

# Transparency International India



**INDIA CORRUPTION STUDY 2005**

# India Corruption Study To Improve Governance

*Study designed and conducted*

*By*



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## FOREWORD

The aim of the India Corruption Study 2005, taken up by Transparency International India (TI India) in alliance with CMS, is to sensitize the people of India against all-pervasive corruption faced on day-to-day basis by the Common Man in the eleven Public Services in twenty major States. The study is by no means exhaustive, as some States and services have not been covered.

The other aim of the study is to recognize the good work being done in particular Departments/States where corruption levels have decreased and to share those success stories with other departments. An effort has also been made to suggest how the department concerned can improve service delivery and reduce corruption.

This benchmark Study will also help to track and study the impact of various initiatives like the recently enacted "Right to Information Act", adoption of E – Governance and various administrative reforms being undertaken across the country to improve service delivery and reduce corruption.

This study focuses only on corruption experienced by the 'Common Man' in getting services from various service-providers, i.e., Government Departments. Citizens are entitled to receive these services hassle free, but are not only served poorly but very often have to pay a bribe to the service providers.

This study does not cover corruption at various other levels, such as where a business man pays bribe to an Income Tax official. It also does not cover the mega corruption, the grand larceny, in which hundreds, and thousands of crores of rupees are paid as bribes to corrupt functionaries or Government funds are siphoned off on a large scale.

We believe that the money involved in such a large corruption may be far larger than the money involved in corruption faced by the common man. However, the damage done to the nation is far greater in the day-to-day petty corruption faced by the Common Man as it corrodes the moral fiber of the society. We also believe that as common citizens are empowered to take a stand to combat petty corruption, the large corruption will automatically be reduced.

In our 2002 Study, we had covered ten Departments. Two of these, viz., Railways and Telcom, have been left out in this Study. Computerization and issue of tickets for Rail journeys and competition in the Telcom Sector have ensured that the common citizen does not have to offer bribes for Rail tickets and telephone connections. (This is not to suggest that there is no corruption in the procurement processes of either the Railways or the Telecommunications Department.) Three new Departments, viz., water supply, municipal services (sanitation, construction and property tax) and agriculture (rural credit and rural banks / co-operative banks) have also been included in this study. TI India and its State Chapters are ready to assist service providers and others to create systems to prevent corruption.

TI India hopes that with periodic country-wide studies together with a potent "Right to Information Act" and faithfully implemented Citizens' Charters will empower the common man to refuse to pay a bribe. This is the only way that this malaise can be combated. The service providers will then get used to

doing their duties sincerely without extracting any consideration. This is what TI India hopes to promote in the coming months and years using the findings of this Study and others which will follow.

This Study is based on a rigorous and comprehensive methodology developed by CMS through various experiments and validations it has undertaken over the last four years while undertaking similar studies in the country. The Study has also benefited from consultation with leading experts in the field who have themselves been in the forefront of reforms and analyzed one or other aspect of corruption over the years.

TI India gratefully acknowledges the financial support of several donors, including the Concern Worldwide, and many useful inputs from several like-minded activists. Last but not the least, TI India is grateful to the Centre for Media Studies (CMS) for undertaking this Study.

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***R. H. Tahiliani***

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CMS deserves profound appreciation for conducting this nation-wide study meticulously, with vigor and within tight time schedules and transparently all through. The unique methodology specially developed by CMS for this study, based on their annual surveys on corruption involving common citizen, helped enhance the scope of the study much beyond numbers.

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**PART - I**

**Highlights**

**PART - II**

**Service-wise Study  
(Eleven Public Services)**

- ▶ Education (upto 12<sup>th</sup> Std. )
- ▶ Police
- ▶ Land Records & Registration
- ▶ Electricity
- ▶ Water Supply
- ▶ Government Hospitals
- ▶ Income Tax
- ▶ Public Distribution System
- ▶ Judiciary
- ▶ Municipal Services
- ▶ Rural Financial Institutions

**PART - III**

**State-wise Report**

**PART - IV**

**Improving Governance**

- ▶ **Towards Improving Governance**
- ▶ **Citizens' Charters**
- ▶ **Right to Information Act 2005**
- ▶ **E-Governance**
- ▶ **Citizens Report Card**
- ▶ **Governments Efforts to Improve Governance**



**APPENDIX**

**Corruption  
Perception and An Approach to Combat It**



## An Overview

### 1.1 Introduction

The 'India Corruption Study – 2005', under taken by TI India in alliance with CMS, is unique for its scope and sample size. It takes into account both perceptions, which are as important as actual experience, particularly in the case of these public services, and experience of actually paying a bribe to get attended to or serviced by these public providers. This Study brings out the magnitude of the problem, the contours of petty corruption involving common citizens and the efforts required to address the issues in the case of each service affecting day-to-day needs of citizens. These problems are far more serious than they are being realized and call for all-out initiatives on the part of Government as well as civil society. Putting together corruption in all Public Services, involving individual common citizens, will work out significantly higher. Until now, this has never been reliably estimated specific to Public Services.

The eleven public services covered in this Study are : Police (Crime/Traffic), Judiciary (Lower Courts), Land Administration, Municipal Services, Govt. Hospitals, Electricity (Consumers), PDS (Ration Card/Supplies), Income Tax (Individual Assesseees), Water Supply, Schools (upto 12th Std.) and Rural Financial Institutions (Farmers).

According to the Study, common citizens of the country pay a bribe of Rs. 21,068 crores while availing one or more of the eleven public services in a year. As high as 62 per cent of citizens think that the corruption is not a hearsay, but they, in fact, have had first hand experience of paying a bribe or "using a contact" to get a job done in a public office.

Three-fourths of citizens think that the level of corruption in public services has increased during the last one year (2004-2005). Hardly ten per cent think that such corruption is on the decline. There are no significant differences among the States in the perceptions about the extent of corruption or in their experience with such corruption.

This Study brings out that one-third to half of the compulsions leading to such petty corruption involving the common man could be addressed and also removed with simple initiatives, including introduction of technologies.

Corruption is not merely in the media or in the minds of people as it is sometimes made out, but it is in the system all across the public services, that is what this Study highlights. And the users and providers of those public services know what needs to be done to address the problem which this Study has brought out.

According to this Study, relatively Police stands out high on the corruption score. Judiciary (Lower Courts) and Land Administration are rated next. The corruption in Government Hospitals is mostly to do with non-availability of medicines, getting admission, consultations with doctors and availing of diagnostic services. Despite reforms, Electricity services figure high on corruption score. PDS figures lower in the corruption score because the problem of common man dealing with services is more to do with leakages in the system rather than direct monetary corruption.

Going by the composite ranking of States on corruption involving common citizens and in the context of eleven Public Services, Kerala stands out as the least corrupt State in India. Bihar, on the other, is the most corrupt State. Jammu & Kashmir is next only to Bihar. In fact, perhaps not surprisingly, on all parameters and in the context of all the eleven Services, Bihar stands out far ahead as the most corrupt State. Himachal Pradesh in contrast comes out as being less corrupt when compared to States, like Tamil Nadu, Maharashtra or Gujarat. Madhya Pradesh, Karnataka, Rajasthan and Assam, on the other hand, also are on the top of corruption scale.

An overwhelming majority of citizens are vocal about the absence of transparency and accountability in the delivery of these services. They are full of anguish and, at times, some are angry at the state of affairs. It is evident from the annual CMS surveys on corruption that the use of technology at the front-end of those offices is likely to bring down corruption with increase in transparency.

One-sixth of public think that citizens/users of Government services themselves are responsible for corruption. They believe that there is no active and sustained civil society movement. The efforts are sporadic, localized and short-lived and have never acquired a character of a larger movement.

Users of various public services across the country in this Study have named seven key factors that stand out as responsible for a widespread corruption in the system. These include -

- ☛ Lack of transparency and accountability in the system.
- ☛ Lack of an effective corruption reporting mechanism.
- ☛ Lack of honesty in officials in the Government.
- ☛ Acceptance of 'Bribe' as a way of life, custom and culture.
- ☛ Ineffective anti-corruption institutions, including Police and Judiciary.
- ☛ Poor economic policies.
- ☛ Inadequate training and orientation of Government officials.

One-third of citizens however think that corruption is "an obvious fact" where both giver and taker are familiar with modalities. It cannot be addressed only reforms and by adopting technologies although they are the first order of initiatives to be taken. Certain deterrent punitive action against those indulging in corruption is a 'must'.

Now that technology is being adopted in a big way, it should be feasible to take some specific action to bring down corruption. That is how the initiatives of TI India in sponsoring studies like this help mobilize civil society. TI India proposes to go to various parts of the country with the findings of this Study to sensitize and promote civil society's initiatives.

Citizens' Charters' promising certain performance standards on the basis of "Where to Go. How to Proceed", is a recent initiative in most of these Services. But the Charter, as it is made out, is neither directly relevant nor are citizens aware of such a thing, which this Study brings out. In fact, not all concerned even in the public services know about Citizens Charters' or the promises of service standards made therein. The Study brings out the urgency of activating Citizens' Charters and making them directly relevant and their existence and provisions being known to the people.

This Study acquires added relevance because of the recently enacted 'Right to Information Act'. When this Act comes into effect on October 12, 2005, public utilities and services shall need to be geared up to increase transparency in decision-making. Next round of such national surveys could be expected to bring out the extent that this Act has helped in the process.

It is important to note that common beliefs about the extent of corruption and the untrustworthiness of government institutions influence individual decisions to participate in corrupt activities. While these perceptions may not be an accurate reflection of the reality of corruption within public institutions, they still affect decision making among the civilian population. Inconsistencies between public perceptions and reality may cause individuals to make choices based on incorrect assumptions, thus fueling the phenomenon of corruption. Attempts to curb corruption, therefore, must be accompanied by attempts to change public expectations. Without a change in public perceptions, reform attempts may be unsuccessful.

## 1.2 Coverage & Methodology

India Corruption Study 2005 is the *largest corruption survey* ever undertaken in the country with a sample of 14,405 respondents, spread over 151 cities and 306 villages of 20 States. From each State, between 527 - 960 sample households were interviewed as shown in the following table -

**Table 1.1: State-wise Rural-Urban Break-up of Sample Households**

State	No. of Sample Households		
	Rural	Urban	Total
Andhra Pradesh	226	441	667
Assam	242	473	715
Bihar	283	512	795
Chhatisgarh	208	331	539
Delhi	137	456	593
Gujarat	276	466	742
Haryana	256	497	753
Himachal Pradesh	208	418	626
Jammu & Kashmir	-----	555	555
Jharkhand	208	319	527
Karnatka	249	540	789
Kerala	253	455	708
Madhya Pradesh	244	450	694
Maharashtra	318	565	883
Orissa	222	521	743
Punjab	276	470	746
Rajasthan	261	481	742
Tamil Nadu	337	461	798
Uttar Pradesh	339	621	960
West Bengal	301	519	820

This national Study on corruption is first in its scope. It is not just limited to estimating monetary value of petty corruption but also ranking public services and States. The Study also looks into systematic aspects of corruption in the public services and has come up with service specific initiatives to reduce corruption.

The focus of this Study was on petty corruption experienced by the common man in availing of public services. Petty corruption is something which citizens are subjected to in order to get one or the other job attended to at the public utilities/services which they are entitled to without hassle and spending the “extra money”.

The estimation of monetary value of petty corruption is to give a reliable idea of the amounts involved. This estimate does not include contractors or large scale transactions involving procurement, tenders, etc., or the dealings of corporates or large business houses. It also does not include welfare or populist Government programmes as in the case of rural population or vulnerable sections. The estimate of petty corruption is specific to the service in each case and does not include valuation of “corrupt practices”.

The Study is based on a unique methodology, developed by CMS over the years. Improving on three previous annual studies on corruption in public utilities, the methodology followed by CMS for this larger and comprehensive ‘India Corruption Study 2005’ is unique. For, firstly, it aims at both “perception” and “experience” and, secondly, the outlook of the service provider too is taken into account. For this, the study relied on a combination of methodologies. These include household surveys, “exit polls” to capture the experience of service users, discussions with service providers, case studies and tracking of implementation of initiatives.

#### **CMS ‘3D’ CORRUPTION MODEL**



The Services to be included for the survey were selected on “CMS 7 criteria” as under :-

- ☞ Monopolistic nature of services.
- ☞ Large public interface and intensity of interface.
- ☞ Directly affecting day-to-day life of the common man.
- ☞ High dependence on these services by the common man.
- ☞ Essentiality of the services.
- ☞ Services available across the country.
- ☞ User could be identified, traced and tracked.

The ranking of public services and the States on petty corruption is based on a “Composite Index” developed for the purpose. The indicators based on CMS experience in the three earlier rounds of Study were carefully chosen. The indicators ensure that there is a minimum scope for over or under-reporting. The weightages were finalized after extensive consultations with the experts. A detailed sensitivity analysis was undertaken.

Table 1.2: Indicators and Weightages for Composite Index

Factors	Indicator	Weights	
Experience of paying bribe	Proportion of households paying bribe	0.40	Experience Weight = 0.6
Using influence	Proportion of households using influence	0.15	
Quality of services	Proportion of households not satisfied with services of Dept	0.05	
Perception of Dept.	Proportion of households which perceived that the Dept. was corrupt	0.25	Perception Weight = 0.4
Increase/ Decrease in	Proportion of households which perceived that corruption has increased in the Dept. during the last one year	0.10	
Commitment to reduce	Proportion of households which thought that the Dept. was not committed to reduce corruption	0.05	

Hh: Household

The 11 public services shortlisted for the Study are of varied nature; hence for the purpose of ranking, the services have been divided into two groups on the basics of intensity of interaction:

- (a) Need-based services, and
- (b) Basic services.

The field work for the Study was undertaken during the period between December, 2004 and January, 2005. In Chhattisgarh, Jharkhand and Jammu & Kashmir where it was done in March, 2005. The Survey in Jammu & Kashmir and Jharkhand was delayed due to inclement weather conditions and holding the elections to the State Assemblies.

### 1.3 Ranking of Public Services

The Corruption Index scores show that need-based services are more corrupt than basic services covered in this study. This is for two reasons: firstly, for most need-based services (except RFI) there are no alternative to avail of these service unlike in the case of basic services where there are private service providers. Secondly, most need-based services are vested with substantial powers, therefore the repercussions of not paying a bribe could be quite serious.

**Table 1.3: Corruption Composite Index & Ranking of Services**

Services	Composite Index	Rank
<b>NEED BASED</b>		
RFI (Farmers)	22	1
Income Tax (Individual Assesseees)	35	2
Municipal Services	47	3
Judiciary (Lower Courts)	59	4
Land Administration	59	5
Police (Crime/Traffic)	77	6
<b>BASIC</b>		
Schools (Upto 12th)	26	1
Water supply	29	2
PDS (Ration card/supplies)	37	3
Electricity (Consumers)	39	4
Govt. Hospitals	42	5

\*RFI - Rural Financial Institution

Note: Higher score = more corruption

Among the 11 Public Services covered in the Study, the Police is the most corrupt. Judiciary (Lower Courts) and Land Administration are the next most corrupt Public Services. Among Basic Services, the Government Hospitals are the most corrupt, followed by Electricity service. PDS figures lower on the Corruption Index Score because the problems of a common man dealing with this service is more to do with leakages in the system rather than direct monetary corruption. Water supply services have a low corruption score.

From the Table on the next page, it may be seen that an overwhelming 80% of those who had interacted with the Police Department had paid the bribe. Further, three-fourths of those who had interacted with the Police Department in the last one year are not happy with the services. No wonder then that 88 per cent perceived the Police Department to be corrupt.

In Judiciary, 41% of those who paid bribe had paid to influence the judgment, 31% to speed up or delay judgment, 28% to get routine jobs, like listing of cases according to their needs or to get copies of the documents.

**Table 1.4: Service-wise Experience & Perceptions***(Figures in Percentage of respondents)*

Department	Direct experience of bribing	Quality of service is poor	Using influence/middlemen	Perception that deptt. is corrupt	Lack of Commitment to reduce corruption	Perception increased
<b>NEED BASED</b>						
RFI*	19	23	14	25	31	29
Income tax (Individual Assessees)	20	30	23	62	38	38
Municipal Services	23	60	32	75	60	57
Judiciary (Lower)	47	62	31	81	58	63
Land Records & Registration	48	58	37	79	63	62
Police(Crime/Traffic)	80	74	12	88	64	77
<b>BASIC</b>						
School (upto 12 <sup>th</sup> )	18	20	9	45	27	31
Water Supply	9	33	13	56	37	38
PDS/Ration Card / Supplis)	16	43	27	62	48	46
Electricity (Consumers)	20	41	12	67	50	49
Govt. Hospitals	27	44	18	67	48	50

\*RFI -Rural Financial Institution

**In Land Administration**, of those who paid bribe, nearly half had paid for property transaction-related issues (valuation and registration of property, etc.), 36 per cent paid to get back property documents or for mutation and 12 per cent for clearing or settling tax dues.

**In Municipal Services**, nearly three-fourths of those who paid bribes for building plan approval and/or modifications (53%) and tax-related issues (22%).

Nearly two-thirds of people surveyed perceived the Income Tax Department to be corrupt. In spite of this, the Department is low in Corruption Index Score. This is because the survey was limited to individual assesseees who had apparently not encountered much corruption.

The corruption in the Hospitals is mostly to do with non-availability of medicines, getting admission into hospitals, consultation with doctors and availing of diagnostic services. Nearly 65 per cent of the corruption in Electricity Department involves issue of billings and grant of new connections.

The corruption in PDS affecting common man was limited to getting ration card and over-charging for ration supplies. However, there are larger issues like diversion of supplies, irregular supplies, poor quality, under-weighting, etc.

Low corruption score in Water Supply Services could be because water tariff in most States is not consumption-based or nominal. Therefore, there is a limited scope for the corruption. However, the corruption in Water Supply Service is limited to certain areas like release of new connections, availing of water tankers, and ensuring sufficient supply of water.

## 1.4 Ranking of States

As per composite ranking of States on petty corruption, involving common citizens, and in the context of eleven Public Services, Kerala stands out as the least corrupt State in India. Bihar, on the other hand, is the most corrupt State. In fact, on all parameters, and in the context of all the eleven services, Bihar stands out as the most corrupt State. Madhya Pradesh, Karnataka, Rajasthan and Assam are afflicted with the problems and score high on the index. Himachal Pradesh is less corrupt – even compared to States like Tamil Nadu, Maharashtra or Gujarat.

**Table 1.5: Composite Ranking of States**

State	Composite Score	Rank
Kerala	240	1
Himachal Pradesh	301	2
Gujarat	417	3
Andhra Pradesh	421	4
Maharashtra	433	5
Chhattisgarh	445	6
Punjab	459	7
West Bengal	461	8
Orissa	475	9
Uttar Pradesh	491	10
Delhi	496	11
Tamil Nadu	509	12
Haryana	516	13
Jharkhand	520	14
Assam	542	15
Rajasthan	543	16
Karnataka	576	17
Madhya Pradesh	584	18
Jammu & Kashmir	655	19
Bihar	695	20

Note: Higher score = More corrupt



## States Highlights

**Kerala:** All 11 public services considered for the Study are ranked as the least corrupt amongst the rest of the States.

