, or service and must not otherwise be deceptive. Further, these guidelines state that where there exists a connection between the endorser and the trader, manufacturer, or advertiser of the endorsed product that might materially affect the value or credibility of the endorsement and the connection is not reasonably expected by the audience, such a connection shall be fully disclosed while making the endorsement.

The CCPA has issued advisories to, inter-alia, e-commerce companies to desist from manufacturing, selling, or listing products or services that are dangerous to the lives of consumers which included the sale and listing of car seat belt alarm stopper clips, the illegal sale, and the facilitation of wireless jammers. It has also advised all marketplace e-commerce platforms to display information provided by sellers as per the E-Commerce Rules, 2020. CCPA has also issued two safety notices cautioning consumers against buying goods that do not hold a valid ISI Mark and violate compulsory BIS standards, such as helmets, pressure cookers, and cooking gas cylinders, and other household goods, including electric immersion water heaters, sewing

machines, microwave ovens, domestic gas stoves with LPG, etc.

The Consumer Protection Act 2019 explicitly includes e-commerce transactions within its scope, defining e-commerce as the buying or selling of goods or services, including digital products, over a digital or electronic network.

To safeguard consumers from unfair trade practices in e-commerce, the Department of Consumer Affairs has already notified the Consumer Protection (E-commerce) Rules, 2020, under the provisions of the Consumer Protection Act. These rules, inter-alia, outline the responsibilities of e-commerce entities and specify the liabilities of marketplace and inventory e-commerce entities, including provisions for customer grievance redressal.

There is an emergence of unfair trade practices known as 'dark patterns', which involve using design and choice architecture to deceive, coerce, or influence consumers into making choices that are not in their best interest. The Department of Consumer Affairs has urged e-commerce companies, industry associations to refrain from indulging in any design or pattern in the online interfaces of their platforms that may deceive or manipulate consumer choices and fall into the category of dark patterns. □

Source: PIB



# ROLE OF CONSTITUTIONAL BODIES IN STRENGTHENING DEMOCRACY

**Constitutional bodies are the foundation of democracy as an institution. Their presence has been a critical factor in the resilience of Indian democracy.**

**PROF GS BAJPAI**

The author is Vice-Chancellor, National Law University, Delhi. Email: [vc@nludelhi.ac.in](mailto:vc@nludelhi.ac.in)

**DR RAGHAV PANDEY**

The co-author is Assistant Professor, National Law University, Delhi.

**D**emocracy as an institution has evolved and grown to become more participatory. As is well known, Indian democracy is the world's largest because of the sheer size of the electorate.

Democracy is imagined as a form of governance premised on certain fundamental philosophies. The foremost is that people should be a part of the governance structure because they are the subjects and beneficiaries of the governance setup. In addition, numerous studies have shown that decisions made in a group are more balanced and better considered than those made by individuals

since they consider multiple points of view and must be adjusted according to stakeholder needs.

Considering the underlying philosophy and structural needs of democracy, constitutional bodies are needed to establish, protect, and perpetuate democratic ideals. The most essential democratic body has to be the elected legislature, which makes laws. The Indian Parliament, where both Houses are directly or indirectly elected, performs this primary function as a constitutional body. Democracy entails that people will be governed by the laws they have had a role in making. Thus, the members of the legislature whom the people have elected make laws

for the people. Accordingly, an elected legislature is a 'sine qua non' for establishing and strengthening democracy, which functions on a majority decision-making system.

More importantly, democracy is not only premised on the philosophy of collective decision-making as a singular idea. It is a product of the acknowledgement of the philosophy that an individual as a subject takes centre-stage in democratic decision-making. Consequently, this leads to the understanding that an individual also has certain fundamental or human rights that are inalienable and predate the advent of democracy or the Constitution. These rights, thus, must be protected at an individual level, and they cannot be taken away even by the majority's will through the legislature. Therefore, Constitution must entrench these rights so that they are too sacred to be taken away by anyone. Our Constitution does this in Part III as the Fundamental Rights. To protect these rights, another essential constitutional body is required, in the form of an independent judiciary.

The judiciary is there to address other issues at an individual level as well that are not limited to just fundamental rights. Courts, as constitutional bodies, have the critical function of safeguarding the Constitution itself, which sometimes means going against the people's will. In India, the apex court evolved the basic structure doctrine in the case of *His Holiness Kesvananda Bharti vs State of Kerala*, where essential features of the Constitution were put beyond the amending power of the Parliament. The courts also keep a check on all subordinate bodies created through laws and other constitutional bodies to ensure that they perform their functions as prescribed.

We have the unique distinction of having the world's largest and most comprehensive Constitution. Naturally, we have many more constitutional bodies than other jurisdictions. Our constitutional founders did this to ensure the rule of law system is deeply embedded in our governance system. Accordingly, the Election Commission of India, the Union Public Service Commission, the office of the Attorney General of India, etc., have been given constitutional status. This is not to say that in other jurisdictions, these offices do not exist, they do, but there, they are a creature of the legislature instead of the constitution. The benefits of prescribing constitutional status

to these bodies are manifold. Permanency begets consistency and predictability in the functions and aspirations of people approaching these bodies. All of these are essential features of the Rule of Law, which every democratic system seeks to establish. Rule of Law as a concept can be better understood by juxtaposing it with the opposing concept of Rule by a King, wherein the King or the monarch can rule by decree and can legally make arbitrary, discretionary, and even whimsical decisions that will be enforced as law.

In a Rule of Law governance system, the Law is supreme, every person and institution is subordinate to it, and there is no scope for discretionary and arbitrary decision-making. For instance, the government's decision must be justified on multiple levels. Firstly, the Parliament, as an elected body, needs to put that decision to the vote. Secondly, if even a single person feels they are being disadvantaged or discriminated against, they can challenge that law in court. This is how the constitutional bodies preserve the Rule of Law and further the goals of democracy by ascribing constitutional status to more bodies than is done elsewhere.

In a democracy, any act of the state needs to have legitimacy. Since constitutional bodies are state organs, their actions require democratic legitimacy. Democratic legitimacy means that an act is justified and legal because of the force of the will of the people behind it. The people elect the Parliament, and the laws passed by it are valid and enforceable because of that. Additionally, when the government authorises an entity to perform a particular act, that act will also have indirect democratic legitimacy. Thus, constitutional bodies must also be run by functionaries with democratic legitimacy, either directly or indirectly.

It is evident that constitutional bodies are the foundation of democracy as an institution. The Parliament establishes the procedural requirements of democracy; the judiciary protects the substantive aspects of democracy; the EC ensures free and fair elections; and the UPSC and CAG also play a vital role in preserving democratic ideals. The presence of strong constitutional bodies has been a critical factor in the resilience of Indian democracy. These bodies have helped protect citizens' rights, ensure the rule of law, and promote democratic values. □

# ADMINISTRATIVE REFORMS

India has adopted several Next-Generation Administrative Reforms to improve its time-tested administrative systems for carrying out functions of nation building and the creation of an inclusive State.

V SRINIVAS



**I**n the last decade, India has undertaken transformational reforms, with e-Governance models simplifying the citizen's interface with the government and bringing the government and citizens closer. India's public institutions have been transformed into fully digital institutions, which benefit millions of Indians. The Central Government's e-Governance models like Ayushman Bharat, PM's Jan Arogya Yojana, PM's Jan Dhan Yojana, One Nation-One Ration Card, and Passport Sewa Kendras have been successful in bringing transparency and openness to government processes.

The Prime Minister has adopted the policy of 'Maximum Governance-Minimum Government', which envisages a 'Digitally Empowered Citizen' and a 'Digitally Transformed Institution', radically changing India's governance landscape in scale, scope, and learning paradigms. In his words, "Technology has immense potential to bring Government and citizens closer. Today, technology has become a powerful tool to empower citizens as well as a medium to optimise transparency and accountability in day-to-day functioning. Through various policy interventions, we are strongly moving ahead towards the digital empowerment of citizens and the digital transformation of institutions."

As India celebrated its 75<sup>th</sup> year of Independence as *Azadi Ka Amrit Mahotsav*, the Prime Minister has given a clarion call for the adoption of next-generation reforms to enable the march to *Viksit Bharat*. The vision of next-generation administrative reforms envisages deep-rooted secretariat reforms, nationwide *swachhata* campaigns, benchmarking of governance and services, redressal of public grievances and improving service delivery, recognising meritocracy and replication of good governance practices. The organisational reforms coupled with significant reforms in personnel administration like Mission Karmayogi, lateral



recruitment, accelerated promotion policies, regional conferences for replication of good governance practices, and recognising excellence in public administration by scaling up the Scheme of PM's Awards for Excellence in Public Administration represent the paradigm shift in governance.