**Himachal Pradesh:** Most services in the State are ranked as relatively less corrupt in the country.

**Gujarat:** Overall, the State is ranked as less corrupt in comparison to other States. However, certain services like Education, Land Administration and Judiciary (Lower) are relatively ranked as more corrupt in comparison to other Services in the State.

**Andhra Pradesh:** Govt. Hospitals and Water Supply services are ranked more corrupt than other services in the State.

**Maharashtra:** Municipal services in the State rank among the top five corrupt services in the country.

**Chhattisgarh:** On the corruption perception index, all the services in the State are much better ranked than those of its parent State of Madhya Pradesh.

**Punjab:** PDS, Police, Judiciary and Municipal services are ranked more corrupt in comparison to other services in the State.

**West Bengal:** Water Supply service in the State is ranked as the most corrupt service in the country.

**Orissa:** Judiciary (Lower) ranks among the top four corrupt services in the country.

**Uttar Pradesh:** Electricity, Schools and Income Tax figure high in the corruption rankings.

**Delhi:** PDS in Delhi is ranked as the second most corrupt service in the country.

**Tamil Nadu:** While over-all the State ranks XII th on the Corruption Index, Schools, Hospitals, Income Tax and Municipalities rank among the most corrupt Departments in the country. This is surprising that the State has one of the best health infrastructures and also ranks quite high on the Education Development Index.

**Haryana:** Schools, Land Administration and Police figure among the most corrupt Departments in the country.

**Jharkhand:** On the Corruption Index, all the services in the State are much better ranked than those of its parent State of Bihar.

**Assam:** Police is the most corrupt in the country. Electricity figures among the most corrupt.

**Rajasthan:** Judiciary (Lower) ranks among the less corrupt services in the country.

**Karnataka:** The State ranks fourth on the corruption perception index because key services, like Income Tax, Judiciary, Municipalities and RFI figure among the top corrupt services in the country. However, Electricity and Schools rank among the least corrupt Departments in the country.

**Madhya Pradesh:** Despite initiating reforms in service delivery, the State still ranks as third most corrupt among States included in the Survey. Only Municipal services are ranked relatively better than other services.

**J&K:** Except Hospital and RFI, most of the Services rank among most corrupt services in the country. Not surprising, J&K is the second most corrupt State.

**Bihar:** All the Services are ranked among the most corrupt services in the country.

## 1.5 Monetary Value of Petty Corruption

Total monetary value of petty corruption in 11 services under study is estimated at Rs. 21,068 crores.

There are differences between the ranking of services based on composite corruption index presented earlier in the report and the standing of the Departments purely based on monetary value of petty corruption given below. This is because certain services, like Schools (upto 12th), which have a large citizen interface, are likely to have higher monetary value of corruption, just because more people are interacting with these Departments.

**Table 1.6: Estimates of Petty Corruption (Rs. in Crores)**

<b>Services</b>	<b>2004-05</b>
Schools (upto 12th)	4137
Police (Crime/Traffic)	3899
Land Administration	3126
Judiciary (Lower)	2630
Electricity (Consumers)	2169
Govt. Hospitals	2017
RFI (Farmers)	1543
Municipal Services	550
Income Tax (Individual Assessees)	496
PDS (Ration Card/Supplies)	358
Water Supply	143
<b>Total</b>	<b>21068</b>

The above data shows that, in a majority of Services more than 5 per cent of total households in the country had paid bribes except in cases of services, like Income Tax, Municipal, Water Supply and RFI. The incidence of paying bribes was higher in cases of Basic Services as there is a greater interaction of common people with these service providers when compared to Need-based Services.

**Table1.7: Estimated No.of Households who Paid Bribes (Last one year)**

<b>Services</b>	<b>Households ( in crores)</b>
Govt. Hospitals	3.00
Police (Crime/Traffic)	2.50
Electricity (Consumers)	2.10
Schools (upto 12 <sup>th</sup> )	1.50
PDS (Ration Card/Supplies)	1.50
Judiciary (Lower)	1.30

Land Administration	1.20
RFI (Farmers)	0.78
Income Tax (Individual Assessees)	0.24
Municipal Services	0.22
Water Supply	0.20

## 1.6 Service Providers' Perspective

One of the key features of this Study is that services providers' views have been taken into consideration. This has helped to understand the problems faced by the service providers in delivering the promised services. Some of the key concerns of the service providers are given below :

### 1.6.1 Basic Services:

- ☞ **Heavy work-load:** With more and more citizens availing of public services and no commensurate increase in the personnel, there has been a substantial increase in the work-load.
- ☞ **Outdated infrastructure:** The scope of the services has increased over the years but the infrastructure has not kept pace with their growth or need. For example, water delivery infrastructure in most States is outdated and plagued with leakages.
- ☞ **No incentive:** There is no incentive for staff to perform. For example, in certain telecom companies, incentives are linked to Customer's Satisfaction. There is no such incentive for service providers in the 11 public services covered in the Survey.
- ☞ **Political interference:** Frequent interference by political leadership has resulted in a significant demoralization of the service providers.

### 1.6.2 Need-Based Services:

- ☞ **No Respect for law:** There are several instances where Citizens have indulged in illegal activities, like under declaration of property value, concealment of income, etc. They then pay bribe to staff of the department to hide their disobedience.
- ☞ **Passive Citizens:** Citizens do not complain about corruption in the department. Unless Citizens take initiative, it would be difficult to reduce corruption substantially.
- ☞ **Pressure of influential people:** There is a tremendous pressure to either speed up a case or to settle disputes or to dole out favours resulting in feeling of helplessness and bowing to the pressure.
- ☞ **No training to staff:** Due to rapid changes in various sectors, the expectation of the users has gone up. They have become much more demanding. There is an urgent need for training to cope up with an increased customers' expectations.
- ☞ **Centralization of decision-making:** The service delivery is affected because most of the decisions are centralized which require the files to move through many layers.
- ☞ **Intermediaries:** In services like Income Tax and judiciary, the Chartered Accountants and lawyers have not created awareness among their clients about rules and procedures.

## 1.7 Suggestions

Based on this Study, respondents have come up with some suggestions which will help to reduce corruption in public services. More detailed suggestions are provided for each service in the service specific chapters in the next volume.

### 1.7.1 Basic Services

#### Environmental Aspects

- ☞ **More competition:** Replacing public monopolies with private monopolies is not likely to lead to significantly lower corruption level. For example, our indepth analysis of Electricity service shows that private-run utilities are only marginally better than Government-run utilities. However, there is a need to create greater competition in provision of services, wherever possible.
- ☞ **Allot funds on outcome basis:** Funds allocated to various Departments should be linked to outcomes. For example, in schools various indicators, like enrollment rates, absence of children, dropout rates, results in Board examinations, can be used as indicators. Similarly, indicators can easily be worked out for other Departments. The Departments should work to improve performance on the basic of these indicators by holding the institutions accountable.

#### Internal Systems

- ☞ **Simplify procedures:** This Study shows that irrespective of the educational background, most citizens are unable to fill in forms and understand the complete procedures on their own. This calls for simplification of procedures, documentation and more assistance to the users. This will reduce dependence of the users on middlemen and touts.
- ☞ **Performance-based incentives to staff:** In order to improve service delivery, there should be fixed and variable components in the Staff salary. The variable component should be linked to objective and measurable outcomes. For example, in Electricity and many other services, incentives can be linked to Customers' satisfaction.
- ☞ **Users Committees:** Merely setting up users committees is not enough. CMS studies in the past have shown that there is a need to provide them with certain powers (like report card of teachers, recommend fines for poor services, etc.) to make Departments accountable to them. There are various successful experiments of users committees, like Parents' Committees in case of Schools, and Patients' Committees in case of Hospitals.
- ☞ **Outsource certain Services (wherever possible):** Public service departments should purchase outputs rather than inputs, wherever possible. For example, in Hospitals, instead of buying X-ray machines, they should buy reports. This will help to eliminate several opportunities for corruption, like buying of machines, spares, and materials required, and hiring of Radiographers, etc. Instead, Hospital could ask an entrepreneur to operate and provide X-ray services in the permises of hospital etc. A detailed Service Level Agreement (SLA) with an Integrity Pact should be worked out to ensure the delivery of required quality of services. This experiment has already been initiated in some hospitals in Delhi.
- ☞ **Greater Transparency :** Citizens do not know as to how much money was received, and how it was spent. Research has shown that there is lesser corruption if the allocation and spending are made public. Right to Information is one such tool which could facilitate greater transparency in a public transactions.
- ☞ **Use of Technology :** Public Services can use technology to reduce the need for citizens' visit to their offices. Various technologies enabled features like Toll free lines, websites, or SMS based

application can be developed for better service delivery. For example, E-Seva Centres in Hyderabad have helped common man to use technology to avail of public services.

## Citizens' Interface

- ☞ **Active Citizens' Charter:** Citizens' Charters should be drafted in consultation with various stakeholders, like service providers, users, etc. The Charters should have (i) realistic and measurable action standards - not just statement of intent; and (ii) penal provisions if the Department fails to deliver promised services with the time-frame mentioned in the Charters. The Charters should be prominently displayed and easily available to users. An independent agency should survey periodically to prepare a Report Card of each service provider.
- ☞ **Faster Grievance Redressal Mechanisms:** This Study shows that the confidence of the users on the grievance redressal mechanism is low. The grievance redressal mechanism has to be faster. In order to improve confidence, the public services should clearly display information on complaints received, solved and pending. There should also be information regarding whom to approach in case the grievances are not satisfactorily addressed in the normal course.
- ☞ **Public Hearings:** There should be periodic public hearings so that service providers are accountable to users. The Government may institutionalize a system whereby Public Ombudsmen/ prominent citizens with unquestioned integrity hold periodic hearings. The public hearings should be well-publicized so that there is wide and active participation by various stake-holders. An Action Taken Report should be placed by the Department in the next public hearing.
- ☞ **Satisfaction Surveys :** Independent Surveys should be undertaken at periodic intervals to benchmark, measure and track quality of service. The findings of such Survey should be made public. Some regulators like TRAI and Electricity Regulatory Commission/Authority are undertaking such periodic satisfaction Surveys.
- ☞ **Public Awareness :** There is a need to generate greater awareness about various standards of services, procedures and initiatives among the public.

### 1.7.2 Need-Based Services:

- ☞ **Independent and Decentralized Vigilance :** At the moment, Vigilance Department need to take many approvals to initiate any serious action. This hampers investigation of cases and taking action against those found guilty. The Vigilance Department should be given greater authority so that it is far more effective. At the same time, adequate care ought to be taken to ensure that the innocents are not victimized.
- ☞ **Reduce "Middle-men" Role:** The role of middle-men could be reduced by simplifying procedures, developing standard formats and prominently displaying samples of duly filled in forms, etc. For example, standard templates of various model agreements required could be made available to citizens. Wherever they cannot be totally avoided, then license middle-men (like architects) and take strict action if they indulge in corrupt practices.
- ☞ **Separate Regulations & Service Functions:** In most of the Departments, there is no clear separation between Regulatory and Service functions. For example, Municipalities (Town Planning) are responsible for both evolving building rules and also approving plans. This results in drafting rules with certain loopholes.
- ☞ **Training of Staff:** Regular training need to be imparted to Staff on various aspects, like how to deal with citizens, manage stress and keep pace with advances in technology so that the staff is more service-oriented and citizen-friendly.
- ☞ **Role of RWA:** RWAs could be involved as partners in delivery of various services. For example, Ward Committees in Mumbai and involvement of communities in Policing in Punjab have proved useful. These have been dealt with in detail in service specific chapters.



## EDUCATION (Upto 12<sup>th</sup> Std.)

### 1.1 Introduction

Over the years, a number of studies have shown that corruption results in poor education outcomes like higher dropout rates and poor enrolments. A study by Gupta, Davoodi and Tiongson (2000) finds corruption in education to be correlated to school enrollment, repeated (failure) rates, dropout rates, continued schooling through grade V<sup>th</sup>,\* and illiteracy. The study shows that an improvement of two points in the corruption index would reduce the dropout rate by around 40%. The focus of the study is on the bribe paid by parents for their children's education. The study, however, does not take into consideration bribes paid for recruitment, transfers and promotion of teachers.

### 1.2 Highlights

- ☞ Total monetary value of petty corruption in education (upto 12<sup>th</sup>std.) in the country is estimated to be Rs.4,137 crore per year.
- ☞ 40 per cent (8.2 crore) of households are estimated to have dealt with schools. Comprisions 2.4 crores urban and 5.8 crores rural.
- ☞ 18 per cent (1.5 crore households) of those interacting with educational institutions/departments claimed to have paid bribes. In case of urban 19 per cent (0.4 crore households) and in rural 18 per cent (1.1 crore households) had paid bribes.
- ☞ The extent of corruption is much higher in case of States with low educational development.
- ☞ 71 per cent of all households having school-going children are using Government-run schools. In rural areas, the dependence on Government schools is higher at 77 per cent.
- ☞ 71 per cent of those who interacted with educational institutions had to make more than four visits to the department/institutions. Of these, more than 34 per cent needed to collect school leaving certificates alone.
- ☞ 21 per cent of respondents felt that very often mid-day meals in schools were either not provided or of very poor quality.
- ☞ 40% of the respondents, who used "alternative process" to get their work done, belonged to the income group upto Rs. 5000 per month.

### 1.3 Classification of States according to Education Development Index

States were divided into three categories, viz., High, Medium & Low on Education Development Index to understand if there was a significant difference in the extent of corruption.

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\* Gupta, Davoodi and Tiongson (2000)

Table 1.1 : Education Development Index

States	Education Development Index
<b>High Educational Development States</b>	
Kerala	1.436
Himachal Pradesh	1.423
Punjab	1.295
Delhi	1.275
<b>Medium Educational Development States</b>	
Maharashtra	1.232
Tamil Nadu	1.176
Gujarat	1.166
Haryana	1.164
West Bengal	1.127
Karnataka	1.096
Orissa	1.076
Madhya Pradesh	1.027
<b>Low Educational Development States</b>	
Andhra Pradesh	0.963
Rajasthan	0.919
Uttar Pradesh	0.853
Bihar	0.828

**Source:** Anil K. Yadav and Madhu Srivastava: Educational Development Index in India : An Inter-State Perspective.

## 1.4 Interaction with Schools

### 1.4.1 Usage of Government Schools (upto 12<sup>th</sup> std.)

Overall, 71 percent of the households with school-going children use government schools. Area-wise percentage of such households is 77 in rural and 56 in urban, respectively

Table 1.2: Dependence on Government Schools

(Figures in percentage)

Area	Households using Government Schools
Rural	77
Urban	56
Overall	71



### 1.4.2 How Many Visits did they Make?

According to Survey, 71% of the respondents, who interacted with educational departments, had to make four or more visits to the concerned educational institution/department to get their work done. In case of private institutions, only 50 per cent had to make four or more visits.

**Table 1.3: Number of Visits Required – Region-Wise**

(Figures in percentage)

Visits required	Total
Once	09
Twice	14
Three times	06
Four Times or more	71

More than half of the respondents making more than four visits to the educational institutions/departments did so primarily to collect school leaving certificates.

**Table 1.4: Purpose of More than Four Visits**

(Figures in percentage)

Purpose of Visit	Per cent
Collect School Leaving Certificates	34
Payment of Fees	21
New Admission	20
For Section Change / Form Fill Up	10
Transfer from Institution	5
Seek Promotion from One Class to Another	3
For Correction of Mark – sheet	3
Application for Scholarship	2

## 1.5 Perception about the Functioning of Schools

### 1.5.1 Quality of Education

23 per cent of those whose children are going to Government educational institutions (upto 12<sup>th</sup> std.) felt the quality of education to be poor. In case of States, low on educational index, nearly one-third of the respondents felt the quality to be poor compared to only one-sixth in case of States that are high on educational index.

**Table 1.5: Perception About Quality of Education – Government Institutions**

(Figures in percentage)

Perception	Educational Index			
	High	Medium	Low	Overall
Very Poor	03	06	08	06
Poor	13	15	24	17
Neither Poor/ Nor Good	31	22	24	24
Good	46	49	39	46
Very Good	07	08	04	07

In case of private institutions, only 9 per cent perceived the quality of education as poor.

### 1.5.2 Perception about the Prevalence of Corruption in Schools

A little less than half of those respondents, whose children are in Government schools, perceive them to be corrupt. This perception is much higher in case of States with low Educational Development Index (62 percent) as against 33 per cent in higher Educational Index States.

In Kerala, only 10 per cent of those interacting with Government schools felt that there was corruption, while in Bihar, 79 per cent felt so. This difference can be attributed to the variation in the literacy level in two States.

**Table 1.6: Perception about Prevalence of Corruption in Government Institutions**

(Figures in percentage)

Is there corruption?	Educational Index			
	High	Medium	Low	Overall
Strongly disagree	11	13	7	11
Somewhat disagree	17	18	13	17
Neither agree not disagree	39	24	17	25
Somewhat agree	26	30	39	32
Strongly agree	07	16	23	16

### 1.5.3 Common irregularities in Schools

The most common refrain of parents was that the teachers did not teach properly in the class. The parents observed that:

- ☞ Syllabus was not completed.
- ☞ Teachers came to the class and just made one of the students to read aloud to the class without explaining anything.
- ☞ Even at higher secondary level, science students were not given any practicals. This was also the case even in some private schools.
- ☞ No tests were given to the students.

- ☞ In non-board examinations, teachers had full control over the examination results of students. This power was exploited by unscrupulous teachers in forcing students to take tuitions from them.

A 1997- survey of 7829 primary school pupils in Delhi found that 39.2 % were receiving private tuitions (Aggarwal, 1998). Other reports suggest a figure as high as 70 % of urban children receiving private tuition for at-least one subject. (Yasmeen, 1999)

The irregularities in mid-day meal programmes are mostly related with the inferior quality of food.

**Table 1.7: Widespread Irregularities in Government Schools**

(Figures in percentage)

Irregularities	Educational Index			
	High	Medium	Low	Overall
Teachers do not teach properly	27	36	52	39
Teachers force students to take tuitions	25	34	41	34
Teacher absenteeism	29	34	49	38
Irregularities in midday meal programme	23	38	45	37

The irregularities are much more widespread in the States which are low on the educational index compared to the States high on the index. According to a report published in Times of India on Sep. 25, 2005, one out of four teachers in Govt. Primary Schools is absent, and one of those present is not teaching. Thus, the teachers' absenteeism has declined students attendance.

## 1.6 Experience with Schools

### 1.6.1 Experiences

Nearly one-fifth of all households, who had school-going children, got their work done using "alternative method". In case of States, which are low on educational index, 30 per cent of those interacting used the alternative method. There were considerably higher number of people in Rajasthan and Bihar used the alternative method, while the number was significantly lower in Kerala, Karnataka, Andhra Pradesh and Assam.

Overall, 60 per cent of those who used alternative method paid bribes. The practice was much lower in States with high on educational index where only 40 percent paid bribes. The system was, however, relatively free of touts, with only 3 per cent of the respondents using their services to get work done.