### Effective Redressal of Public Grievances

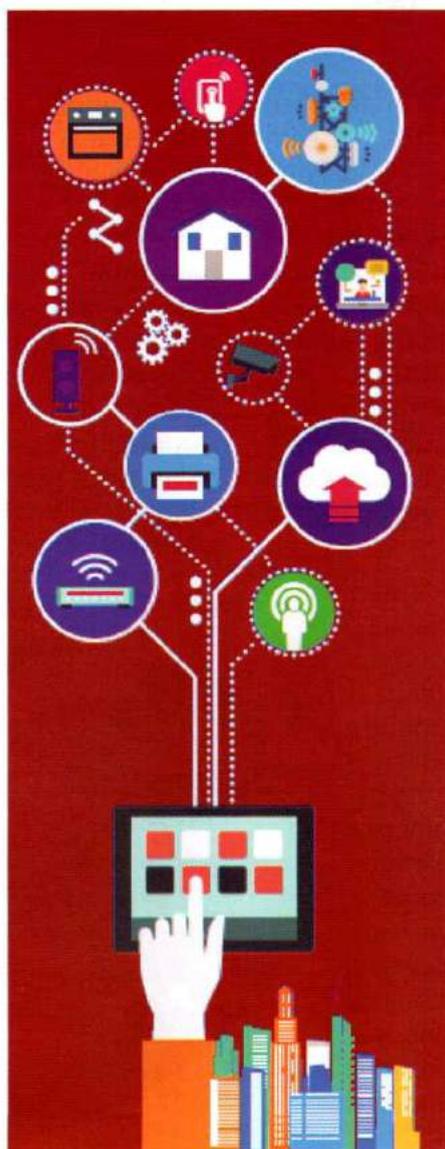
Centralized Public Grievance Redressal and Monitoring System (CPGRAMS) has been adopted and implemented across all the Central Ministries and Departments, attached, subordinate, and autonomous bodies. Further CPGRAMS is also being used by several Union Territories. Currently, 17 lakh citizens have registered themselves on this platform to file public grievances. 84,449 Grievance Officers and 950 appellate officers are mapped on the CPGRAMS portal. In 2022, 18,19,104 grievances were received by all Ministries, Departments, States, and UTs of which 15,68,097 were redressed. Of these, 11,29,642 grievances were disposed of by Central Ministries and Departments, and 4,38,455 cases were disposed of by States and UTs. The average disposal time of Central Ministries and Departments has improved from 32 days in 2021 to 27 days in 2022. A total of 1,71,509 appeals were received in 2022, of which over 80 per cent were disposed of. In 2023 (till June 2023), 10,75,247 grievances were received on the CPGRAMS portal, of which 7,09,569 pertained to Central Ministries and Departments and 3,65,680 to States and UTs. 7,23,067 grievances were redressed by Central Ministries and Departments, and 3,64,468 by States and UTs. The Central Secretariat recorded the lowest ever pendency of 57,848 grievances in June 2023, as disposal levels consistently

crossed one lakh grievances per month for 14 months. The average grievance redressal time in Central Ministries and Departments came down to 19 days in the period 1 January 2023 to 30 June 2023.

The 10-step CPGRAMS reforms adopted to improve the quality of disposal and reduce timelines had a significant impact. It can be said that the 10-step CPGRAMS reform brought compassion, empathy, and science-based solutions to enable Effective Grievance Redressal. The Parliamentary Standing Committee of the Ministry of Personnel, Public Grievances and Pensions, in its 127<sup>th</sup> Report submitted to Parliament in March 2023, appreciated the 10-step reform process adopted by the Department of Administrative Reforms and Public Grievances (DARPG) for improving the quality and disposal of grievances and reducing timelines. The Parliamentary Standing Committee also commended the Department for its faster rate of disposal of grievances, which is over one lakh per month. The Committee was also pleased to note that the Department had implemented most of the recommendations, like the One Nation-One Portal, CPGRAMS portal in regional languages, to develop the grievance redressal index, reduction in redressal period from 45-60 days to 30 days, introduction of appellate mechanism, revamping of Sevottam Scheme, operationalising the feedback mechanism, and the CPGRAMS dashboard.

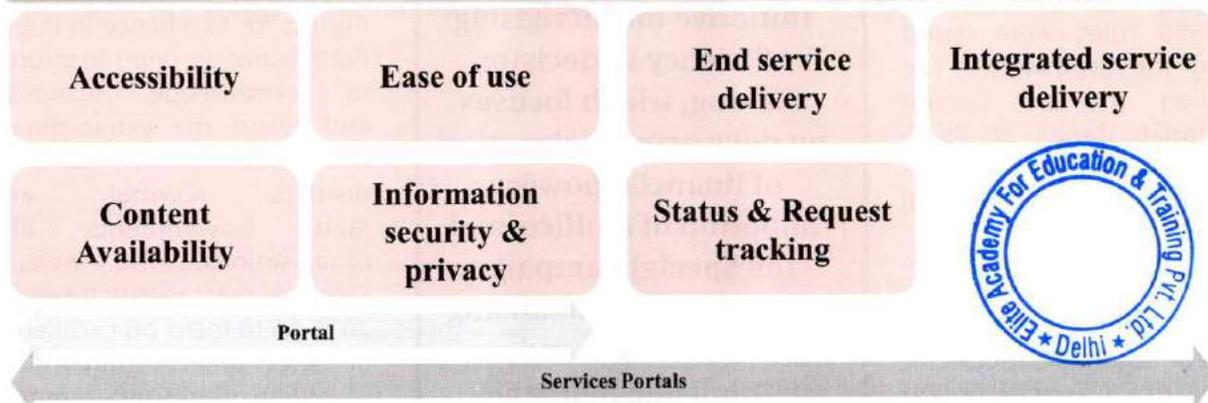
### Benchmarking Governance

Benchmarking Governance is an Important Next Generation Administrative Reform. The DARPG undertakes a biannual assessment of the governance of States and UTs through the Good Governance Index (GGI), assesses the governance