**Table 1.8: Ways to Bypass Normal Process**

(Figures in percentage)

Irregularities	Educational Index			
	High	Medium	Low	Overall
By paying additional amount	40	62	65	60
By using influence	56	34	33	36
By approaching middlemen	04	04	03	03

## 1.6.2 Corruption and Income

Of all the respondents who had to experience corruption, 70 per cent had an average monthly household income of less than Rs. 10,000 (presumably because this is the income group using Government institutions, mostly because of their limited paying capacity). Moreover, 24 per cent had income less than Rs. 5000 per month.

## 1.7 Frequency of Corruption Experience

30 per cent of households with school-going children said that they had never experienced corruption; the other 70 per cent had experienced corruption at one time or the other during the last one year.

**Table 1.9: Frequency of Corruption Experience**

(Figures in percentage)

Frequency	Educational Index			
	High	Medium	Low	Overall
Every time	11	8	8	8
Some Times	19	36	37	33
Only Few Times	15	28	40	29
Never	55	29	15	30

### 1.7.1 Type of Services

Schools typically request money from parents each year, allegedly to enhance educational programs, repair/maintain school buildings, and obtain equipment and supplies, etc. Parents typically comply fearing retribution towards their Wards. There is little feedback to parents on how these out-of-budget funds were actually used.

### 1.7.2 Services Sought

Issuance of school leaving certificate, merit certificate, etc., also quite often involves payment in excess of prescribed amount.

**Table 1.10: What do People Pay Bribe for?**

(Figures in percentage)

Bribe	Percent of people paying
For exemption from fees	33
For issue of certificates	28
For admission	26
For promoting child to higher class	06
Money deducted from scholarships	03
Additional money for the supply of things that are supposed to be free	04

### 1.7.3 Value of Corruption

- ☞ 40 per cent (8.2 crore) of households are estimated to be interacting with schools and/or education department.
- ☞ 18 per cent (1.5 crore) of the households who interacted with schools paid bribes. In case of urban, 19 per cent (0.4 crore households) and in rural, 18 per cent (1.1 crore households) paid bribes.
- ☞ The average outflow per household due to corruption is estimated to be Rs. 27,44 per year.
- ☞ Thus, the total outflow due to corruption works out to be Rs 4137 crore per year.

### 1.7.4 Service Providers' Perspective

- ☞ Acute shortage of teachers in Government Schools

At times, teachers have to teach more than one class simultaneously. According to the teachers, it is unfair even to talk about the quality of education in such conditions.

The student teacher ratio in Government schools is very high compared to private schools, making it even more difficult to deliver the same quality of education.

The mid-day meal programme has only added load to the limited staff available as they also have to supervise the preparation of mid-day meals.

- ☞ Poor infrastructure

The teachers are working under the constraints of very poor infrastructure. There are not enough classrooms. Even the most basic items, like black boards, writing chalk, tables, toilets (particularly for the girl students) and drinking water are not available. Things like sports kit never reach the schools. However, the teachers and school staff are blamed for that.

- ☞ Burden of administrative work

Teachers in Government schools are assigned a lot of administrative work like election and census duties, which interferes with their teaching duties and results in loss of teaching time.

- ☞ Low interest of parents

Parents of the majority of children do not take significant interest in their child's education. This results in students not studying at all after school hours resulting in low grades or higher failure rates, the entire blame for which lies on teachers.

- ☞ Teachers in Government schools have to deal with students with varied learning capacities and pace. The private schools simply weed out such students requiring higher effort. No wonder, with better quality of students, private schools perform better.

- ☞ The Education Department has limited infrastructure to carry out regular checks of schools under its jurisdiction. The number of supervisors is very low, even the ones that are present have to perform administrative work also. There is no provision of any vehicle for the supervisors to carry out the checks.

## 1.8 Suggestions for Reducing Corruption

- ☞ Entrepreneur teachers – The poorly performing schools can be given to teachers' committees to run. The fund allocation to each school should be linked to outcomes like:
  - Enrolment rates

- Attendance
- Drop-out rates
- Grades of students passing out, etc.

☞ Menace of private tutoring

Teachers forcing students to take private tuitions is a very widespread problem at every level of education in the country. It lowers the interest of teachers to teach properly in class. This results in low quality of education.

☞ Facilitating regulations for registration of private schools – Since education on is a fundamental right, it is the responsibility of Government to provide education to the children. Though the Government must provide all facilities for education, yet it has not been able to do so. This vacuum can be filled up by the private schools.

If the regulations are simplified, more of these schools will come up and the current shortage (in Delhi itself, there are 5 lakh children in 1200 slums, having no access to schooling) could be taken care of.

☞ Making teachers and school administration accountable – A major cause of corruption and irregularities in schools is that the parents have a limited say in the affairs of the schools. The teachers and school administration, at least in Government schools, are not at all answerable to the parents. To address this, a Committee of Parents can be constituted and notified on the school notice board in every school to which the staff could be made answerable. The Committee can look into whether the teacher is teaching properly and taking interest in students. It can also point out the inadequacies in infrastructure. In this connection, attention has been drawn towards Nagaland's 'communitisation programme' based on 'no work; no pay', wherein salaries of teachers are transferred to elected village education committees. Similarly the Madhya Pradesh Govt., as part of its *gram swaraj*, authorised *shiksha samitis* of the panchayats to deduct wages of absent teachers.

All the funds transferred to the district education offices should be published in the local news papers. Also, school should display in their respective citizens' charter, funds received by them under different heads, number of staff sanctioned, number of vacant positions and other relevant information on their notice board.

☞ Overcharging of fees - Schools should notify the entire fee structure at the start of the academic year. The Committee of Parents should be given an authority to look into the accounts of the schools to see how the funds from fees are being utilized. In case of Government schools, the prescribed fees should be displayed by every school.

☞ Educated people volunteering to assist the school may be encouraged. They can even serve as resource persons.

☞ Admission - The criteria for admission to schools must be laid down in advance. The parents must know the criteria, the amount of fee and other dues required to be deposited and their periodicity.

☞ Issue of School Leaving Certificate - A system for issuing School Leaving Certificate within the specified time, say not more than one week, must be known to the parents concerned.

☞ Citizens' Charter : All information needed by parents and students must be available in a Citizens' Charter so that every one is clear about various aspects of the functioning of the school.

☞ Absentee Teachers - In rural areas, the Panchayats must be involved in ensuring that the teachers do not absent themselves without permission of the authority.

With World Bank support, the Uganda government conducted an audit of actual enrolments and funding flows in schools. Funds actually received by the schools were compared to the amounts dispersed by central government plus the amounts collected from fees assessed at the local level. The audit discovered major leakages of money. For example, only 13% of funds allocated for non-salary items like textbooks and supplies reached the schools. To promote transparency and fix the problem, all fund transfers to district education offices were published in the newspapers and broadcast on radio. Each primary school was required to paste a public notice of all inflows of funds to the schools. Results were impressive. Within three years, 90% of non-salary funds provided by the central government were reaching the schools.

Uganda: Successful Practice in Reducing Corruption: Uganda

### Initiatives:

#### A. Addressing Shortage of Trained Teachers through Community Participation

A case study of Shiksha Karmi Project (SKP), Rajasthan

One of the major causes of irregular functioning of primary schools and consequent poor scholastic standards and high dropout rates is shortage of teachers and teacher absenteeism, particularly in remote rural areas. According to some estimates, nearly 89 percent schools in rural areas are functioning in multi-grade situations, where one or two teachers have to teach a number of classes simultaneously. It is difficult to find fully qualified teachers who would willingly accept postings in remote villages, far less actually take up residence there. A primary school in such a village usually tends to become dysfunctional, leading to high dropout rates and poor enrolment. One of the ways to solve this problem is the concept of para teachers.

The SKP, being implemented in Rajasthan since 1987, aims to transform dysfunctional schools into more efficient ones with the help of locally available youths, albeit with lower qualification. Under the SKP, regular teachers are replaced by local teachers who are less qualified but specially trained. A shiksha karmi (SK) is a local person with the minimum qualification in case of a male being Class VIII and female Class V. To overcome the problem, shiksha karmis are given intensive training through induction programme as well as periodic refresher courses. The project is being implemented by the Government of Rajasthan through the Rajasthan Shiksha Karmi Board (RSKB) with assistance from voluntary agencies.

As a result, there has been a six-fold increase in the enrolment of children in schools taken over by the project. A significant number of children covered by SK schools are from among Scheduled Castes/ Scheduled Tribes. Moreover, per child annual cost under the SKP was Rs. 1065 (in 2000) against Rs. 2170 in government schools.

#### B. Involving Parents in School Management, Karnataka.

School Development and Monitoring Committees (SDMC), introduced by Karnataka Government, is a novel way of involving parents in the management and administration of schools. SDMCs were aimed to target several ailments in the schools, including attendance of teachers and punctuality, both chronic problems in government schools nationwide.

The general council which consists of parents of children studying in the school is the highest body. It elects 9 parent representatives. They, in turn, elect a president. The core group can co-opt other members into the committee who may not be parents of school children. They may include elected representatives, officials and members of community at large. The committees have several powers:

- ☞ Ensure proper functioning of the school and also paying attention to teachers' attendance and punctuality.
- ☞ The President of SDMC will have the powers of sanctioning leave to school Headmasters.

- ☞ It decides on local holidays which should not exceed four days in a year.
- ☞ SDMCs can examine documents and money receipts for all the expenditure of the school.
- ☞ They can auction crops grown in the school lands and remit the money to the school education fund.
- ☞ They can also use the funds available from the taluk panchayat, zilla panchayats and central government to buy materials required for the school.

However, the implementation of the project was marred by very low level of awareness and enthusiasm among the target community. For example, a study undertaken by the state government found that less than half of the SDMC members (48 per cent) were unaware of its exact composition and its function. In fact, 66 per cent of the respondents reported that they were even unaware of any government circular on SDMCs. A very few were aware of the actual procedure and powers of the committees. Nevertheless, the model holds potential and with proper dissemination of information and holistic training of the target community at the local level can improve the quality of school administration.

## **BHAGIDARI: 'Citizen-Government Partnership'**

### **- A Good Governance Initiative**

Under the concept of 'Bhagidari' (**Citizen - Government Partnership**) to involve all the stakeholders, the School Welfare Committees have been appointed in more than 600 schools of the Education Department to interact with the parents.

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# POLICE SERVICES

## 2.1 Introduction

“The proper function of a government is to make it easy for the people to do good and difficult for them to do evil.”

- Gladstone

## 2.2 Highlights

- ☞ Value of petty corruption in Police (Crime/Traffic) in the country is estimated at Rs 3899 crores per annum.
- ☞ Approximately 15% of households in the country claimed to have interacted with Police in last one year. This figure is higher in urban (18%) in comparison with rural (13%) areas.

### Among those who interacted with Police -

- ☞ More than 80% claimed to have paid bribe to Police to get service in last one year.
- ☞ More than half (55%) contacted the Police for filling complaints.
  - 87% perceived Police to be corrupt.
- ☞ More than three-fourths (77%) that the corruption had increased in the last one year
- ☞ 70% adopted alternate routes like paying bribes, using influence, approaching middlemen, etc.

### 2.2.1 Classification of States

Adequacy of Police (in terms of staffing/ coverage, etc.) has implications on how Police deals with the public (which is in fact the point of corruption). To analyze the relationship between adequacy of Police and corruption, the States were grouped as high, medium and low on the basis of three major criteria, namely, number of Civil Police Personnel per case, Civil Police per 10,000 of population and Civil Police per 100 square kms;

**Table 2.1: Grouping of States on the Basis of Police Staffing**

States	Civil Police personnel per case	Civil Police per 10,000 of Population	Civil Police per 100 Sq. Kms. of Area	Category
Delhi	0.45	6.0	3154.08	High
Punjab	1.25	7.75	103.73	High
Haryana	0.61	9.82	89.14	High
Maharashtra	0.64	8.29	43.60	High
Himachal Pradesh	0.56	18.12	15.81	High
Uttar Pradesh	0.73	12.98	51.11	Medium
Tamil Nadu	0.34	7.7	62.97	Medium
Kerala	0.27	10.71	114.46	Medium

West Bengal	0.60	7.17	55.43	Medium
Gujarat	0.42	32.27	26.05	Medium
Karnataka	0.36	9.9	30.06	Medium
Orissa	0.45	13.53	18.64	Low
Bihar	0.35	8.33	75.74	Low
Assam	0.37	6.77	23.63	Low
Rajasthan	0.33	21.01	13.15	Low
Andhra Pradesh	0.26	9.29	26.06	Low
Jharkhand	0.21	14.2	34.34	Low
Madhya Pradesh	0.22	13.75	16.18	Low
Chhattisgarh	0.27	6.24	9.89	Low

\* **Source:** Crime in India 2002, Ministry of Home Affairs, Govt. of India.

# **Source:** Data on Police Organisations in India (as on 1.1.2003)

## 2.3 Interaction with Police

Overall, 15 per cent of the households (3 crore households) interacted with Police during the last year. More than half of the interactions happened for filing of complaint above.

**Table 2.2: Purpose of Interaction**

(Figures in per cent)

Purpose of Interaction	States: Staffing of Police			Total
	High	Medium	Low	
Make a complaint	57	51	57	55
Violation of Traffic law	8	17	9	12
As an accused	8	13	11	11
As a witness	5	6	5	5
Passport verification	4	5	4	4
Verification for job	5	1	5	3
Pending case	3	1	2	2
Others (challan, case compromised) pre-paid taxi booths	8	1	7	5

### 2.3.1 Difficulties Faced

More than 60% of the people who interacted with Police faced difficulties relating to the behaviour of the personnel. Most common complaints were about the indifferent attitude of the personnel or their being corrupt. In fact in many instances, indifferent attitude is a way to force the citizen to pay bribe to get the work done.

**Table 2.3: Type of Difficulties Faced**

(Figures in per cent)

Difficulties faced	Staffing of Police			Total
	High	Medium	Low	
Indifferent attitude	60	60	69	64
Corruption	57	61	64	61
Procedural (e.g. use of English language)	46	39	45	43
Non-availability of forms and guidelines	33	26	29	29
Interference of middlemen	12	12	09	11

**Note:** Multiple Answers.

The effect of this apathy is magnified by the fact that most interactions with Police happen in stress situations and most people are normally unaware about the rules and procedures to be followed. The indifferent attitude is much more prevalent in States with higher inadequacy of staff than States in a comparatively better position. The reasons for staff apathy could be either high work pressure or sheer lack of training and sensitization. Today, approximately 90% of the Police force consists of constabulary. For long, the mindset of the authorities has been that an ordinary constable is not meant to think and take decisions. This attitude has worked as a catalyst in making the public interface of the Police, i.e., the constable, insensitive and indifferent.

## 2.4 Perception About Police

Nearly nine-tenth (87%) of respondents who had interacted with the Police agreed that there was corruption. Moreover, people do not even come out to complain against concerned for fear of retribution and, therefore, compelled to pay bribe.

**Table 2.4: Perception of Corruption**

(Figure in per cent)

Perception of corruption	Staffing of Police			
	High	Medium	Low	Total
Disagree	07	06	04	05
Neither agree nor disagree	06	10	04	07
Agree	86	83	92	87

### 2.4.1 Level of Corruption

In the past few years, there have been increased efforts to improve the image and serviced render by Police Department. However, more than three-fourths (77%) of the respondents interacted with the Department believed that the corruption has increased in the Department during the last one year. There is not much difference in the percentage of respondents from States having different Police staffing.

**Table 2.5: Change in Level of Corruption**

(Figures in per cent)

Level of corruption	Staffing of Police			Total
	High	Medium	Low	
Decreased	06	07	03	05
About the same	15	20	15	17
Increased	78	72	81	77

### 2.4.2 Extent of Police Commitment to Bring Down Corruption?

Nearly two-thirds (64%) of those who had interacted with the Police felt that the Police is not committed to fighting corruption. However, 20% believed that Police was committed to fight corruption. Higher percentage of respondents interacting with Police from States having low Police staffing believed that Police was not committed to fight corruption in comparison with respondents from States having high Police staffing.

**Table 2.6: Commitment of Police to Fight Corruption**

(Figures in per cent)

Difficulties faced	Staffing of Police			Total
	High	Medium	Low	
Not committed	55	57	74	64
Indifferent	15	15	12	14
Committed	26	25	12	20

## 2.5 Experience with Police

To get an idea about the extent of corruption, it would be essential to probe about their experiences with the Police. Accordingly, respondents were questioned about their experiences with respect to corruption, quality of service and alternate methods used to get their work done.

### 2.5.1 Quality of Service Received

Nearly three-fourths (74%) of those who had interacted with the Police regarded the service of the Police Department as poor, while only 11% are happy with their services. Not surprisingly, the quality of service is regarded as poor by higher number of respondents from States having low Police staffing in comparison to respondents from States having high and medium Police staffing.

**Table 2.7: Quality of Service Received**

(Figures in per cent)

Quality of service	States: Police Staffing			Total
	High	Medium	Low	
Poor	73	70	79	74
Neither poor/nor good	14	18	09	14
Good	13	12	12	11

### 2.5.2 Methods to Avail to Get Work Done ?

More than two-thirds of respondents who had interacted with the Police had adopted alternate methods like paying bribes, using influence, approaching middlemen etc. Of these, 80% had paid bribe to avail the services. The data below shows that there are no significant differences among the three categories of the States.

**Table 2.8: Alternate Avenues Used**

(Figures in percent)

Alternate procedures used	Staffing of Police			Total
	High	Medium	Low	
By paying additional amount	80	81	80	80
By putting extra efforts	28	25	27	27
By using influence	12	19	15	16
By using political influence	5	17	9	11
By bureaucrats/officials' influence	5	11	9	9
By approaching middlemen	2	8	5	5

**Note:** Multiple answers.

### 2.5.3 Services for which Bribes are Paid

First Information Report (FIR) is a very important document as it sets the process of criminal justice in motion. It is only after our FIR is registered in the police station, the Police takes up investigation of the case. Unfortunately, this leaves the Police in a dominant position of determining when and which criminal incident to register and which one to ignore. As a result, citizen is forced to bribe or exert influence to register an FIR.

Also people very frequently pay for avoiding challans for various offences like traffic law violations. However, a lot of this corruption may also be due to laxity in traffic preventive measures resulting in citizen's disregard for traffic rules. As a result, people very frequently break traffic rules and, when caught, tend to pay bribe to the police officials.

**Table 2.9: Services for which Bribes are Paid for**

(Figures in per cent)

Services	Staffing of Police			Total
	High	Medium	Low	
Registering FIR	64	33	51	47
For avoiding being challaned for traffic offences	07	24	13	16
For avoiding arrest/serving of notices	09	10	14	11
Other activities (bail, other challan, etc.)	07	12	06	08
Avoiding arrest	05	08	06	06
Verification of Passport	05	05	06	05
Ensuring the case is followed up actively	03	08	04	05
Verification for Job	02	03	00	04
Filing of charge sheet in the Court	04	03	03	03

**Note:** Multiple answers.

## 2.5.4 Modus Operandi for Bribing

Unlike many other Departments, where a large number of people paid bribes through middlemen, 81% of the respondents claimed to have paid bribe directly to Police. This points to the fact that corruption is much more open in Police Department and has become institutionalized to some extent.

**Table 2.10: Payment of Bribes**

(Figures in per cent)

Persons to whom bribes were paid	Staffing of Police			Total
	High	Medium	Low	
Money was paid to the concerned Police officer	94	96	99	97
Money was paid to the agents/touts/dalals.	11	9	5	7

**Note:** Multiple answers

## 2.6 Service Providers' Perspective

### 2.6.1 Concerns

#### ☞ Very high work pressure and lack of basic infrastructure

The Police force today works with an acute shortage of personnel, resulting in high work pressures. Policemen spend long hours on work with inadequate facilities being provided. Very often, Police Station does not even have basic facilities like Bathrooms, etc. These working conditions combined with long hours of work create excessive level of stress.

In addition to this, Police personnel of lower ranks are used by superior officers for personal works. In addition to increase workload, it reduces the self-esteem of the personnel.

#### ☞ Political interference

There is an excessive political interference in the functioning of Police by the politicians. Pressure on the Police takes a variety of forms, ranging from a promise of career advancement and preferential treatment in posting and service matters if the demand is yielded to; and a threat of drastic penal action and disfavoured treatment in service matters if the pressure is resisted. Even though it is not very easy to punish a Police Officer under statutory law without adequate grounds, it is easy to subject him to administrative action by way of transfer\* or suspension on the basis of an alleged complaint taken up for inquiry. While suspension acts as a great humiliating factor, a transfer disrupts Police officer's family, children's education, etc.

#### ☞ No cooperation from citizens

It is very hard to prevent crime without proper cooperation from citizens. However, people do not follow even the basic instructions to prevent crime like getting the domestic servants, drivers, employees verified, and whenever an incident happens Police is blamed for negligence.

#### ☞ Scant respect for law among citizens

People make use of every opportunity to break laws. When caught, they bribe the concerned official to avoid punishment/ embarrassment.

\* A study by National Council of Applied Economic Research (NCAER) about living and working conditions of constabulary in Delhi and Uttar Pradesh reveals that 53% and 43% of constables in Uttar Pradesh and Delhi, respectively, were transferred from one district to another or from one place to another in less than a year

## 2.6.2 Initiatives

- ☞ Taken initiatives to gain public confidence and improve public relations (for example, Delhi Police “with you, for you always”).
- ☞ Imparting training to officials for effective public dealing
- ☞ Giving training like Yoga, meditation, etc. to refresh, officers mind and body, while they are on duty.
- ☞ Use of computer technology to ensure smooth working and transparency (e-cops Andhra Pradesh)

## 2.7 Suggestions to Reduce Corruption

### 1. Local Policing – more responsive and accountable enforcement

There are several policing functions e.g., patrolling, traffic regulations, prosecution for offences like public nuisance or eve teasing that concern the day-to-day life of a common citizen and are very local in nature. The enforcement of law for these cases could be entrusted to a local force, accountable to Panchayat or Citizen Committees.

This local force may have a small area under its jurisdiction, resulting in better interaction and involvement with citizens.

### 2. Making Transfers and Promotions Transparent

Payments of bribes for postings and promotions is a well-known phenomenon in Police Department. As a result, the Policemen, who have paved their way through, try to recover the amount as soon as possible and corruption becomes a tool for getting better return on “investment”. Also, transfers are commonly used as a retribution tool against officers as a pressure tactic. However, if a system could be designed where postings are automatically generated at random by computer after a given interval for each employee, a big chunk of corruption can be eliminated. Similarly, objective criterion for promotions could be articulated and publicized so that individual judgement discretion plays a limited part in promotions. This will reduce the need for bribes in order to get favours.

### 3. Use of Information Technology

Non-registration of complaints is the most common grievance of citizens interacting with Police Department. Since the registration of complaint or FIR is the first step in justice delivery, citizen is forced to pay bribe. E-technology can be used for reporting and handling of cases in the following manner -

- ☞ Filing of cases could be done through Internet and, if required, detailed information can be given later on.
- ☞ Case status could be made available online to bring in more transparency and make the Police force more accountable with severe punishment.
- ☞ FIR could be registered/ receipt issued through check posts or mobile vans. Every complaint should be acknowledged with a number and treated as FIR.

### 4. Performance Monitoring

Establishing a system for monitoring the performance of Police can substantially increase the accountability of the force. Objective performance and efficiency indicators can be chosen and tracked to monitor the performance of the Police force. This will lead to having clear improvement goals for the force on objective and measurable parameters.

### 5. Minimizing Political Interference - Greater Functional Independence

As advocated by National Police Commission, a Chief of Police of a State should be given a fixed tenure of office so as to encourage functional independence. It is common in India to treat transfers

and postings of officers as a kind of reward and punishment. As a result, many Chiefs of Police have had allegiances to political parties.

Also the selection of Police Chief could be entrusted to an expert committee (maybe, headed by the PSC Chairperson). The committee may be given a pre-specified number of candidates, decided on the basis of seniority, to choose from.

#### 6. Introducing Greater Accountability

In today's scenario, there is very little accountability of Police to the citizen with regard to satisfactory delivery of services. For example, if a Police Officer refuses to register a complaint, a citizen, who is not satisfied with the complaint redressal, has the option of going to the independent Regulator, there exists no such mechanism in case of Police.

It is very essential that accountability of officials at different levels be defined, a degree of immediate proximity to the people, and a third party intervention is introduced. Public hearings could be an effective tool for this purpose, as shown in experiments with other services. A system could be introduced where a few complaints against police are picked up every month (or some pre-decided time interval) for public hearing. The public hearings could be conducted by a panel of retired judges and prominent citizens.

#### 7. Implementing Citizens' Charters

A service-specific Citizens' Charter spelling out standards of hassle-free Police and allied services to be provided to the victims and other service seekers should be prepared and displayed prominently in all Police related offices and other similar institutions to create awareness amongst the citizens, and in causing realistic expectations from Police. It should also spell out standards of those services, which are provided, among others, by all concerned authorities like Prisons, Public Prosecutors, Lawyers, Notary Public, Oath Commissioners, etc. Such Citizens' Charters should also have a penalty clause on the lines provided in the recently enacted Right to Information Act to create a kind of fear among the service providers if they fail to provide the promised services. It would restore the confidence of the common man in Police Department.

## 2.8 Initiatives

### Community Policing Scheme – Punjab Police\*

“Punjab Police has pioneered what is probably India's finest effort to improve relations between the Police and local communities” – World Bank Report

#### Background

- ☞ Post-terrorism, the community was seen to be alienated from Police personnel. Need was, thus, felt to modify the existing policing system and bring people closer to men and women in 'khaki'.
- ☞ It was feared that high number of Police personnel (at newly created Police stations and posts) would remain under-utilized in the coming years.
- ☞ It was noticed that various pro-people steps initiated by officers withered away once they were transferred.

#### The initiative

- ☞ Government has opened Community Police Resource Centers (CPRCs) in most districts of the State. These also function as victim relief centres.
- ☞ Each CPRCs is allocated Rs. 10 lakh from Police Modernisation Fund.
- ☞ While an elaborate State-level steering committee is in place, district level committee is headed by an officer of the rank of Superintendent of Police.
- ☞ Personnel of CPRCs have been trained to -

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\* (Source: Frontline, April 22, 2005)



- Focus on the rights, requirements and expectations of victims of crimes.
- Improve Police response to victims of sexual and other violent crimes (especially trained woman officers help avoiding insensitive questioning).
- ☞ Community group volunteers and retired civil officers have been engaged in running helplines.
- ☞ The child protection unit in each CPRC has a library equipped with books of fiction and information on the work of Police and creates awareness about rights of children, women and citizens.

### Application

- ☞ CPRCs facilitate grievance redress to deal with common complaints such as problems in accessibility of Police officers at lower levels.
- ☞ These act as nodal centres for community-oriented schemes such as
  - Combating domestic violence,
  - Helping the aged,
  - Providing legal aid and arranging meetings with Resident Welfare Associations, traffic regulation committees and economic offences wings.
- ☞ Drug de-addiction campaigns and counselling for women are also taken up.
- ☞ CPRC's act as community-service-cum-information centers to
  - Provide 'No Objection Certificates' for arms license.
  - Help with verification of issue of passport.
  - Grant permission for political and religious processions.
  - Deal with requests for security arrangements.

### Outcomes

- ☞ With the setting up of CPRC, 359 out of 429 complains received were disposed of, each taking an average of 19 days in comparison to 37 days it took earlier.
- ☞ Number of public complaints increased after setting up of the Centre which shows people were more forthcoming to register their complains with CPRC.

### ANDHRA PRADESH POLICE – e-COPS: More Open Handling of Criminal Cases in India

#### Background

- ☞ There were concerns on effectiveness, lack of transparency and complaints of corruption in the Police Department.
- ☞ There were widespread allegations that many Police personnel demanded bribe to register cases, to give updates with regard to the progress of case and to provide other information.
- ☞ A new system was designed by automation of some processes along with statewide online accessibility for registration of cases, processing and follow-up of criminal cases with the aim to improve transparency.

#### Application

- ☞ Earlier, if a crime was committed, the victim (or a witness) had to go to the respective Police Station where they lived, and report the crime/ file FIR. Paper-based processes were also subject to manipulation or getting lost.
- ☞ With e-COPS system, a victim could go to any Police Station (not just local ones) and the Duty Officer would register the crime directly onto the system.

- ☞ Once a case has been registered, it cannot easily be changed. The person registering the case also gets access to case details. The person can track progress at any point through net by using an FIR code number issued at the time of registration.
- ☞ The system makes available case details include FIR, action taken, action pending, other crime details, etc. on the internet.
- ☞ The victim could also lodge a complaint if he found, from accessing case details, that the case has not been registered properly, or that there has been no progress made on the case since it was last accessed.
- ☞ Finally, senior Police Officers could also use e-COPS to monitor case details and progress. All this introduces the transparency in handling a case and the accountability of Police Officers.
- ☞ Effective coordination among different entities in criminal justice system is being ensured by interfacing access and transfer of information – thus making it easier to collect inputs needed for proper and quicker investigation of a case.
- ☞ e-COPS is being integrated with the fully computerized Fingerprint Analysis Criminal Tracing System (FACTS).
- ☞ It maintains a database of listed offenders in all criminal cases reported. The database can be accessed by various Police Stations through a e-network, thus assisting Police Officers in their investigations.
- ☞ A user-friendly interface has been developed that enables the system to be handled even at a constable level.

### Benefits

- ☞ Using e-COPS has resulted in significant reduction in time required to register a criminal case and locate relevant information. (Previously, it took a few days to get an FIR properly recorded; with e-COPS, it takes an hour or so).
- ☞ Victims of crime away from their home can register crime immediately, rather than having to return home, as was the case earlier. This has eliminated problems of jurisdiction.
- ☞ By dis-intermediating Police Officers to some extent has resulted in greater transparency and reduced scope for corruption.
- ☞ Once a complaint is registered, it is electronically transferred to the higher authorities. Consequently, the scope for delinquencies such as non-acceptance of a complaint, losing track of case, etc. is totally eliminated.
- ☞ The transparency in the system helped in enhancing public interface and confidence.

### **BHAGIDARI: 'Citizen-Government Partnership'**

#### **- A Good Governance Initiative**

As an Initiative for improving governance, the Government of the National Capital Territory of Delhi introduced the concept of 'Bhagidari' (**Citizen - Government Partnership**) to involve all the stakeholders as 'partners'. The issues that have been taken up are simple and common issues that affect a citizen's everyday life. Accordingly, Delhi Police (DP) has initiated the following steps:

- ☞ Crime prevention through involvement of RWAs
- ☞ Neighbourhood watch scheme
- ☞ Verification of antecedents of domestic help
- ☞ Prevention of encroachments
- ☞ Regulation of traffic through colonies
- ☞ Prevention of illegal sale of liquor

## LAND RECORDS AND REGISTRATION

### 3.1 Introduction

The focus of the study is on the bribes paid by common citizens to avail services of Land Records and Registration Department. The study, however, does not take into account bribes paid by business houses and other institutions to minimize tax and other liabilities.

### 3.2 Highlights

- ☞ Value of corruption in Land Administration Department in the country is estimated at Rs. 3126 crores per annum.
- ☞ 14.4% of households (2.9 crore) in the country are estimated to have interacted with the Department during the last one-year.
- ☞ The average amount of bribe paid for getting the service in this Department was estimated to be Rs. 2,147/-
- ☞ There was a variation in the amount of bribe paid depending on the nature of work or service. On an average, bribe for Registration of Property, for example, was Rs. 2621/, the average bribe paid for clearing property tax dues was Rs. 393/-.
- ☞ Of those who paid bribes, 36 per cent had paid money to Department officials, and 33 per cent to middlemen like document writers, property dealers etc to get their work done.
- ☞ It means in all 253.5 lakh households had interacted with the Department. Among those interacted with the Department in the last one year -
  - Nearly 48 per cent had actually paid bribes. This works out to be 6.66% of the total households in the country, (approx. 123.6 lakhs).
  - Nearly four-fifths (79%) had opined that there is corruption in the Department.
  - Nearly two-thirds felt that corruption had increased in the Department in last one year. However in States, with high degree of computerization, higher proportion of people felt that corruption had come down significantly during the last one year.
  - Nearly two-thirds (61%) had used alternate routes like using influence for completion of their work.

### Classification of states

Computerization of land records is expected to result in efficiency and transparency in land administration, curbing of corruption. To check this hypothesis, the States covered in this Study have been classified into two categories; viz., (1) States where land record system is completely computerized and operational; and (2) States where the extent of computerization is low.

**Table 3.1: State-wise Computerization of Land Records**

S.No.	States	Extent of computerization of land records	Category
1	Tamil Nadu	Online module for distribution of computerized RORs in 201 talukas out of 206	High
2	Gujarat	All 226 talukas operational	High
3	Karnataka	All 177 talukas operational	High
4	Rajasthan	Computerized RORs being distributed in 235 tehsils out of 241	High
5	Andhra Pradesh	Computerized RORs being distributed in 308 mandals. Mutation process yet to be computerized	High
6	Madhya Pradesh	Computerized RORs being distributed in 256 tehsils	High
7	Jammu & Kashmir	Operational in all 59 tehsils	High
8	Punjab	Only some progress in one kanungo circle from each district of Jalandhar, Fatehgarh Sahib and Kapurthala.	Low
9	Haryana	98% data entry complete but services have not started anywhere	Low
10	Maharashtra	Data entry completed but computerized distribution yet to start	Low
11	Uttar Pradesh	Distribution of computerized RORs yet to start	Low
12	Kerala	One taluka operational	Low
13	Orissa	Distribution of computerized RORs operational in 93 tehsils	Low
14	Bihar	In very preliminary stage	Low
15	Assam	Not operational as yet	Low
16	Jharkhand	-	Low
17	Chhattisgarh	-	Low
18	Himachal Pradesh	Only one tehsil operational	Low
19	West Bengal	341 blocks operational	Low
20	Delhi	-	Low

Source: Computerization of Land Records – Inter-State Variations – Manoj Ahuja & A.P.Singh, Kurukshetra, May 2005

### 3.3 Interaction with the Department

#### 3.3.1 Frequency of Visits

The frequency of people's interaction with the Department is high. Over one-third of the respondents made more than four visits to the Department during the last one year. Very often, people are forced to make multiple visits for the same work in order to extract money from them. The States with high level of computerization of land records are only marginally better than other States.

**Table 3.2: Number of Visits**

(Figures in per cent)

Number of visits	Extent of computerization		Overall
	High	Low	
Once	26	27	26
Twice	26	24	25
Three times	16	11	13
Four or more	33	39	36

### Reasons for Repeated Visits

Three-fourths of the respondents made multiple visits to the Department because of lack of information (either to complete formalities or due to incomplete forms). Infact in the States with high level of computerization, 71% had to make repeated visits due to lack of information. This could be due to unfamiliarity of users as well as staff with the system.

**Table 3.3: Reasons for Multiple Visits**

(Figures in per cent)

Reasons for repeated visits	Extent of computerization		Overall
	High	Low	
Officer not there	13	28	20
More clarifications/formalities	61	42	52
Incomplete application	10	10	10
Non cooperation by staff	17	19	18

Thus, there was a widespread ignorance among people about the rules and procedures to be followed. As a result they face problems, like not bringing proper documents, not being able to fill forms, etc. Hence , they have to make multiple visits to the Department to complete these formalities or take recourse to the middlemen.

## 3.4 Perception about the Department

### 3.4.1 Is Land Administration Department Corrupt?

Overall, nearly four-fifths of the respondents opined that the department was corrupt. There was no significant difference among States with high level of and low level of computerization of land records.

**Table 3.4: Perception about corruption**

(Figures in per cent)

	Extent of Computerization		Overall
	High	Low	
Is the department corrupt?			
Strongly disagree	2	2	2
Disagree some what	3	3	3
Neither agree nor disagree	15	16	16
Agree some what	32	35	34
Strongly agree	48	43	45

At this point, it must be noted that only 20% of the respondents had interacted with the Department for obtaining land records, which has been the major focus of computerization. Computerization of Land Records will certainly affect corruption adversely.

**Table 3.5: Level of corruption**

(Figures in per cent)

	Extent of Computerization		Overall
	High	Low	
Level of corruption			
Decreased substantially	8	1	4
Slightly decreased	5	4	5
About the same	25	29	28
Slightly increased	32	35	34
Substantially increased	29	31	30

However, in States where land records have been computerized, higher number of people perceived that corruption had come down significantly during the last one year.

### 3.4.2 How committed is the department to bring down corruption?

Two-thirds of the respondents felt that the Department is not committed to reduce corruption. However, in States having high level of computerization of land records have much higher number of people opined that the Department is committed to reduce corruption.

**Table 3.6: Level of Corruption:**

(Figures in per cent)

	Extent of Computerization		Overall
	High	Low	
Commitment to reduce corruption			
Not committed	64	66	66
Indifferent	14	21	18
Committed	22	13	16

### 3.5 Experience in the Department

#### 3.5.1 Quality of service

Overall, 56% of the respondents felt that the quality of service of the Department continued to be poor. The difference in the quality of service between States with high level of computerization and other States was not significant.

**Table 3.7: Quality of service provided**

(Figures in per cent)

Quality of service	Extent of Computerization		Overall
	High	Low	
Very poor	25	24	24
Poor	35	31	32
Neither poor/ nor good	22	25	24
Good	17	19	18
Very good	01	02	01

#### 3.5.2 Difficulties faced

The most common difficulty faced by people was the long wait for getting documents after registration of land sale. Another problem is nexus between officials at different levels which makes it difficult for the citizens to complain about any irregularities or corruption in the Department. In States with high level of computerization, the presence of middlemen is reported to be significantly lower than the other States.