# NeSDA Framework

## Parameters Assessed



at the district level through the District Good Governance Index, and assesses the delivery of e-Services through the biannual National e-Services Delivery Assessment. The Good Governance Index framework, covering 10 sectors and 58 indicators, represented a comprehensive framework for assessing the governance of States and UTs and presents a competitive picture for improvement. The GGI categorises States and UTs into four categories – Union Territories, NE and Hill States, Other States: Group A and Group B. The GGI 2021 says that 20 States have improved their composite scores over the GGI 2019 index scores. Gujarat tops the composite ranking in GGI 2021, followed by Maharashtra and Goa. Uttar Pradesh registered an 8.9 per cent improvement in GGI indicators in the 2019-2021 period. The DARPG has collaborated with the Governments of Uttar Pradesh, Gujarat, Jammu & Kashmir, and Arunachal Pradesh to publish the District Good Governance Index with region-specific indicators to assess ground realities. The National e-Services Delivery Assessment (NeSDA) assesses the state of e-services Delivery across the Nation.

The NeSDA framework assessed all the Service Portals of States and UTs and select Ministries on seven key parameters. The NeSDA 2021 assessed 1400 e-services across all States/UTs, an increase of over 60 per cent from the NeSDA 2019. A total of 69 per cent of all possible mandatory e-services have been delivered by States and UT's which is up from 48 per cent in NeSDA 2019. Citizen satisfaction was 74 per cent.

### Secretariat Reforms

The Government implemented deep-rooted Secretariat Reforms through the initiative for increasing efficiency in decision making, which focuses on delayering, delegation of financial powers, adoption of e-office, and the Special Campaign 2.0 for institutionalising *swachhata* and minimising pendency.

The Central Secretariat Manual of Office Procedure 2022 incorporates the initiatives for increasing efficiency in decision-making and the special campaign for disposal of pending matters to enable a silent transformation across the Central Secretariat. Under Special Campaign 2.0, in 2022, the *Swachhata*

**Since 2014, 23 regional conferences on the Replication of Good Governance Practices have been conducted in collaboration with State and UT governments, with over 30 best practices being presented in each of the Conferences.**

Campaign was implemented in 1,01,582 campaign sites, 64.92 lakh files were reviewed, 37.27 lakh files were weeded, 4.56 lakh public grievances were redressed, 8998 MPs references replied, and 890 rules were eased during the campaign. e-File adoption in the Central Secretariat stands at 89.66 percent with 26.48 lakh e-files in June 2023, and the physical files stand at 7.17 lakh.

### Chintan Shivir

The *Chintan Shivir* lays down a futuristic model of governance, representing far reaching administrative reform in the *Kartavya Kaal* period. In 2023, Chintan Shivir as a concept has gained considerable momentum following deliberations in the Council of Ministers that every Ministry should conduct internal, house deliberations to take a fresh look at their governance models.

### Civil Services Day

India observes 21 April every year as 'Civil Services Day', marked as an occasion for civil servants across the Nation to rededicate themselves to citizens and renew their commitment to public service and excellence in work. Since 2015, Civil Services Day celebrations have been held as 2-day events – on 20 April, civil servants deliberate on Conference Themes in Plenary and Breakout Sessions, and on 21 April, the Prime Minister confers the PM's Awards for Excellence in Public Administration and addresses the Nation's Civil Servants. The Civil Services Day 2023 was celebrated with the conference theme '*Viksit Bharat – Empowering Citizens and Reaching the Last Mile*,' with 2 Plenary Sessions and 4 Breakaway Sessions. The Vice President of India inaugurated the Civil Services Day events. The Prime Minister addressed the civil servants on 21 April 2023 and conferred the Prime Minister's Awards for Excellence in Public Administration on 15 Award winners. Over 26,000 civil servants participated in the 16<sup>th</sup> Civil Services Day 2023 events in physical

**The Government implemented deep-rooted Secretariat Reforms through the initiative for increasing efficiency in decision making, which focuses on delayering, delegation of financial powers, adoption of e-office, and the Special Campaign 2.0 for institutionalising swachhata and minimising pendency.**

and virtual mode, making it a landmark event.

### Prime Minister's Awards for Excellence in Public Administration

The Prime Minister's Awards for Excellence in Public Administration were instituted to acknowledge, recognise, and award the extraordinary and innovative work done by districts, Central, and State Governments and organisations. The Awards Scheme was restructured in 2015-16 to focus on excellence in the implementation of identified priority programmes. In 2021, the Prime Minister personally reviewed the

scheme, and the restructuring of the Scheme was undertaken with the objective of encouraging constructive competition, innovation, replication, and institutionalisation of best practices to encourage maximum participation. The restructured scheme in 2022 received an all-time high number of nominations from States/ UTs. A total of 743 districts submitted 2520 nominations for PM's Awards 2022, which represented 97 per cent of the total districts in the country that participated in the scheme.

The 2022 Awards Schemes included Promoting Swachh Jal through the Har Ghar Jal Yojana, Promoting Swastha Bharat through Health and Wellness Centres, Promoting Quality Education through Samagra Shiksha, Holistic Development through the Aspirational District Programme with a special focus on saturation approaches, and Innovation categories for Central Ministries, States, and Districts.

### Replication of Good Governance Practices

The Government has made significant efforts for the dissemination and replication of Award-winning nominations. Since 2014, 23 regional conferences on the Replication of Good Governance Practices have been conducted in collaboration with State and UT governments, with over 30 best practices being presented in each of the Conferences. Since 2022, 16 National

Good Governance Webinars have been held on a monthly basis, in which 32 PM's Award winners presented their successful initiatives. The *Abhinav Pahal* series on Sansad TV presented 15 PM's Award winners interacting with the beneficiaries about the benefits of the successful initiatives.

### National Conferences on e-Governance and National e-Governance Awards

The Government of India convenes the National Conferences on e-Governance every year in association with one of the States or UT Governments, hitherto 25 National e-Governance Conferences have been conducted. The 25<sup>th</sup> National e-Governance Conference, conducted at Katra, Jammu & Kashmir, was attended by over 1600 delegates, which included officials from the Government of India, State and UT Governments, industry, academia, and the private sector. An exhibition, including the Wall of Fame, showcasing the awards and other best practices in the country, was also organised during the conference. The Conference reiterated that open digital platforms

are tremendous force multipliers and critical for providing affordable, interoperable technology to India's citizens. The 25<sup>th</sup> National e-Governance Conference had significant spillover effects on the e-Governance model of the Government of Jammu & Kashmir, with the expansion of e-services in Jammu & Kashmir from 15 to 450 in three years. This marked a remarkable achievement. The Regional Conference on e-Governance, held in Mumbai in January 2023, helped formulate the roadmap for Next Generation Administrative Reforms in the Government of Maharashtra.

To conclude, it can be said that India has adopted several Next Generation Administrative Reforms in the period 2014-2023 to improve its time-tested administrative systems for carrying out functions of Nation-Building and the creation of an inclusive State. Vision India@2047 is possible by building digital institutions with an inclusive internet ecosystem with thousands of citizen-centric services using 6G technology with assured connectivity and speed. □

# ELITE IAS

## ANKUR FOUNDATION



**NCERT**  
For UPSC Civil Services Examination

### Add Ons in NCERT Course Format

- ✔ Current Affairs Monthly Magazine
- ✔ Access to live Interactive Session
- ✔ Access to Recorded Dashboard till 2024
- ✔ Unlimited Views of Recorded lectures
- ✔ Online + Offline Test Mode
- ✔ Individual Performance Evaluation
- ✔ Course Duration 8 Months
- ✔ Answer Writing Guidance Program



# WOMEN EMPOWERMENT RECENT REFORMS

Combating violence, ending child marriage, promoting political and economic empowerment, safeguarding sexual and reproductive health rights, protecting land rights, and implementing gender-responsive budgeting are crucial steps towards achieving gender equality. It is only through collective efforts, involving governments, civil society, and individuals, that we can create a more equitable and inclusive world for women. The Supreme Court of India's recently released Handbook on Combating Gender Stereotypes will give a fresh impetus to the quest towards a gender-just legal order.

**REKHA SHARMA**

The author is the Chairperson, National Commission for Women, New Delhi. Email: [chairperson-ncw@nic.in](mailto:chairperson-ncw@nic.in)

**G**iven the centrality of women's role in society, it is now well acknowledged that empowering a man leads to empowering an individual, but empowering a woman empowers an entire generation. The National Commission for Women has been working to change the narrative of gender inequality at every level and foster a culture where everyone has an equal, free, and fair opportunity to engage in social, political, and economic activities

without prejudice. This is in consonance with the Government of India's vision and policy. The Commission endeavours to convert all de jure rights, commitments, guarantees, and safeguards available under the Indian Constitution for women into de facto ones.

With a dedicated focus on empowering women as equal stakeholders, addressing domestic and professional abuse, ensuring their security, and fostering their impact in the twenty-first century,