**Table 3.8: Difficulties Faced**

(Figures in per cent\*)

Difficulty	Extent of Computerization		Overall
	High	Low	
Long wait for documents after registration	67	72	70
Nexus among officials at different levels	60	63	61
Presence of middlemen	49	59	53
Officials demand bribes	46	46	46
Stamp papers are not available	16	31	24

\*Multiple responses

#### 3.5.3 Extent of corruption

Two-fifths of the respondents, who had interacted with the Land Administration Department, took recourse to alternative methods like exerting influence or bribery to get their work done. In nearly half of the cases, alternative process was adopted because they just could not get their work done in the normal course.

**Table 3.9: Reasons for Using Alternative Process**

(Figures in per cent)

Reasons for Using Alternative Process	Per cent
Save time	51
Could just not get work done in normal way	46
Ignorance About Rules & Procedures Of Transactions	3

About 86% of the people taking recourse to alternative process paid bribes to get their work done.

**Table 3.10: Ways to Bypass the Normal Process**

(Figures in per cent\*)

Process used	Total
By Paying additional amount	86
Using influence	27
Approached middlemen	18

\* Multiple responses

### 3.5.5 Service for which bribes are paid for

Respondents, who had claimed to have paid bribe in the Department were asked about the nature of work/service for which they had to pay bribes. Nearly two-fifths of the respondents claimed to have paid bribes for property registration. One-fourth had paid bribes for mutation.

**Table 3.11: Work for which Bribes are Paid**

(Figures in per cent\*)

Work/service	Total
Property registration	39
Mutation	25
Clearing land tax dues	12
Undervaluing land / property	12
Land survey	12
Purchasing stamp paper	7
Obtaining land / property documents	4

\*Multiple response

### 3.5.6 Modus Operandi for Bribing

More than one-third (36%) of the respondents claiming to have paid bribe had paid it to officials like peons at Registrar's Office, and clerks handling documents. While one-third had paid it to agents/ touts like documentation centers, property dealer, etc., 20 per cent had paid directly to the concerned Registrar.



**Table 3.12: Payment of Bribes**

(Figures in per cent)

Persons to whom bribe was paid	Total
Department officials	36
Agents / touts etc.	33
Registrar	20
Deed writer	11

Among urban households, around 13% of respondents had to pay bribe to registrar against 28% in case of rural households.

## Service Providers' Perspective

### Concerns

- ☞ Pressure from influential people becomes an obstacle in improving service in the normal course.
- ☞ People do not complain, but approach some officials (whom they know) to get their work done
- ☞ Lack of staff with respect to workload leading to excessive work, as every person visiting the Department wants his work done expeditiously.
- ☞ People pay bribes for low valuation of land as this results in less stamp duty, and registration fees. They pay bribes from Patwari to officials above him.
- ☞ People are not willing to complain. More-over, they don't want to pay their reasonable dues to the government which results in corruption.

### Initiative

- ☞ Website of the Department enables the user to know the functions and procedures of the Department. Phone calls on general enquiry about the Department are also entertained (Tamil Nadu)
- ☞ Citizen Charter was put in local language and dialect so that people are able to understand it. (Tamil Nadu)
- ☞ Registered document is given on the same day in Haryana.
- ☞ There are fixed parameters for valuation of land, like distance from the main road, amenities, etc. (Jaipur).

## 3.6 Suggestions to Reduce Corruption

### ☞ Use of Technology

- The computerization of the land record needs to be accelerated. A time bound action plan need be prepared for each state so that entire land documents in the country are computerized. Some states have already made good progress.
- Banks and other institutions can be linked with land record database so that they can have

easy access to records. The database should also highlight if the land has been hypothecated to some agency already.

#### ☞ **Reduce role of “deed-writer”**

- Deed-writers have emerged as one of the major conduits of corruption. The role of deed-writers should be minimized to the extent possible by having standard format for various purpose like land registration, Power of Attorney, Agreement to Sell, etc. These should be readily available to the citizen. Frequent changes in these formats should be properly communicated
- Strict action against registered deed-writer’s for indulging in corruption could be considered, if they are empanelled.

#### ☞ **Reforming stamp paper**

- Shortage of stamp paper has led to corruption and also created market for fake stamp paper. Demat form of holding land titles on the lines of share demat may be encouraged.
- In the mean-time, the availability and accessibility of stamp paper may be increased. Govt Banks and post offices should be allowed to sell stamp paper.

#### ☞ **Improvement in Public dealings**

- Public should be made aware about the procedures and requirements for various services of the department.
- Single window approach may be introduced and implemented.
- There should be a “help desk” to explain the people about procedures.
- Time limit should be set for each work like mutation, registry, etc.
- Periodic surveys should be undertaken to track the satisfaction with services of the department. This report should be tabled in State assembly for discussion.

#### ☞ **Citizens’ Charter**

- Should be drafted in consultation with stakeholders like service seekers & providers and concerned NGOs.
- Specific standards indicated for various services should be adhered to and penal provision for non- delivery of the services with in time frame (particularly in view of the recently enacted Right to Information Act) should be specified in the Citizens’ Charter.
- Public prominently to make should be made aware, They have easy access to the Charter.
- Independent audit of performance of Dept against standards of services mentioned in the Citizens Charter to taken up annually and made public.

#### ☞ **Independent Complaint Redressal Cell**

- Every Registrar’s Office should have a grievance redressal cell headed by an independent authority of unimpeach able antecedeent.
- Such Cell should have power to make random checks and probe if there are any manipulations and corrupt practices
- Cases received and addressed should be prominently displayed to improve the confidence of public.

### 3.6.1 Case Study – Bhoomi (Karnataka)

The Bhoomi project for online delivery of land records in Karnataka shows that making available government services to citizens in a transparent and efficient manner can empower them to challenge corrupt and arbitrary bureaucratic action.

### 3.6.2 Situation prior to Introduction of Bhoomi - Problems of Manual System

- ☞ **Opaque System** – Due to monopoly of Village Accountants over these records, these were not easily accessible to public.
- ☞ **Prone to Manipulations** - There were large number of instances where Government land was being shown in the name of private parties.
- ☞ **Harassment and Extortion** – Bribes had to be paid to make copies of land records available and also make changes in land title.
- ☞ **Delay in Delivery of Land Records** – Normally used to take upto 30 days to obtain land records.
- ☞ **Cumbersome Mutation of Process** -Application was given to village officials who enjoyed discretion processing it. Lack of any monitoring mechanism made farmers amenable to pressures from the Department. Moreover, even where Accountants were law-abiding, oversight and accuracy suffered as the number of records multiplied over generations and Accountant Supervisors were burdened with numerous other regulatory and development tasks.
- ☞ **Cumbersome Crop Loan Mechanism** - Banks often asked various land records before lending crop loans to farmers. Farmers, in turn, had to hunt village officials with no guarantee that banks would not ask for any more records. This delayed crop loan process and resulted in harassment to farmers.
- ☞ **Delay in Disposal of Civil Litigations**- The Courts often required various land records for disposing land litigations (which formed more than 70% of total litigations). Records were not forthcoming from Village Accountants easily- resulting into delay in disposal of civil litigations. Farmers had to often spend more than 5-10 years for disposal of their land litigations in the absence of these records.

### 3.6.3 Bhoomi – An Introduction

Under Bhoomi project, all 2 crore land records of 67 lakh landowners in 176 taluks of Karnataka have been computerized. Highlights of Bhoomi are given below:

- ☞ Fully online system to carry out mutations on land records data.
- ☞ Finger print biometrics authentication to ensure fool-proof authentication system and to enforce the concept of non-repudiation.
- ☞ Facility to scan the field mutation order passed by revenue authorities and the notice served on the public.
- ☞ Land record centre in each taluk office for public interface.
- ☞ Synchronization of the regular fieldwork done by Village Accountants and Revenue Inspector.
- ☞ Provision for interfacing of Touch Screen Kiosk at taluk office.
- ☞ 'First in, First out' mutation process thereby eliminating any favourism.

The above features helped in bringing total transparency in land-records administration with added advantage of security and reliability.

### 3.6.4 Benefits of Bhoomi

#### ☞ Farmers-

- Farmers get their land records quickly from Kiosks and are protected from harassment and extortion.
- As against the normal time delay of up to 30 days, they now get their records in less than 2 minutes.
- No overhead cost incurred other than nominal charges. No application is required to be submitted at the Kiosk.
- The records are authentic and legible. Use of biometrics authentication system for updation of records have freed farmers from the worry of probable manipulation of their records
- They can lodge application for mutation (change in land title) to their land records at the mutation Kiosks get acknowledgement for the same and can monitor the progress using touch screen Kiosks available in some Bhoomi centers.
- As against earlier, time of 70-200 days, mutation now requires less than 35 days.
- Access to farm credit is less cumbersome. Online connectivity to banks ensures farm credit to farmers in less than 5 days as against 25-30 days in manual system.
- Easier for the farmers to pursue land related litigation in the court.

#### ☞ Benefit to Administration and Others

- Easy maintenance and updation of land records. In the past, land records updation used to get delayed by as long as two years in some cases. Now, it would always be in sync with time.
- Provides support for development programmes based on land utilisation data like various crops grown, fertilizers used etc to various Departments. Such data in earlier system used to available only after 2-3 years. It is now available almost immediately.
- Accurate and timely preparation of annual revenue records etc.,.
- Monitoring of Government lands and prevention of their encroachments. Lack of monitoring had cost a reported loss of Rs.25 billion to State Government by way of officials tampering with records.

#### ☞ Judicial Administration

- Courts would be able to make use of land record database for adjudicating various civil disputes related to ownership, possession and cultivation in various courts.

#### ☞ Financial Institutions –

- Online connectivity to financial institutions would help banks in planning for their farm credit related activities. In manual system they worked on two years old data or just guessed the farm sector requirement.
- Online connectivity would also help banks to ensure that revenue administration is indicating bank's charge on land records of such farmers who have availed crop loans.
- Facilitates creating change on land of those farmers who take crop loans.

# ELECTRICITY SERVICES

## 4.1 Introduction

The focus of the study is on the bribes paid by the common citizens' to avail services of Electricity Department. The study does not take into consideration bribes paid by the contractors or equipment suppliers to the Department.

## 4.2 Highlights

- ☞ Value of petty corruption in Electricity services in the country is estimated at Rs 2,169 crores per annum.
- ☞ The average amount of bribe paid to the department was estimated to be Rs. 1010/- (Rs. 841/- for Urban households and Rs. 1089/- for Rural households).
- ☞ There was a variation in the amount of bribe paid depending upon the nature of work. On an average, bribe for a new connection was Rs. 1171/- while the average bribe paid for repairing service was Rs. 286/-
- ☞ Nearly three-fifths of total households (11 crores) in the country claimed to have interacted with their respective Electricity Departments during the last one year. Naturally, this figure is higher in urban households (70%) in comparison with rural households (55%).
- ☞ More than one-tenth (12%) of all households in the country claimed to have paid bribe to get services during the last one year.
- ☞ Nearly three- fifths (58%) of those who had visited Electricity Department during the last one year did so for at least 3 times.
- ☞ Nearly two-thirds (65%) of those who had sought one or the other service of the Department, perceived that the Electricity Department was corrupt.
- ☞ Even private electricity utilities are perceived as corrupt. Nearly three-fifths of the households serviced by private power utilities think that their respective utility is corrupt.
- ☞ Nearly half (49%) of those who had interacted with the Department felt that the corruption in the Department had increased during the last year
- ☞ More than one-fourth (27%) of those who had approached the Department had adopted alternate routes like paying bribes, using influence, approaching middlemen, etc.
- ☞ More than one-third (35%) of those who had claimed to have paid bribe, had paid money to Linesmen, while one-fourth (25%) had paid money to an agent/tout.

### 4.2.1 Grouping of States

In order to understand and study the difference in the extent of corruption, States were classified into three groups, namely, high, medium and low performing States on the basis of scores assigned by CRISIL and ICRA to respective State Electricity Departments, depending on their performance.

**Table 4.1: Grouping of States Based on Performance Rating Scores**

State	Scores*	Level
Delhi	57.00	High
Andhra Pradesh	56.75	High
Karnataka	51.25	High
Gujarat	50.99	High
Haryana	49.63	High
Punjab	46.00	High
Himachal Pradesh	44.16	Medium
Uttar Pradesh	41.85	Medium
Rajasthan	41.83	Medium
West Bengal	40.89	Medium
Tamil Nadu	39.63	Medium
Maharashtra	37.75	Medium
Kerela	34.25	Medium
Assam	27.43	Medium
Madhya Pradesh	24.75	Medium
Orissa	20.31	Low
Chhattisgarh	13.83	Low
Bihar & Jharkhand	10.63	Low

\***Source:** Power Sector Ratings—2004, Ministry of Power, Govt. of India

### 4.3 Type of Harassment

To know and understand the frustrations of consumers visiting the Department, questions were asked on the number of visits and the difficulties faced by them.

#### 4.3.1 How Many Visits One has to Make?

One-six<sup>th</sup> of the respondents visiting the Department had to visit again to get their work done. Those who had to visit the Department again were probed as to why they had to visit again and again. More than half (51%) of those visiting the Department had visited again for staff-related reasons, like non-cooperation of staff, staff unavailability or office being closed. While more than two-fifths (41%) of the respondents visiting the Department had to visit again for completing formalities like incomplete forms, providing supporting documents, etc.

Nearly three-fifths (58%) of the respondents visited the Department for at least three times during the last one year. Of these, 36% had visited the Department for paying bills only.

**Table 4.2: Major Reasons for Visit**

(Figures in per cent)

Major Reasons		Per cent
Billing related (Total 70 per cent)	Bill payment	61
	Excess bill	07
	Non-receipt of bill	01
Meter related (Total 11 per cent)	Meter not working / malfunctioning	04
	Incorrect meter reading	03
	Meter installation	02
	Replacement of defective meter	02
Connection related (Total 10 per cent)	Temporary connection	04
	Restoration of connection	03
	New connection	02
Supply of electricity related (Total 8 per cent)	Irregular supply	03
	Low voltage	02
	No Supply	02
	High voltage	01

Over all, 61% of the respondents had visited the Department for payment of bills. This could have easily been avoided by creating more avenues for bill payment, such as Drop Box at convenient places, tying up with Banks and collection centers like 'Easy Bill', payment on internet Residents Welfare Associations, etc.

#### **4.4 Perception about Operations of the Department**

To understand the citizens' impressions, respondents were asked about their views relating to corruption in the Department and the reasons thereof.

##### **4.4.1 How Corrupt is Electricity Department?**

Nearly two-thirds (65%) of the respondents, who had interacted with the Department, opined that there was corruption in the Department, while only 14% respondents felt that there was no corruption in the Department.

Nearly three-fifths (59%) of the households served by private utilities in cities like Mumbai, Delhi, Ahmedabad, Surat and Kolkata, think that Department is corrupt. However, the perception of the private utilities is marginally better off than the Government-run utilities.

Some Metropolitan cities (i.e., Delhi, Mumbai, Kolkata, Surat and Ahmedabad) in the country are being serviced by private sector utilities. These were clubbed together to see whether there was any significant difference in the extent of the corruption among them and the remaining cities.

**Table 4.3: Perception of Corruption in the Department**

(Figures in per cent)

Perception	Urban Areas		Rural Areas
	Cities with private DISCOM's	Rest of Cities	
Disagree	22	11	15
Neither agree Nor disagree	18	19	17
Agree	59	67	64

Three-fourths of the households interacting with the Department in the low rating States like Orissa, Bihar, Jharkand and Chhattisgarh, perceive the Department to be corrupt as against two-thirds in the case of better rated States.

**Table 4.4: State Category- Wise: Perception of Corruption**

(Figures in per cent)

Perception of Corruption	Performance Rating		
	High	Medium	Low
Disagree	18	13	9
Neither Agree Nor Disagree	18	20	15
Agree Somewhat	63	62	75
Can not say	01	01	01

#### 4.4.2 Has Corruption Increased or Decreased in the Last One Year?

Overall, nearly half (49%) of those who interacted with the Department felt that corruption in the Department had increased in the last one year. This is marginally lower at 41 per cent in case of households served by private utilities.

**Table 4.5: Level of Corruption**

(Figures in per cent)

Change in level of corruption	Urban		Rural
	Rest of Cities	Cities with private DISCOM's	
Decreased	10	26	14
About the same	35	30	31
Increased	50	41	50

Higher (almost twice) percentage of respondents (18%) interacting with the department in better rated states, believed that corruption had declined in comparison to low rated states (9%).



**Table 4.6: Level of Corruption: States Carrying Out Reforms**

(Figures in per cent)

Level of Corruption	Performance Rating		
	High	Medium	Low
Decreased	18	13	09
About the same	30	34	34
Increased	47	49	53

#### 4.4.3 How Committed is the Department to Bring Down Corruption?

Nearly half (49%) of those who had interacted with the Department felt that the Department was not committed to fight corruption. About one-fourth believed that Department was committed to fight corruption. However, in case of households served by private utilities, higher percentage (47%) felt that the Department was committed to bring down corruption.

**Table 4.7: Commitment of Department to Fight Corruption**

(Figures in per cent)

Level of Commitment	Urban		Rural
	Rest of Cities	Cities with private DISCOM's	
Not committed	52	40	49
Indifferent	18	20	18
Committed	23	47	26

Relatively higher percentage of households in the better rated States believe that their respective utilities are committed to reduce corruption.

**Table 4.8: Commitment of Department to Reduce Corruption**

(Figures in per cent)

Level of Commitment	Performance rating		
	High	Medium	Low
Not committed	47	46	59
Indifferent	16	20	16
Committed	31	26	18

## 4.5 Experience with the Department

To get an idea about the extent of corruption, it was considered necessary to probe about their experiences with the Department. Respondents were questioned about their experience with respect to corruption, quality of service and alternate methods used to get their work done in the Department.

### 4.5.1 Quality of Service Received and Difficulties Faced

Overall, 41% of those who had interacted with the Department considered its service as poor, while 32% were happy with the services. Of all other Departments covered in this study, service of this Department is rated marginally better. Despite this, there is an urgent need to improve the commercial practices like billing, complaint handling, grievance redressal etc.

Even in case of private utilities, only 38 percent of the households are happy with the services. In case of Mumbai, more than half (54%) of the households interacting with the Department are happy with the services.

**Table 4.9: Quality of Service Received-Region Wise**

(Figures in per cent)

Perceived Quality	Urban		Rural
	Rest of Cities	Cities with private DISCOM's	Area
Poor	42	35	42
Neither Poor Nor Good	27	27	27
Good	32	38	31

### 4.5.2 How Often Did You Encounter Corruption?

Nearly one-sixth of the respondents who had interacted with the Department had experienced corruption every time they had visited the Department. While 62% had experienced corruption sometime or the other, only 19% of the respondents had never experienced corruption (28% in case of cities having private utilities).

### 4.5.3 What Other Methods Are Available to Get the Work Done?

More than one-fourth (27%) of the respondents who had interacted with the Department had adopted alternate methods, like paying bribes, using influence, approaching middlemen, etc., while nearly one-third (32%) of the respondents in the low reforming States used alternate avenues to get their work done.