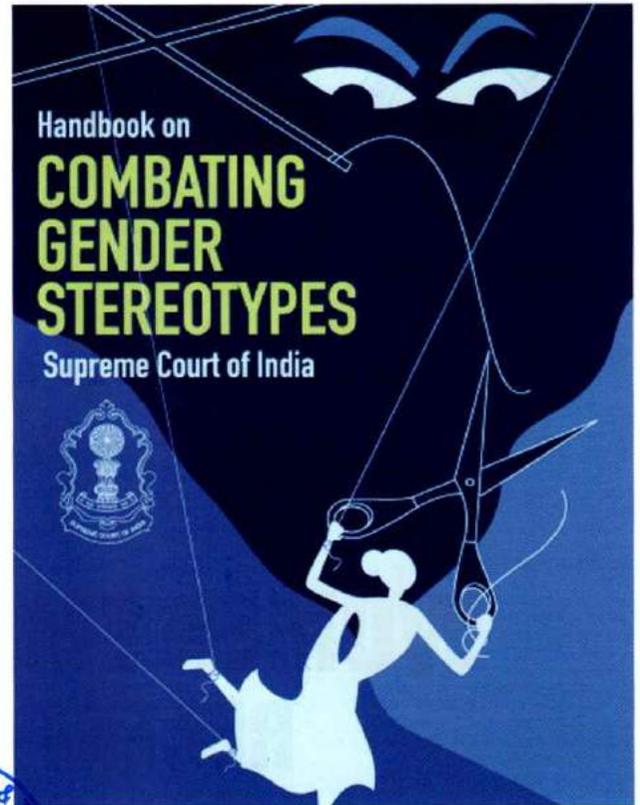
the current government has taken significant strides in this direction. Through the implementation of welfare and financial schemes, as well as the amendment and enactment of new laws, the government has demonstrated unwavering commitment to transforming Indian women into a formidable force. This commitment is exemplified by the successful implementation of ten welfare schemes, along with the introduction of three amendments and the passage of four new laws, which have paved the way for women's progress.

### Gender Inequality

Ensuring equality of gender remains a pressing issue worldwide, with women experiencing various forms of violence, discrimination, and limited access to opportunities. The statistics provided highlight the urgent need for social reforms to empower women and achieve gender equality. Governments and societies have put in a lot of effort to combat domestic violence through comprehensive legal frameworks, increased awareness campaigns, and support services for survivors. Initiatives such as helplines, safe houses, and counselling programmes can provide crucial support to victims and help break the cycle of violence.

### Ending Child Marriage

The persistence of child marriage robs girls of their childhood, education, and future prospects. Efforts should focus on implementing and enforcing



laws that set the minimum age for marriage, promoting girls' education, and raising awareness about the harmful consequences of early marriage. Community engagement, targeted interventions, and economic empowerment programmes can empower girls and their families to make informed

choices and break the cycle of intergenerational poverty.

### Political Empowerment

Despite progress, women's representation in political institutions remains low. Governments have adopted affirmative action policies, such as quotas, to increase women's participation in decision-making processes. Encouraging political parties to nominate more women candidates, providing leadership training, and addressing systemic barriers are essential steps towards achieving equal representation in Parliament and local governments.

Several significant Acts related to women's rights have been passed in India over the last 10 years. Some notable examples include:

- The Protection of Women from Domestic Violence Act, 2005.
- The Prohibition of Child Marriage Act, 2006.
- The Muslim Women (Protection of Rights on Marriage) Act, 2019 (criminalising instant triple talaq).
- The Protection of Children from Sexual Offences (Amendment) Act, 2019.
- The Medical Termination of Pregnancy (Amendment) Act, 2021.
- The Assisted Reproductive Technology (Regulation) Act, 2020.
- The Transgender Persons (Protection of Rights) Act, 2019.

## Economic Empowerment

Addressing the gender gap in employment and promoting women's economic empowerment is vital. Governments and businesses should promote equal pay for equal work, establish maternity leave and childcare policies, and provide access to finance and entrepreneurship training for women. Encouraging women's participation in traditionally male-dominated sectors and dismantling barriers to career advancement will contribute to greater gender equality in the workforce.

## Sexual and Reproductive Health and Rights

Ensuring access to comprehensive sexual and reproductive health services is crucial for women's autonomy and well-being. Governments should prioritise comprehensive sex education, family planning services, and safe abortion services where legal. Additionally, investments in healthcare infrastructure and addressing stigmas surrounding reproductive health will reduce unintended

**Governments and societies have put in a lot of effort to combat domestic violence through comprehensive legal frameworks, increased awareness campaigns, and support services for survivors. Initiatives such as helplines, safe houses, and counselling programmes can provide crucial support to victims and help break the cycle of violence.**

pregnancies and empower women to make informed choices about their bodies and futures.

## Land Rights

Protecting women's rights to land ownership is fundamental to their economic empowerment and overall well-being. Governments should enact and enforce legislation that ensures equal access to land, property rights, and inheritance laws. Strengthening land tenure systems, providing legal assistance, and promoting women's land ownership awareness campaigns are essential for gender equality and poverty reduction.

## Gender Budgeting

To advance gender equality, countries should establish comprehensive systems to track public allocations for gender equality initiatives. Governments must allocate sufficient resources to address the specific needs and challenges faced by women and monitor the effectiveness of these investments. Transparent and accountable systems will ensure progress towards gender equality goals.





## Sex Ratio at Birth (SRB)

at National level has increased from

918\*



2014-15

934\*



2021-22

\*Female per 1,000 male



The statistics provided clearly demonstrate the urgent need for comprehensive social reforms to address the challenges faced by women globally. Combating violence, ending child marriage and female genital mutilation, promoting political and economic empowerment, safeguarding sexual and reproductive health rights, protecting land rights, and implementing gender-responsive budgeting are crucial steps towards achieving gender equality. It is only through collective efforts, involving governments, civil society, and individuals, that we can create a more equitable and inclusive world for women.