About one-fourth of the consumers having domestic connections had used alternate methods to get their work done, as against 46% in case of commercial connection. About three-fifths of the respondents visiting for connection-related issues (new connection specifically) had used alternate methods, compared to one-fifth of respondents visiting for bill-related issues who had to make some efforts.

**Table 4.10: Alternate Avenues to Get the Work Done**

(Figures in per cent)

Alternate Avenues	High	Medium	Low
By paying additional amount	75	77	63
By putting extra efforts	38	35	48
By using influence through relatives / friends	13	17	12
By using Bureaucrats / Officials influence	10	15	13
By approaching middlemen	7	8	6
By Political influence	3	6	3

(Multiple Responses)

There was not a significant difference between alternate avenues used across these categories

#### 4.5.4 Services for which Bribes are Paid

Respondents who had claimed to have paid bribe in the Department were asked about the nature of work for which they had paid bribes. About one-fourth of the respondents paid bribes for correcting the bill, and the same per cent paid for a new connection.

The Tables below show that there is no significant difference in the services for which money was paid among the utilities in the three categories.

**Table 4.11: Work for Which Bribes are Paid**

(Figures in per cent)

Extra Money paid for...	High	Medium	Low
Correcting the bill	21	26	36
New connection	27	25	29
Meter defect	08	07	07
Repairing service	07	11	07
Restoring electricity supply	03	06	07
Meter installation	05	03	06
Replacing defective meter	07	10	04
Restoration of connections	04	05	04
Meter malfunctioning	05	05	02
Additional load	03	02	00

(Multiple response)

**Table 4.12: Work for Which Bribes are Paid**

(Figures in per cent)

Extra Money paid for...	Urban		Rural
	Rest of Cities	Cities with private DISCOM's	
Correcting the bills	26	29	25
New connections	30	26	27
Replacing defective meters	14	09	06
Repairing service	02	08	11
Meter defect	05	08	06
Restoring electricity supply	02	06	05
Meter malfunctioning	05	05	02
Meter installation	05	04	03
Restoration of connections	02	04	07
Additional load	02	02	01

(Multiple responses)

### 4.5.5 Modus Operandi for Bribing

More than one-third (35%) of the respondents claiming to have paid bribe had paid directly to Linesmen (51% in case of South). While one-fourth (25%) had paid money to one-fifth had paid money directly to billing employees (36% in case of North).

**Table 4.13: Payment of Bribes**

(Figures in per cent)

To whom bribe was paid	North	East	West	South	Total
Linesmen	22	31	32	51	35
Officers	18	32	21	23	25
Billing employees	36	18	19	13	20
Meter readers	21	12	24	14	16
Agents/dalals	10	13	10	04	09

There is a variation between points of corruption among better rated and poor rated states. While the percentage of respondents claiming to have paid bribe directly to the officers is comparatively lower (19%) in better rated states, the percentage of respondents giving bribes to meter readers in these states is higher.

**Table 4.14: Payment of Bribes**

(Figures in per cent)

Persons to whom money was paid	Performance rating		
	High	Medium	Low
Meter Readers	27	13	13
Billing employees	22	19	21
Officers	19	26	29
Linesmen	29	39	30
Agents / dalals (licensed wiring contractors, documentation centers)	06	09	13

## 4.6 Service Providers' Perspective

### Concerns

- ☞ Errors in Meter reading: In certain cases Meters at consumers' premises are located at inaccessible and poorly lighted places. Therefore, there are errors in recording Meter readings.
- ☞ Poor wiring: There have been cases where the quality of wiring in the houses is poor, as such power is consumed even when there are no gadgets/appliances in operation. However, the consumers blame that the utility or its staff have tampered with the Meters.
- ☞ Tampering with Meters : Consumers pay bribe to linesmen to tamper with their electricity Meters
- ☞ Power theft: Some consumers tap power directly from the overhead lines, resulting in loss to the utility. When they are caught tapping power, they pay bribe to the linesmen.
- ☞ Consumers normally do not report any instances of power theft which they are aware of.

- ☞ Consumers draw more power than the registered load thereby damaging the Meter and the wiring. The consumers pay bribe to officials to avoid penalty.

### Initiatives

- ☞ **Billing:** Utilities in most States have tried to simplify information provided in the bills.
- ☞ **Convenience in Bill Payments:** Utilities in Delhi, Mumbai, Kolkata, etc., have provided Drop Box and Easy Bill facilities to collect bills. Similarly, arrangements have been worked out with Banks to collect bills. In case of Hyderabad, electricity bills can be paid at e-Seva centres.
- ☞ **Call Centres:** Utilities have set up Call Centres to provide update information to consumers and also to register complaints.

## 4.7 Suggestions to Reduce Corruption

- ☞ **More Competition:** The root cause of corruption in the Electricity Department is its monopolistic nature. In certain States where power reforms have been undertaken, the public monopoly has been replaced by private monopoly without actually increasing the competition. Therefore, there was no significant decline in corruption.
- ☞ **Improve Commercial Practices of DISCOM's**
  - **Meter Readings:** There are several instances of faulty meter readings. The citizen has to make many visits to the office for rectifying the defects and often pay bribe. In order to reduce incidence of faulty meter reading, citizens could be encouraged to register the meter reading, either through phone, Internet or filling the Bill Form himself. This could be first tried on a pilot basis.
  - **Consumer Pass Book:** A Pass Book should be given to each household. The Meter Reader should enter the meter reading therein and sign it. This will enable the consumer to cross check the meter reading.
  - **Prepaid Cards:** Plastic token cards can be purchased in advance and inserted in the Meter to get supply till credit exists. Alternatively, payment can be made in advance and Meter will be activated remotely. This will avoid human error in meter reading and the need for billing.
  - **Spot Billing:** Himachal Pradesh Government is considering using technology to issue spot bills. As soon as the meter reading is entered into a handheld device, a print-out of the bill can be taken and made available.
  - **Faster Grievance Redressal:** DISCOM should have call centres equipped with relevant information so that they can address customers' queries, take complaints and inform them about the status of customers' requests/complaints.
- ☞ **Effective Regulations**
  - **Implementation of Service Standards:** In most states the State Electricity Regulatory Commission (SERC) have notified service standards from time to time. These standards are not seriously being implemented by the Discoms. The regulator should enforce strict penalties if the service standards are not maintained by the DISCOMs.
  - **Customer Satisfaction Surveys:** The State Electricity Regulatory Commissions should undertake customer satisfaction surveys to monitor the quality of service provided by DISCOMS. Telecom Regulatory Authority of India (TRAI) is undertaking such surveys on a regular basis and putting pressure on TELCOs to improve their services.
  - **Meter Testing:** There are several complaints that the meters are running faster. The meter testing is currently being undertaken by DISCOM people. The DISCOM staff takes bribes for meter testing, thereby ensuring that meter runs slowly. The regulator should appoint an independent agency to get meters tested.
  - **Call Centre for Regulators:** SERC's in various states should have Call Centres so that

citizens can make complaints regarding pending issues / disputes with DISCOM directly and easily.

- Public Hearings: SERCs normally hold public hearings before passing of any major order like tariff order. SERCs should organize more public hearings in as many cities as possible so that citizens can participate in these hearings.
- Simplification of Procedure: At present, for getting a new connection, a certificate is required to be obtained from the licensed electrical contractor. In order to get certificate, normally one has to pay bribe. Procedures like this need to be reviewed.

#### ☞ Citizens' Charter-

- Should be drafted in consultation with stakeholders, like consumers, service providers and concerned NGO's.
- Time-limits indicated for various services should be adhered to and a penal provision for non-delivery of the services within the time-frame should be specified in the Citizens' Charter.
- To create awareness of the provisions of the Charter among the public, the Service Standards should be widely displayed at prominent locations and at the back of all forms/bills.
- Independent audit of performance of Department against Standards mentioned in the Citizens Charter should be taken up annually and also made public.

### **Case Study – Andhra Pradesh**

The Government of Andhra Pradesh launched a campaign in the year 2000 to control the theft of electricity and improve revenue collections in the electricity Department. Within a few years, with institutionalization of new business processes, changes were visible in their organizational culture, losses have been reduced, revenues boosted, and customers service improved.

#### **Background**

The Andhra Pradesh State Electricity Board suffered huge financial losses in 1990s. In 1999, only 42 per cent of the electricity flowing into distribution system was billed on metered consumption.

In 1998, Andhra Pradesh Government initiated comprehensive reforms in the power sector, to establish a new legal, regulatory, and Institutional framework; developing a new industry and market structure; and privatizing distribution.

- ☞ The new distribution utilities inherited a weak system of energy accounting and rampant electricity theft that, together with revenue leaks and other factors, undermine financial performance.
- ☞ Revenue leaks resulted from weaknesses in metering, billing, collection, internal systems, and enforcement of the disconnection policy.
- ☞ The unverifiable estimates of sales and losses allowed the utilities to camouflage inefficiency and theft and to deflect public scrutiny of their poor performance and hide political and bureaucratic corruption.
- ☞ The theft occurs in several ways, including tapping power lines, tampering, bypassing meters etc., often with the connivance of utility staff.

#### The plan

- ☞ The first step to reform was to move beyond denial and accept the existence of theft. An energy audit program led to more realistic estimates of T&D losses and recognition of “non-technical losses”—a euphemism for electricity theft.
- ☞ A comprehensive plan for controlling theft and improving accountability was prepared, focusing on four measures
  - Enacting a new law to address electricity theft,
  - Strengthening enforcement mechanisms,
  - Reorganizing the anti-corruption function in the utilities, and

- Re-engineering business processes to improve management and customers service.

- ☞ The State Government amended the Indian Electricity Act of 1910 to make electricity theft a cognizable offence and to impose stringent penalties. Separate laws provided for mandatory imprisonment and penalties for offenders and recognized collusion by utility staff as a criminal offence.
- ☞ The utility service areas were divided into “circles” and special courts and police stations established in each circle to ensure rapid detection and prosecution of theft. The state police and anti-corruption units of other departments were directed to support utility employees to control theft.
- ☞ The government initiated institutional changes in the utilities. Their anti-corruption department was strengthened by promoting its head from an advisory to an executive position on the board, and the organizational structure was modified to strengthen the department’s coordination with other departments.
- ☞ In addition, the anti-corruption department’s procedures were made simple and transparent. Inspecting officers provide an inspection report with an identification number to customers on the spot and carry numbered receipts so that they can accept payments of fines.
- ☞ Police stations provided public notification of all theft cases. A new tracking system follows the progress from inspection to payment of fine prosecution. Inspection teams were deployed throughout state to launch theft control drive.
- ☞ To re-engineer business processes, a new management control system, the “customer analysis tool,” was developed. It used centralized customer database to analyze metering, billing, and collection performance allowing monitoring of staff’s performance against their collection targets and generates reports useful for initiating corrective and focused action.

### Consulting with Stakeholders

- ☞ The government launched a communication programme through media ads, posters, and videos, and a public outreach program through visits by special teams and holding regular public meetings with utility managers.
- ☞ The teams informed people about the proposed new law and the penalties for electricity theft and gave opportunity to obtain an authorized connection on the spot after paying connection fee. Utilities’ deteriorating financial situation and the effect of electricity theft on their costs and tariffs were also explained.
- ☞ In addition, teams held consultations with labour unions about the proposed legal provisions for making collusion by utility staff a criminal offence.

### Providing Adequate Resources

Adequate funds were provided for the initiative which helped to sustain the momentum and credibility of the change.

- ☞ High-quality metering: High accuracy meters were installed for high-value customers, and the old meters recalibrated and installed for low-value customers.
- ☞ Better information flows for management control. To support energy auditing, electronic meters with data logging devices and facilities for transmitting data through satellite communications system were installed.
- ☞ Transparency in estimating agricultural consumption. While agricultural customers remain unmetered for socio-political reasons, meters were installed on the transformers to allow better estimation of sales to agriculture.

### Building a constituency for change

- ☞ The campaign gave high priority to connection delays and poor customers service-two major reasons for customers dissatisfaction.

- ☞ Spot billing system was introduced to allow meter reading in the presence of customers and, thus, minimizing billing complaints.
- ☞ A special cell in each operation circle was made to authorize new connections and address customer complaints, and collection centres were opened at convenient locations and mobile collection centres in rural areas.
- ☞ Utilities also set up computerized customer care centres serving as one-stop windows for handling complaints, receiving payments, and to follow up on electricity supply problems.

### Monitoring results

The campaign was closely monitored, including at the highest level of the government. All district offices were linked to headquarters through the satellite network for quick transfer of data, and district administrators and engineers submitted daily reports on the connections regularized and fees collected. The information system developed to monitor the campaign was improved and integrated into the management control systems of the companies, and continues to be used for monitoring.

### The results

The campaign has made a big difference in the utilities' bottom line. Monthly billing has increased substantially and the collection rate has reached more than 98 per cent.

Transmission and distribution losses were reduced from around 38 percent in 1999 to 26 per cent in 2003 in large parts through theft control, with the utilities regularizing 2.25 million unauthorized connections.

## BHAGIDARI: 'Citizen-Government Partnership'

### - A Good Governance Initiative

As an Initiative for improving governance, the Government of the National Capital Territory of Delhi introduced the concept of 'Bhagidari' (**Citizen - Government Partnership**) to involve all the stakeholders as 'partners'. The issues that have been taken up are simple and common issues that affect a citizen's everyday life. The Delhi Vidyut Board (DVB)\* had involved the citizens in the following matters:

- ☞ Load shedding information.
- ☞ To establish Complaint Cell specially for Bhagidars.
- ☞ To provide information to RWAs by DVB staff posted in their respective areas.
- ☞ Electricity meter reading by RWAs and officials of DVB.
- ☞ To make load enhancement easy.
- ☞ Change in Meter name in co-operation with RWAs.
- ☞ Revenue enhancement and its re-investment- involving the RWAs
- ☞ Replacement of 'Low tension wires" and "faulty meters".

\*Note: Delhi Vidyut Board has now been unbundled into five companies as a part of power sector reforms. The Generation Company and the Transmission Company are Government owned whereas the three Distribution Companies (Discoms) are in private hands (two owned by BSES and one by Tata Power). The private distribution companies are also now participating in Bhagidari. To introduce their accountability, the Delhi Electricity Regulatory Commission decided on Sep. 2, 2005, that in case of default in following services, the concerned Discoms would pay -

- Rs. 50/day for delay in getting new connection within 30 days.
- Rs. 50/day for delay in sending bill within two months.
- Rs. 50/day for delay in attending meter complaints after 15 days.
- 10% or Rs. 750 whichever is lower for wrong or over billing.



## WATER SUPPLY SERVICES

### 5.1 Introduction

The focus of the study is on the bribes paid by common citizens to avail services of water supply Department. The study, however, does not take into account bribes paid by business houses and other institutions to get contracts for installation of water pumps, laying of pipelines and supply of various equipments, accessories and other requirements.

### 5.2 Highlights

- ☞ Value of petty corruption in Water Supply Departments in the country is estimated at Rs 143 crore per annum.
- ☞ 12.38% of households (2.31 crore approx.) in the country claimed to have interacted with the Department during the last one year. This is 20.6% in case of urban areas and 9.19% in case of rural areas.
- ☞ Nearly 8.8% of those households who interacted claimed to have paid bribe to the Department last year.
- ☞ The average amount of bribe paid to the Department was estimated to be Rs. 856.34/- (Rs. 988/- for Urban households and Rs. 454/- for Rural households).
- ☞ There was a variation in the amount of bribe paid, depending upon the nature of work. On an average, bribe for a regularization of unauthorized connection was Rs. 1,157/-, while the average bribe paid for getting water for longer duration was Rs. 286/-.
- ☞ More than one-fourth (27%) of the respondents Red visited the Department for more than 4 times during the year.
- ☞ More than one-half (54%) admitted that there was corruption in the Department.
- ☞ 39% of those who interacted with the Department felt that corruption in the Department had increased.
- ☞ Nearly one-fourth (24%) had adopted alternate methods, like paying bribes or using influence to get their work done.
- ☞ Eight out of every ten respondents, who claimed to have paid bribe, did so to staff while one-fifth (19%) had paid money to agents, touts, etc.

#### 5.2.1 Grouping of States

To understand the relation between extent of households served with piped water and corruption, States were classified into three groups, viz., high, medium and low access on the basis of percentage of households having access to piped drinking water supply.

**Table 5.1 Grouping of States on the Basis of Percentage of Households Having Piped Water Supply**

States	Percentage of Households Having Piped Water Access	Group
Himachal Pradesh	84.1	High
Delhi	75.3	High
Maharashtra	64.0	High
Tamil Nadu	62.5	High
Gujarat	62.3	High
Karnataka	58.9	Medium
Haryana	48.1	Medium
Andhra Pradesh	48.1	Medium
Rajasthan	35.3	Medium
Punjab	33.6	Medium
Madhya Pradesh	25.3	Low
Uttar Pradesh	23.7	Low
West Bengal	21.4	Low
Kerala	20.4	Low
Chhattisgarh*	15.5	Low
Jharkhand*	12.6	Low
Assam	09.0	Low
Orissa	08.7	Low
Bihar	03.7	Low

**Source:** Census of India, 2001.

### 5.3 Type of Harassment

The extent of interaction with Water Supply Department is low (12.3% of households) and is limited to payment of bills, getting new connections or restoration of water supply. It in effect, does not lead to heavy cash transactions (water being heavily subsidized and its supply being low). To know and understand the frustrations of respondents visiting the Department, they were asked about the number of visits and the reasons thereof.

#### 5.3.1 Number of Visits did they Make

More than one-fourth (27%) of those who had visited the Department had to visit at least four times during the last year.

**Table 5.2: Number of Visits**

(Figures in per cent)

Frequency	Piped Water Access Based			
	High	Medium	Low	Total
Once	25	25	30	27
Twice	16	32	22	24
Thrice	11	13	14	13
Four times & more	47	31	34	36

Not surprisingly, a higher percentage of respondents (47%) from States having higher level of piped water access visited the department for more than four times during last one year as compared to States (34%) having low per cent of having access to piped water.

More than half (54%) of the respondents visiting the Department during the last year had visited for payment of bills. About 57% of those seeking bill correction had to visit the Department at least 4 times. This could have been easily avoided by creating more avenues for bill payment, such as, Drop Box, e-Collection, etc., and availing of the services of Banks and 'Easy Bill' collection centres.

About 22% of those visiting the Department had to go again to get their work done. A higher percentage (24%) of respondents from States with higher piped water access went again as compared to States having low piped water access.

**Table 5.3: Status of Work**

(Figures in per cent)

Frequency of visits	Piped Water Access Classified			
	High	Medium	Low	Total
Work has been done	74	66	63	67
Assured that work will be attended to	01	06	08	06
Have to come again	24	23	20	22
Not sure	01	04	08	05

Those who had to visit the department a number of times were probed as to why they had to visit again. About 46% had visited for staff-related reasons, like non-cooperation of staff, staff unavailability or office being closed, while nearly one-half (49%) of the respondents did so for completing formalities, like incomplete forms, providing support documents, etc.

## 5.4 Perception about Operations of the Department

To understand the mindset of citizens, respondents were interviewed on their views, relating to corruption in the Department and the reasons thereof.

### 5.4.1 Extent of Corruption

More than half (54%) agreed that there was a corruption in the Department, while only 20% of respondents felt there was no corruption. The perception of corruption was higher (57%) in States with low piped water access as compared to respondents (50%) from States having higher access to piped water.

**Table 5.4: Is Water Supply Department Corrupt ?**

(Figures in per cent)

Is Department corrupt?	Piped Water Access Based			
	High	Medium	Low	Total
Disagree	26	20	15	20
Neither Agree Nor Disagree	23	22	22	22
Agree	50	56	57	54

While the perception of corruption in the Department is comparatively lower in case of respondents visiting the Department for bill payment (43%), it is significantly higher in the case of respondents coming for water supply through tankers (73%), meter installation (71%), supply restoration (68%), and getting new connections (67%).

Nearly two-thirds (61%) of the people visiting more than four times during the last one year agreed that there was corruption in the Department as against 45% of those who had visited only once.

#### 5.4.2 Has Corruption Increased or Decreased During Last One Year?

39% of those who had interacted with the Department felt that corruption in the Department had increased during the last one year. However, 13% believed that corruption had declined. Marginally higher percentage (39%) of those in States with lower access to piped water supply believe that the corruption has increased as compared to States with higher access to piped water supply.

**Table 5.5: Level of Corruption**

(Figures in per cent)

Level of Corruption	Piped Water Access Based			
	High	Medium	Low	Total
Decreased	16	15	10	13
About the same	45	39	42	42
Increased	34	42	39	39

## 5.5 Experience with the Department

To get an idea about the extent of corruption, it was essential to know the experience of respondents with the Department. Respondents were questioned about their experiences with respect to corruption, quality of service, and alternate methods used to get their work done in the Department.

### 5.5.1 Efficiency of Services

About 40% of those who had interacted with the department were happy with the quality of service received, while 33% services of Water Supply Department were rated as poor.

**Table 5.6: Efficiency of Service Received**

(Figures in per cent)

Quality of Service	Piped Water Access Based			
	High	Medium	Low	Total
Poor	29	36	35	33
Neither Poor/ Nor Good	26	25	28	27
Good	45	40	36	40

Though the perception of corruption is high yet they are, to a greater extent, satisfied with the services received in comparison to other departments. However, they feel that there is a need to improve the services by overhauling the infrastructure, improving the public dealings, etc.

### 5.5.2 Other Methods

Nearly one-fourth (24%) of those interacting with the Department had adopted alternate methods, like paying bribes or used influence to get their work done.

In fact, about half (53 per cent) of those who adopted the alternate methods had adopted paying bribes. About 45 per cent of them had used influence of friends or bureaucrats/ politicians. 6 per cent had approached the middlemen. Substantially higher (almost double) percentage of respondents from low piped water access States had paid additional amount as an alternate avenue in comparison to respondents (31%) from high piped water access States.

**Table 5.7: Alternate Avenues to Get the Work Done**

(Figures in per cent)

Alternate avenues used	Piped Water Access Based			
	High	Medium	Low	Total
Paying additional amount	31	68	60	53
Putting extra efforts	55	33	38	42
Using influence through relatives / friends	23	24	17	21
Officials influence	20	12	8	13
Political influence	11	6	6	8
Approached middlemen	7	6	6	6
Media / Judiciary influence	6	4	2	3

(Multiple Responses)

### 5.5.3 Service for which Bribes are Paid

Respondents claiming to have paid bribe were asked about the service for which they had to pay bribe. About 54% had paid bribe for getting new water connections, while 13% bribed for getting regular water supply and 12% for restoration of water supply. There is not much difference in the activities for which the bribes are paid in States having high and low piped water coverage.

**Table 5.8: Service for which Bribe is Paid**

(Figures in per cent)

Activities	Piped Water Accessed Based			
	High	Medium	Low	Total
Getting new water connection	56	53	55	54
Other activities (regular water supply)	11	17	12	13
Restoration of water supply	17	12	11	12
Supply of water through tankers	03	06	08	07
Correction of water bill	06	05	08	07
Water meter installation	03	11	03	06
Getting water for longer duration	06	00	03	03
Regularization of unauthorized connection	03	03	01	02

#### 5.5.4 Modus Operandi for Bribing

More than eighty per cent have paid bribe to one or the other departmental staff. One-fifth (19%) had paid money to agents, touts, etc. Higher per cent (92%) of those who are from States with higher access to piped water supply paid bribe directly to staff as compared to 71% in the case of states With lower access to piped water supply. The percentage of respondents calming to have paid bribe to agents was higher in case of States with lower access to piped water supply (27%).

**Table 5.9: Modus Operandi for Bribing**

(Figures in per cent)

Modus operandi	Piped Water Accessed Based			
	High	Medium	Low	Total
Money was paid to staff	92	89	71	81
Money was paid to the agents/ dalals	11	12	27	19

(Multiple responses)

## 5.6 Service Providers' Perspective

### 5.6.1 Concerns

- ☞ Water being heavily subsidized is extravagantly used by most people, resulting in stress on limited supplies.
- ☞ Age-old technology and infrastructure resulting in frequent breakdowns puts pressures on the existing systems and causes inconvenience to citizens.
- ☞ Lack of infrastructure (low/unskilled staff, insufficient office space, out-dated equipment, etc.) and poor finances have limited the scope for new developmental projects.
- ☞ Frequent power cuts and poor quality of power had caused disruptions in water supply. However, citizens blame the Department for poor services.

- ☞ There is a political interference in the operations of the Department, such as giving more water to a particular locality, allocation of tankers, etc.
- ☞ Citizens are using booster pumps to extract more water than they are supposed to. This is not permitted as per the rules of the Department. In order to escape punishment, when they are caught, they give bribe to inspectors.
- ☞ Lack of accountability on the part of the implementation machinery.

### 5.6.2 Initiatives

- ☞ In Districts, like Gulbarga, grading system on operational efficiency of staff has been introduced. This has helped in increasing efficiency of staff.
- ☞ In Districts, like Mandi, training camps for staff were held for educating them about new technology and increasing awareness about public dealings.
- ☞ Delhi Jal Board has a provision to receive complaints on SMS (Short Message Service) through mobile phones or call centres which makes registration of complaints quick and easy.

## 5.7 Suggestions for Reducing Corruption

- ☞ Providing instant and easier connection facility – As most of the corruption exists while taking a connection, an easier and faster means of providing a connection like reducing formalities, channels and number of days required to get the connection, will help in reducing corruption.
- ☞ Billing-related issues
  - Spot Billing: The utilities should consider providing spot billing options so that default of payment due to non-receipt is minimized.
  - Collection of Bills: The utilities could consider tying up with Banks and Post Offices 'Easy Bill' or having Drop Boxes, so that bills can be paid without visiting office.
  - Payment of Bills through Internet: Citizens may be provided an option to pay their bills through internet.
- ☞ Minimise Wastage - Water is misused and spent extravagantly by some citizens, resulting in water scarcity to others. Because of scarcity, citizens resort to paying bribes for getting supply. This could be addressed by charging consumers based on actual consumption rather than a flat rate. Citizens should be educated about the current situation and future problems/challenges.
- ☞ Citizens' Charter
  - Citizens' Charter should be drafted in consultation with stakeholders like consumers, service providers, NGO's, etc.
  - Time schedules indicated for various services must be adhered to. Penal provision for non-delivery of the services within time-frame may be specified in the Citizens' Charter
  - Public should be made aware of the provisions of the Charter and have an easy access to it.
  - An independent audit performance of Department against standards mentioned in the Citizens' Charter should be taken up annually and also made public.
- ☞ Political interference, like pressurizing officials to supply water/higher quantity of water to a particular locality, and in the working of the department, should be reduced drastically or stopped altogether as it demoralizes staff and makes them prone to corruption.

- ☞ Public awareness about procedural issues, working of the Department and Administration, by putting Boards and advertisements so that people know the procedures and avoid undue payments.
- ☞ Staff should be graded. Grading of staff should be done on the basis of operational efficiency, like problem solving, addressing of complaints, public dealings, etc. The grading system should be used for deciding transfer, promotion and increment.
- ☞ Introduction of Help Desk to inform and help citizens to sort out their problems.
- ☞ Outsourcing of certain functions of water supply – Certain functions, like collection of bills, can be outsourced to ensure payment.
- ☞ Technology – Website of the Department can be created and used for registering consumers' complaints, providing basic information about the progress of work or complaint so that the multiple visits of the consumers and their harassment are reduced completely.

## 5.8 Initiatives

### 5.8.1 Taken by Hyderabad Water Supply Department

- ☞ Dial A Tanker
  - In the earlier scheme, any-one desirous of getting a tanker had to go through various channels like going to concerned section officer to obtain permission, 'e-seva' to pay required amount, bring back payment receipt to section office, then come again at least 2 hours in advance on the day of requirement, wait for turn, and take tanker along.
  - Permission was often denied to those who were outside the Municipal area or for commercial purposes, thus resulting in clandestine dealings with staff; thereby causing a loss to the Jal Board.
  - A new scheme - 'Dial A Tanker' - was launched for citizens of Hyderabad and Secundrabad wherein anyone who requested for tanker was provided the same within 3 hours or so.
  - The Call Centre runs 24 hours all through the year, registers requests and forwards these to concerned area for servicing. The request appears on Wide Area Network instantaneously. The area officer after servicing the request feeds back the information.
  - Customer's satisfaction has increased tremendously
- ☞ Instant Connection
  - The earlier practice of water supply connection was that the prospective customers had to go round at least 3 levels of hierarchy to obtain sanction. The time taken for sanction varied widely.
  - To alleviate these problems, a "Single Window Cell" was opened to receive applications and to communicate sanction.
  - Applications received were sent to field offices for verification and feasibility which usually took more than 15 days as the file moved up and down three layers. However, it has been found that only a miniscule (4%) applications were rejected (on account of verification and feasibility) while others had to wait. To shorten the time period and to avoid unnecessary trouble, the idea of the instant connection was introduced
  - Instant sanction for all applicants who had valid papers was implemented. Connection, if technically feasible, was to be released within 7 days.
  - This initiative resulted in reduction of response time. This also cut out a lot of redtapism and



speed money. This also changed behavioural attitudes of employees, making them proactive and customer-friendly.

#### ☞ Extension Counters and Simplification of Applications

- Central Single Window Cell was not able to take load. Therefore, extension counters were set up.
- Applications were made user-friendly by having them in three languages - Telugu, Urdu, and English.

#### ☞ Spot Billing

- Earlier system of bill collection had weaknesses in bill generation and delivery mechanism; thereby affecting collection of water cess.
- In order to overcome this, spot billing was introduced.
- The scheme is now implemented in 4 O&M Divisions and is expected to cover the entire Board in a couple of months.

#### ☞ Online Complaint Redressal System

- Complaints can be registered and their status known through Municipal Corporation's website.
- Depending on nature of complaint, website also provides maximum time-limit for redressal.
- Prospective customer is able to check status of his application about new connection.

## 5.8.2 BHAGIDARI: 'Citizen-Government Partnership'

### - A Good Governance Initiative

As an Initiative for improving governance, the Government of the National Capital Territory of Delhi under the leadership of Mrs. Sheila Dikshit, the Chief Minister of Delhi introduced the concept of 'Bhagidari' (**Citizen - Government Partnership**) in the year 2000 to involve all the stakeholders as 'partners' in a city environment to transform Delhi into a world-class capital city. This 'Bhagidari' initiative has grown from 20 citizen groups in the year 2000 to more than 1700 citizen groups covering about 3 million people till date. The issues that have been taken up are simple and common issues that affect a citizen's everyday life.

#### For Delhi Jal Board (DJB)

- ☞ RWAs to be made aware of water saving/waste conservation
- ☞ Payment and collection of water bills to be done by RWAs
- ☞ Distribution of water through water-tankers
- ☞ Replacing old/leaking pipelines
- ☞ Water Harvesting-involving RWAs
- ☞ RWAs role in internal colony sewage system
- ☞ Desilting of sewers
- ☞ Awareness against using water from Hand Pumps for drinking purposes.



## GOVERNMENT HOSPITALS

### 6.1 Introduction

The focus of the study is on the bribes paid by common citizens to avail services of Government Hospitals. The study, however, does not take into account bribes paid by business houses and other institutions to supply medical instruments, appliances, medicines and other accessories to hospitals.

### 6.2 Highlights

- ☞ Total monetary value of petty corruption in Government hospitals in the country is estimated to be Rs. 2,017 crore per annum.
- ☞ In addition, there are various corrupt practices, like doctors asking patients to go to a particular Diagnostic centre, over-prescription of drugs, prescribing diagnostic tests which may not be necessary, etc., where the monetary value of corruption cannot be directly ascertained.
- ☞ This Study shows that States, like Kerala, Karnataka, Tamil Nadu and Gujarat, with low levels of corruption, have better health indicators across the country.
- ☞ 55 percent (approx 11.3 crore) households have interacted with the Government hospitals. Dependency on Government hospitals is more in rural areas. Where 59 per cent of rural households availed of services of Government hospitals as against 51 per cent of urban households.
- ☞ Among those who interacted with Government hospitals, 26.5 percent households (approx 3 crore) paid bribe. In case of rural areas, 19 per cent households (1.6 crore) and in urban areas, 49 percent households (1.4 crore) paid bribes.
- ☞ Common irregularities, like non-availability of medicines, unethical practices adopted by doctors, etc., are significantly lower in Southern regions than in the rest of India.
- ☞ 43 per cent of those using Government hospitals felt the quality of services in Government hospitals to be poor. In case of low performance of States, 53 per cent felt the quality of services to be poor.
- ☞ 67 per cent of those availing the services of Government hospitals felt that the corruption was widely prevalent in Government hospitals.
- ☞ 45 per cent of respondents said that bribes were frequently demanded by hospital staff.
- ☞ The average outflow per household due to corruption is estimated to be Rs. 663 per year.
- ☞ Thus the total outflow on account of corruption is Rs. 2017 crore per year.

### 6.3 Classification of States according to UNDP Health Index

To assess the functioning of health system in relation to corruption, the States were classified into high, medium and low performance on the basis of the UNDP composite health indicator.

**Table 6.1: Classification of States According to Health Status**

State	UNDP Health Index Ranking *
<b>A: High Performing States</b>	
Kerala	1
Karnataka	2
Tamil Nadu	3
Gujarat	4
Maharashtra	5
<b>B: Medium Performing States</b>	
Andhra Pradesh	6
Haryana	7
Punjab	9
Assam	10
Himachal Pradesh	10
Orissa	11
<b>C: Low Performing States</b>	
West Bengal	12
Bihar	13
Uttar Pradesh	14
Madhya Pradesh	15
Rajasthan	16

\*Source: Indexing Human Development in India: Indicators, Scaling and Composition

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## 6.4 Usage of Government Hospitals

### 6.4.1 Usage of Government Hospital Services

Overall, 57 per cent households (10.6 crore approx) availed of health services provided by the Government hospitals. As expected, the dependency of rural areas on Government hospitals is significantly higher than in case of urban areas. In Himachal Pradesh and West Bengal, significantly higher percentage of people were availing the services of Government hospitals. This could be because of better financial allocations to health services in these States. In Himachal Pradesh, the population served per hospital is quite low, while in West Bengal, the per head government expenditure on health is higher compared to an all India average. This difference can be attributed to difference in their density. In Bihar, considerably lower number of people were availing the services of Government hospitals.

**Table 6.2: Households using Government Hospitals**

Location	Percentage of Households using Government Hospitals
Urban	51
Rural	59
Overall	<b>57</b>

## 6.5 Type of Harassment

According to the survey, 23 per cent of respondents who had visited the Government hospital did not get any treatment or consultation during their visits to the hospital as against nearly half who had received the treatment. In the Sstates performing low on health indicators, only 38 per cent received treatment or consultation compared to 66 per cent in the high performance States.

**Table 6.3: Result of a Visit to Hospital**

(Figures in percentage)

Result of a visit to hospital	High Performance States	Medium Performance States	Low Performance States	Overall
Treatment received	66	44	38	49
Could not get any treatment or consultation	17	35	17	23
Need to visit again for check-up	11	19	36	23
Need to come back with diagnostic reports	6	2	8	6

### 6.5.1 Reasons for Repeated Visits

Nearly 60 per cent of those who had to make repeated visits to hospital for treatment had to come again for manpower-related reasons, e.g. could not get appointment or doctor was not available. The remaining 40 per cent had to make repeated visits for infrastructure-related reasons.

**Table 6.4: Reasons for Repeated Visits to Hospitals**

(figures in percentage)

Reasons for repeated visits	Per cent
Doctor was not available on the last visit	39
Failed to get appointment	21
Admission to Wards not available	14
Operation Theater was not free	13
Diagnostic Lab failed to take samples	12

According to a news item in Times of India on Sep. 25, 2005 quoting a five-nation UN Study, the figure for absentee doctors is an appalling 40% in primary health centres. It varies from 67% in Bihar to 30% in Gujarat.

### 6.5.2 Quality of Services

In case of patients using Government hospitals, 43 per cent felt the quality of services to be poor. Only 31 per cent were happy with services provided by Govt hospitals. In the states with low health indicators, more than half of the people availing the services of Government hospitals felt the quality of services to be poor.

**Table 6.5: Perception about Quality of Services**

(Figures in percentage)

Perception about quality of service	High Performance States	Medium Performance States	Low Performance States	Overall
Very poor	11	11	18	13
Poor	27	28	35	30
Neither poor/nor good	23	30	23	26
Good	34	29	22	28
Very good	5	2	2	3

## 6.6 Common Irregularities

About half of those who had been to the hospitals informed that the necessary medicines were never available in hospitals. In the low performance States, 66 per cent of those who had been to Government hospitals said this as against 29 per cent in the high performance States. This could be for various reasons, like genuine shortage of medicines or diversion of medicines to private medical shops or doctors deliberately prescribing medicines which were not available in the dispensary. Recently, a major scam was unearthed in Delhi where medicines meant to be distributed free to patients were being sold by medical shops located close to AIIMS.

Doctors not paying sufficient attention to the patients in the Government hospitals and instead, asking them to visit their private clinics, are the most common problems faced by patients, both in rural and urban areas. The long-waiting time for getting any consultation or treatment is another a problem being frequently faced by the users of Government hospitals. Though the problem is basically due to low capacity of the hospitals, it creates an opportunity for corruption by giving hospital staff the discretion to provide required service out-of-turn.

Doctors also frequently ask patients to get the diagnostic tests from a particular private laboratory. It is well known that the laboratories pay a commission to the doctor concerned for every patient referred by him.

There is a stark contrast between the States performing high and low on health indicators in the prevalence of irregularities. In the States with good health indicators, prevalence of irregularities is much lower than the States performing poorly. All these irregularities exist at a much lower scale in the Southern States of Andhra Pradesh, Tamil Nadu, Kerala and Karnataka.

The following table gives details of the common irregularities prevalent in Government hospitals. The reported percentages are of those people who believe that these particular irregularities always occur.