- Beti Bachao, Beti Padhao:** Launched in 2015, this initiative aims to address the declining child sex ratio and promote the education and welfare of girls.
- Pradhan Mantri Matru Vandana Yojana (PMMVY):** Introduced in 2017, this maternity benefit scheme provides financial assistance to pregnant and lactating women for improved health and nutrition during pregnancy and childbirth.

- Mahila e-Haat:** This online platform was launched in 2016 to facilitate women entrepreneurs and artisans in showcasing and selling their products. It provides a digital marketplace for women to reach a wider customer base and promote their businesses.
- Ujjwala Yojana:** Launched in 2016, this scheme provides free LPG connections to women from below-poverty-line households. It aims to improve their health, reduce indoor air pollution, and empower them by enabling clean cooking fuel access.
- Stand Up India:** Introduced in 2016, this scheme encourages entrepreneurship among women and Scheduled Caste or Scheduled Tribe individuals. It offers bank loans between Rs 10 lakh and Rs 1 crore to set up greenfield enterprises, promoting women's economic empowerment and self-employment opportunities.
- Pradhan Mantri Kaushal Vikas Yojana (PMKVY):** While not exclusively for women, this skill development scheme, introduced in 2015, aims to provide industry-relevant training to enhance employability. It has benefited many women by offering skill-

**WOMEN**  
The Game-Changer of New India

- 1020 Females per 1000 Males: *Historical Change in Sex Ratio*
- 5/11 Start-ups led by Women with at least 1 Female Director
- 15% of Commercial Pilots in India are Female
- More Women Voted than Men in 2019 Elections
- Women ministers handling important assignments in Govt

development courses in various sectors. These are just a few examples of government schemes implemented in the last decade to promote women's empowerment, healthcare, entrepreneurship, and skill development. There are several other schemes at the central and state levels that focus on women's welfare, education, and financial inclusion.

These are just a few examples of the reforms implemented in the past decade. Efforts have been made across various areas, including legislation, social programs, and awareness campaigns, to promote gender equality and protect women rights in last 10 years:

1. **Criminal Law (Amendment) Act, 2013 (Nirbhaya Act):** This amendment was passed in 2013, making significant changes to laws concerning sexual offences. The Government established the Nirbhaya Fund to support initiatives addressing women's safety and empowerment. The fund has been utilised to set up one-stop centres, women's helplines, and improve infrastructure for women's safety.
2. **Maternity Benefit (Amendment) Act, 2017:** This amendment was enacted in 2017, extending the maternity leave period for women working in the organised sector in India from 12 weeks to 26 weeks. This reform recognises the importance of providing adequate time for maternal health and bonding with the child.
3. **The Protection of Children from Sexual Offences (Amendment) Act, 2019:** This amendment was passed in 2019,



**TRANSFORMING LIVES, EMPOWERING WOMEN**

- Over **9.4 crore Free LPG connections** provided to women of BPL houses under **Pradhan Mantri Ujjwala Yojana**
- Freedom from use of traditional biomass fuels like firewood and dried cow dung
- Over **7 crore rural households** provided tap water connections under **Jal Jeevan Mission**
- Cases of **Triple Talaq decreased by 80%**

strengthening the protection of children from sexual offenses.

4. **The Muslim Women (Protection of Rights on Marriage) Act, 2019,** although not specific to women as a whole, was also an important amendment passed within the last 10 years to provide legal protection to Muslim women against instant triple talaq (divorce). It criminalised the practice of instant triple talaq (divorce) among Muslim men in India. This reform aimed to protect the rights of Muslim women and ensure gender equality within personal laws.
5. **Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013:** This Act mandates the establishment of internal committees in workplaces to address complaints of sexual harassment and ensure a safe working environment for women.

These reforms have played a crucial role in advancing women's rights and empowerment in India, fostering gender equality, and challenging systemic inequalities. However, it is important to continue working towards creating a society that fully upholds and respects women's rights in all aspects of life. □

# Anusandhan National Research Foundation (NRF) Bill, 2023

**T**he NRF will provide high-level strategic direction for research, innovation, and entrepreneurship in the fields of natural sciences, including mathematical sciences, engineering and technology, environmental and earth sciences, health, and agriculture. It will also promote scientific and technological interfaces in the humanities and social sciences to promote, monitor, and provide support as required for such research and for matters connected therewith or incidental thereto.

The Bill will hike R&D spending in the country. The Executive Council of NRF is mandated not only to monitor the progress of the different projects but also to analyse the accountability of the funding at different levels.

The Act will pave the way to establish an NRF that will seed, grow, and promote Research and Development (R&D) and foster a culture of research

and innovation throughout India's universities, colleges, research institutions, and R&D laboratories.

The Act will establish NRF, an apex body to provide high-level strategic direction of scientific research in the country as per recommendations of the National Education Policy (NEP), at a total estimated cost of Rs 50,000 crore during five years (2023-28).

The Department of Science and Technology (DST) will be the administrative Department of NRF, which will be governed by a Governing Board consisting of eminent researchers and professionals across disciplines. Since the scope of the NRF is wide-ranging, impacting all ministries - the Prime Minister will be the ex-officio President of the Board, and the Union Minister of Science & Technology and the Union Minister of Education will be the ex-officio Vice-Presidents. NRF's functioning will be governed by an Executive Council chaired by the Principal Scientific Adviser to the Government of India.

NRF will forge collaborations among industry, academia, and government departments and research institutions, and create an interface mechanism for the participation and contribution of industries and State governments in addition to the scientific and line ministries. It will focus on creating a policy framework and putting in place regulatory processes that can encourage collaboration and increased spending by the industry on R&D.

The Act will also repeal the Science and Engineering Research Board (SERB), established by an Act of Parliament in 2008, and subsume it into the NRF, which has an expanded mandate and covers activities over and above those of SERB. □

Source: PIB (As on 17 August 2023)



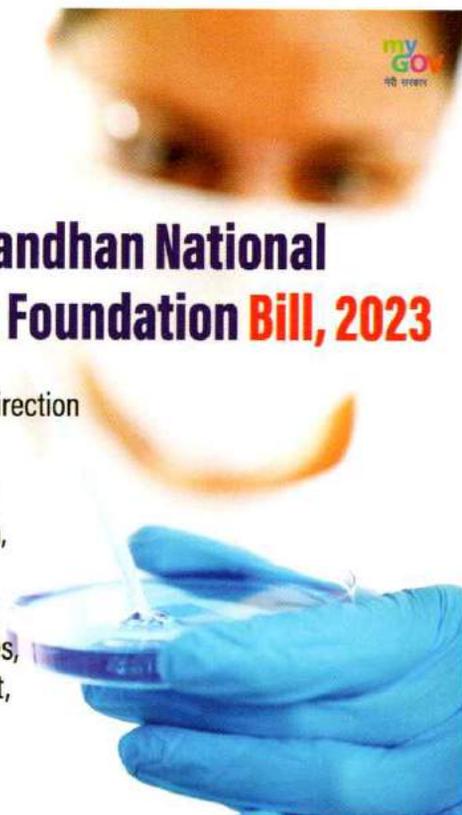
## The Anusandhan National Research Foundation Bill, 2023



Charting a new direction for the youth



To foster research, innovation, and entrepreneurship in natural sciences, tech, environment, health, and agriculture



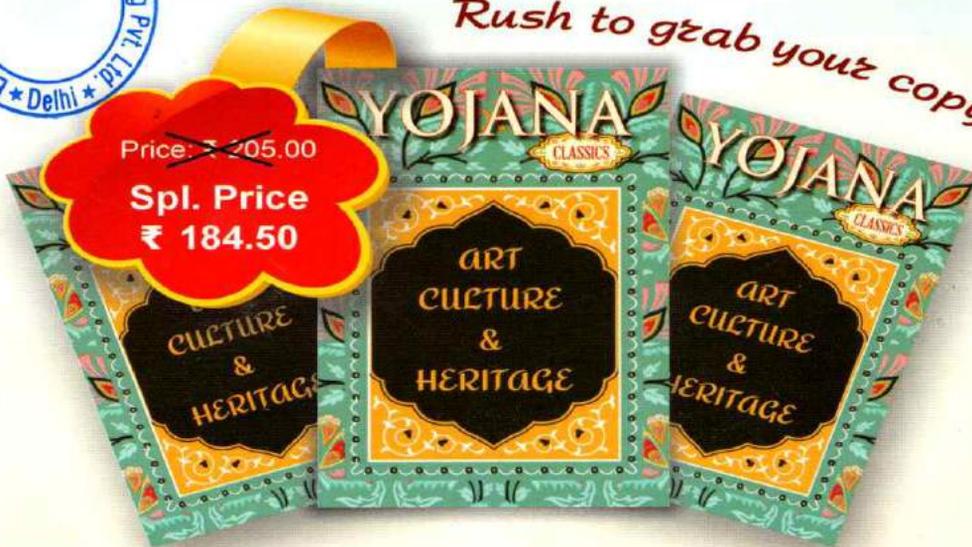


**PUBLICATIONS DIVISION**  
Ministry of Information and Broadcasting  
Government of India



# Wait is over!

*Rush to grab your copy*



## Now available

at

[www.publicationsdivision.nic.in](http://www.publicationsdivision.nic.in)

&

## Book Gallery

**Publications Division**

Ministry of Information & Broadcasting  
Government of India

Soochna Bhawan, Lodhi Road, New Delhi-110003

For business related queries on this book,  
contact: 011-24365609 or [businesswng@gmail.com](mailto:businesswng@gmail.com).