**Table 6.6: Common Irregularities in Hospitals**

(Figures in per cent)

Irregularities	High Performance States	Medium Performance States	Low Performance States	Overall
Medicines unavailable	29	55	66	<b>52</b>
Doctors suggest a visit to their private clinic	34	41	51	<b>37</b>
Doctors refer to private diagnostic centres	21	25	44	<b>31</b>
Over-prescription of medicines	18	20	33	<b>24</b>
Bribes demanded by staff	24	11	26	<b>20</b>
Diagnostic tests are done even when unnecessary	15	15	25	<b>18</b>
Doctors are absent	13	11	16	<b>13</b>

### Over-Prescription of Drugs

Bhatnagar and Mishra (2003) conducted a Study tracking drug prescription practices in UP. Overall, 63.33% of the prescriptions were found to be irrational (i.e., flouting established norms of treatment). This figure was the highest for prescriptions from unqualified sources (81.8%) like registered medical practitioners, and lowest (44.44%) for the public sector hospitals.

## 6.7 Experience of Interaction with Hospitals

About 30 per cent of all the respondents who came to Government hospitals for treatment had to take recourse to “alternate methods” like paying bribe or using influence. The prime reasons for using alternate methods were to get faster (out of turn) treatment and for better care (like consultation with, senior doctor instead of with the junior doctor, clean bed-sheets and better food for in-patients).

**Table 6.7: Reasons for using Alternate process**

Reason for using alternate process	Per cent
Save time	38
Could not get work done in a normal way	23
To get better care and treatment	39

Of all the respondents using alternate methods, more than half got their work done by paying bribes. Others(42%) got their work done using the influence of doctors or hospital staff they knew or some local politician/influential person. Though the system is relatively free of middlemen, there were a few cases of people going to middlemen (mostly the staff of the hospital or ex-staff or their relatives).

In the low performance States, the prevalence of bribery is higher than in the high performance States. In the low performance States, the health infrastructure and manpower are relatively scarce, creating relatively more premium on its use than the comparatively better off states.

**Table 6.8: Ways to Bypass Normal Process**

(Figures in per cent)

	High Performance States	Medium Performance States	Low Performance States	Overall
By paying additional amount	48	48	56	<b>54</b>
By using influence	43	48	41	<b>42</b>
By approaching middleman	9	4	3	<b>5</b>

### 6.7.1 Services for which bribe is paid

Getting admission in the hospital and opportunity to earn medicines from Government dispensaries are the services for which most people pay bribe. In case of admission, it is mainly due to the acute shortage of beds, creating an incentive for out-of-turn allotment. According to some estimates, the country presently needs more than 7000 additional Primary Health Centres (PHCs). A large proportion of patients also paid bribe for consulting the doctor.

**Table 6.9: What do People Pay for?**

Bribe	Percent of people paying
Getting medicines	29
Getting admission	22
Consultation or treatment	17
Diagnostic services	13
For operation	11
For arranging blood	7
Getting proper food	1

### 6.7.2 Modus Operandi for Bribing

For all the services barring surgical operations, doctors were paid bribe directly in 18 per cent of cases. However, in 75 per cent of cases, it was the hospital staff who was paid bribes. Although the system is relatively free of touts/middleman, there were a few cases (7 per cent) where in-patients were approached by middlemen for arranging better care and facilities for them.

**Table 6.10: To whom the bribe is paid**

To whom the bribe is paid	Per cent
Doctor	18
Other hospital staff	75
Middlemen	7



## 6.8 Perception about Prevalence of Corruption

Two-thirds of the respondents felt corruption was prevalent in Government hospitals. There were wide variations in perceptions about the prevalence of corruption. In the high performance States, 62 per cent of those availing the services of Government hospitals felt that there was corruption in Government hospitals as against 77 per cent in the low performance States.

**Table 6.11: Perception about the Prevalence of Corruption**

(Figures in percentage)

Is there widespread corruption	High Performance States	Medium Performance States	Low Performance States	Overall
Strongly disagree	10	4	5	6
Disagree somewhat	13	9	6	9
Neither agree nor disagree	15	24	13	18
Agree somewhat	30	42	40	38
Strongly agree	32	21	37	29

## 6.9 Service Providers' Perspective

☞ **Pressure on infrastructure:** There is a constraint on the number of patients who could be admitted in Wards. In spite of this, the hospital staff is forced to admit patients because of pressure from either co-doctors or local politicians. So, the hospital is almost always working beyond capacity, its resulting in low quality of service.

The hospital infrastructure, like diagnostic laboratories, is serving beyond the desired capacity. Because of this, there are often delays in conducting tests. So doctors advise patients, who can afford and want to avoid delays, to get tests done from private diagnostic laboratories.

☞ **Lack of resources:** There is a lack of resources/funds due to which very often the diagnostic instruments are not in working conditions and doctors have no options but to ask patients to get the diagnostic tests done from private laboratories.

☞ **High work-load:** There is an acute shortage of manpower and, therefore, workload on doctors (and other staff) is very high. Hence, they are not able to attend to all the patients, resulting in long queues and delays.

Everyone wants to consult senior doctors. There is a limitation on the senior doctors' time because they have to handle other tasks too.

☞ **False charges of negligence:** Generally, people come to the Government hospital as a last resort, after having failed to get treatment in local nursing homes or from private practitioners. In most cases, by the time they come to a Government hospital, the patient's condition becomes very critical. Any adverse eventuality is blamed as negligence on the part of the hospital.

## 6.10 Suggestions to Reduce Corruption

- ☞ **Users' Committees:** In every hospital, a Users' Committee should be constituted to take up citizens' grievances. In this connection, attention has been drawn towards Nagaland's 'communitisation programme' wherein salaries of Doctors and Nurses are transferred to elected village health committees, authorising them to deduct salaries of absentee Doctors and Nurses.
- ☞ **Provision of Diagnostic Services:** Currently, the Diagnostic Services are being provided in-house in the Government hospitals, creating opportunities for corruption in purchase of machinery and its peripherals, recruitment of technicians and maintenance, with very little control on output. The Diagnostic services can be outsourced to private players where they receive payment from Government on work basis. This experiment is already being conducted to some extent in some hospitals in Delhi.
- ☞ **Medicine supply:** Very frequently, the patients fail to get medicines from Government dispensaries. This could either be due to actual shortage or diversion of supplies to the open market. To check for the second possibility, the Government dispensaries should be made to display the drugs received every month and daily stock position.
- ☞ **Use of Computers:** Computer system similar to the integrated Hospital Information System (HIS) should be installed linking every hospital in order to avoid cumbersome load investigation reports, seeking on the spot appointment with the doctors and share data in case a patient is referred from one hospital to another hospital.

### Community participation in hospital management – A case study of Rogi Kalyan Samiti (RKS), Madhya Pradesh

The most prevalent maladies of hospital management in India, resulting in widespread corruption and general low quality of services, are:

- ☞ No answerability of doctors and hospital management to the users (patients)
- ☞ No sense of responsibility in the doctors and other hospital staff towards the patients.

These two problems were addressed effectively in the successful experiment of Rogi Kalyan Samitis (RKS). The Samitis were first constituted with a limited objective of preventing the spread of plague in 1994. But very soon the potential was realized and it is now being implemented in over 450 hospitals.

The RKSs that were constituted by including peoples' representatives with a few Government officials were given control over all the assets of the hospital and were given the mandate to take any policy-decision to improve its functioning. To augment its finances, the RKS was authorized to levy user charges for the services provided by the hospital. The resources generated by the RKS could be used by it for improvement of the functioning of the hospital.

The Rogi Kalyan Samitis are registered Societies. They have been set up in all Medical Colleges, District Hospitals, and Community Health Centres. They have peoples' representatives, health functionaries, local district officials, leading members of the community, representatives of the Indian Medical Association, Members of the urban local bodies and Panchayati Raj Institutions as well as leading donors, as their Members.

The Government authorized the RKS to manage the existing facilities and assets of the concerned hospitals. RKS has been given the freedom for operations, management and investment to meet service requirements.

The RKS was empowered to mobilize resources through levy of user charges, commercial use of assets like land of the institution, donations in cash or kind from the public at large, allotments/grants from the government or non-government bodies and loans from financial institutions.

## Resource Generation

### Levy of User Charges

- ☞ Charges were introduced for all facilities provided in the hospital including the outdoor patient ticket, pathological tests, indoor beds, specialized treatment, operation, etc.
- ☞ The poor section of the society and other groups as determined by the Government (for example, persons below the poverty lines, freedom fighters, etc.) were made exempt from the levy. Identification of poor persons was fully based on self-certification.
- ☞ Charges for the general wards are nominal while those for patients in the private wards are higher.
- ☞ Funds received from this are to be deposited with the RKS and not in the Government exchequer.

Resources were also raised through donations/loans, use of surplus hospital land for commercial purposes and management of services, like canteen in the hospital premises.

### Day-to-Day Management

For daily supervision and control of operations as well as administration, hospital functioning was decentralized at departmental level. Each department was made responsible for services and resource management. The staff of the department was made responsible for its management, giving them a sense of belonging and ownership.

### Impact

After the introduction of user charges, daily collection by the Rogi Kalyan Samiti ranged between Rs. 500 to Rs. 25,000 in each hospital depending on location. There was no resistance to the introduction of user charges. The income of RKSs has been consistently increasing over the years.

**Table 6.12: Income of Rogi Kalyan Samitee**

(Amount in crore Rs.)

Year	Income	Expenditure
1995-96	0.59	0.44
1996-97	3.00	1.36
1997-98	4.93	4.18
1998-99	5.23	4.09
1999-00	9.70	7.44
2000-01	12.80	9.07
2001-02	13.97	9.21
2002-03	8.88	6.41
2003-04	18.64	4.91

The hospitals have been using the money collected for the improvement of infrastructure and expansion of facilities. There has also been a distinct improvement in the quality of service.



# INCOME TAX SERVICES

## 7.1 Introduction

The focus of the study is on the bribes paid by common citizens to avail services of Income Tax Department. The study does not take into consideration bribes paid by businessmen or corporates to minimize tax liability.

## 7.2 Highlights

- ☞ Value of petty corruption in Income Tax Department in the country is estimated to be Rs. 496 crore per annum.
- ☞ The average amount of bribe paid to the Department was estimated to be Rs. 2,447/- (Rs. 2,618/ for urban households and Rs. 1,175/- for rural households).
- ☞ There was a variation in the amount of bribe paid depending up on the nature of work. On an average, bribe for ensuring tax refunds was Rs. 2,141/-, while the average bribe paid for getting income tax exemption was Rs. 325/-.
- ☞ Around 47% of those who had claimed to have paid bribe had directly paid bribes to the Income Tax staff, while 28% used Chartered Accountants as intermediary.
- ☞ About 5.7% of households in the country had interacted with the Income Tax Department during the last one year. Naturally, this figure is higher in urban (13%) in comparison with rural (3%). This means, in all, nearly 1.16 crore households had interacted with the Department, to get one or the other service done.
- ☞ 46% of those who had visited the Department during the last one year, did so for at least 4 times during the year.
- ☞ Among those who had interacted with the department -
  - nearly 20.4 per cent had actually paid bribes. This works out to 1.16% of the total households (approx. 24 lakhs).
  - 62% perceived it to be corrupt.
  - 40% believed that corruption had increased during the last year.
- ☞ There is a higher perception and experience of corruption in low income States as compared to high income States, which goes against the popular belief that higher income tax provides greater scope/avenues for corruption.
- ☞ Indifferent attitude of officials, lack of accountability and staff's non-cooperation were cited as major factors for corruption.

## 7.3 Grouping of States according to Domestic Products

It is generally believed that higher income States present a greater opportunity for corruption. To analyze this aspect, States were divided into three broad categories, namely, High, Medium and Low, based on Net State Domestic Product (NSDP).

Table 7.1: Grouping of States Based on NSDP

States	Per Capita NSDP (State Income) at 1993-1994 Prices in India	Level
Delhi	27,898	High
Maharashtra	15,484	High
Punjab	15,216	High
Haryana	14,757	High
Gujarat	13,715	High
Tamil Nadu	12,839	High
Himachal Pradesh	11,832	Medium
Karnataka	11,799	Medium
Kerala	11,389	Medium
West Bengal	10,952	Medium
Andhra Pradesh	10,633	Medium
Jharkhand	7,810	Low
Rajasthan	7,608	Low
Chhattisgarh	7,040	Low
Madhya Pradesh	7,038	Low
Assam	6,220	Low
Orissa	5,836	Low
Uttar Pradesh	5,610	Low
Bihar	4,048	Low

**Source:** Hand Book of Statistics on Indian Economy, Reserve Bank of India, 2003 & Central Statistical Organization.

## 7.4 Type of Harassment

It is common knowledge that the officials create hurdles so that the tax-payer gets fed up and in thus, forced to pay bribe to avail of the services. In order to understand the nature and extent of any such harassment in the Income Tax department, an in-depth study was undertaken.

## 7.5 Frequency of Visits

Over half (55%) of those visiting the Department had to visit atleast 4 times during the last one year. Only 15 per cent of the respondents could accomplish work on their first visit.

Those who visited were probed as to why they had to visit again and again. Over half of the respondents had to re-visit for procedural reasons, like incomplete formalities or to offer clarifications. Over one-third (37%) of the respondents had to make another visit on account of staff - related reasons (official not available or non-cooperation). Clearly, a lot of problems faced by citizens could be avoided if the staff were better service-oriented, better supervised and the procedures are simplified.

Higher percentage (43%) of respondents in High Income States had to visit the Department again due to staff related reasons as compared to Medium (37%) and Low Income States (30%).

**Table 7.2: Reasons for Multiple Visits**

(Figures in per cent)

Reasons for Visits	State's NSDP			
	High	Medium	Low	Total
Officer not available	39	32	23	31
Have to come again with clarifications	22	21	23	22
Need to complete more formalities	26	26	23	25
Incomplete application	04	11	17	11
Non-cooperation	04	05	07	06
Mise	05	05	07	05

### 7.5.1 Nature of Problems Faced

Despite the efforts of the Income Tax Department to simplify the procedures, like simplification of form for filing returns, around 40% of the respondents had experienced procedural problems irrespective of their educational background. The Department needs to take a lot more initiatives to familiarize the citizens about the simplified procedures. Merely relying on announcements in Mass Media may not be sufficient.

**Table 7.3: Difficulties Faced by the Tax- payers**

(Figures in per cent)

Difficulties faced	State's NSDP			
	High	Medium	Low	Total
Procedural	39	44	41	41
Non-availability of forms and guidelines	30	31	26	29
Indifferent staff attitude	36	38	42	39
Interference of middlemen	12	10	06	09
Staff is corrupt	21	19	28	23
No problem	33	22	26	27

Note: Multiple responses

Relatively higher percentage of respondents in States other than High Income States had faced problems like procedural issues, indifferent staff attitude, corrupt staff, etc.

### 7.6 Perceptions about Prevalence of Corruption

Respondents were interviewed regarding their perceptions about the extent of corruption in the Department and their own experiences in this regard. Respondents were also enquired about the nature, extent and reasons for such perceptions

### 7.6.1 Is Income Tax Department Corrupt ?

An overwhelming 60 per cent of all respondents interacted felt that the Income Tax Department was corrupt. Such perception exists irrespective of income or educational levels. These respondents were mainly from illiterates (71%), professionals (79%) and high income (81%) groups. This perception was relatively higher in the lower income States.

**Table 7.4: Perception of Corruption**

Perception of Corruption	State's NSDP			
	High	Medium	Low	Total
Disagree	15	22	11	16
Neither Agree Nor Disagree	20	24	18	20
Agree	61	49	67	60
Can not say	04	05	04	04

### 7.6.2 Corruption Increased or Decreased During the Last One Year ?

In spite of recent efforts (creation of Complaint Redressal Helpline, Computerization, Centralization of refund dispatch, etc.) by the Department, 66% of those interacted with the Department believed that corruption had increased in the Department. The percentage of respondents, who believed that corruption has decreased, is very insignificant.

**Table 7.5: Has Corruption Increased or Decreased During Last One Year ?**

(Figures in per cent)

Level of Corruption	State's NSDP			
	High	Medium	Low	Total
Decreased	09	07	03	06
About the same	29	34	21	27
Increased	62	57	74	66
Can not say	-	02	02	01

### 7.6.3 How Committed is the Department to Reduce Corruption?

In the light of recent initiatives taken by the Income Tax Department to reduce corruption, questions relating to commitment of the Income Tax Department to fight corruption and to perceive change in the corruption levels during the last one year within the department were enquired into.

About 39% of the respondents believed that the Department was not serious or committed to fight corruption, while 22% believed that the Department was indifferent to the problem. On the other hand, 23% believed that the Department was somewhat committed.

## 7.7 Experience with Department

After analyzing the perceptions, personal experiences of the respondents were further probed to understand the experiences of respondents with the Income Tax Department. Respondents were questioned about their experiences work respect of corruption, quality of service, and alternate avenues sought in the Department.



### 7.7.1 Quality of Service

The quality of service of the Income Tax Department was regarded as poor by around 30% of those interacted with the Department as against 41% who had rated its services as good. For rest of the respondents, the service was neither good nor bad. Higher percentage of those interacted with the Department in High and Medium Income States were satisfied with the performance of the Department.

**Table 7.6 : Perceived Quality of Service**

(Figures in per cent)

Quality of Service Received	State's NSDP			
	High	Medium	Low	Total
Very Poor	09	05	09	07
Poor	17	23	27	23
Neither Poor, Nor Good	28	25	29	28
Good	39	41	30	36
Very Good	06	05	04	05
Do not know	01	01	01	01

### 7.7.2 Experience of Corruption

About 23% of the respondents from Low Income States, who had interacted with the Department during the last one year, had experienced corruption every time they had visited the Department as compared to only 10% in case of High Income States.

**Table 7.7: Experience of Corruption**

(Figures in Per cent)

Experience of Corruption	State's NSDP			
	High	Medium	Low	Total
Every time	10	09	23	15
Some Times/ Rarely	67	52	60	60
Never	20	31	10	19
Can not say	03	08	07	06

### 7.7.3 What other Methods are Availed of ?

For completion of their respective work, tax-payers have two options, either to take normal process which is often long and tedious, or adopt an alternate process which, in effect, entails using influence or paying bribe. Nearly 30 % of those interviewed claimed to have used alternate methods (including bribing) to get their work done in the Income Tax Department.

**Table 7.8: Methods Used to Avail of the Services**

(Figures in per cent)

Method Used to Avail of the Services	State's NSDP			
	High	Medium	Low	Total
Normal method	73	71	68	70
Alternate method	27	29	32	30

Higher per cent (32%) of those who had interacted with the Department in Low Income States had used alternate methods to avail of the services as compared to High Income States (27%)

**Table 7.9: Alternate Routes Used to Get Work Done in the Department**

(Figures in per cent)

Alternate Avenues Used	State's NSDP			
	High	Medium	Low	Total
By paying bribe	60	74	77	71
By using influence through relatives / friends	16	19	13	15
By bureaucrats'/officials' influence	13	15	13	13
By political influence	02	09	03	05
By putting extra efforts	46	30	26	33
By approaching middlemen	14	16	10	13

Note- Multiple answers.

More than two-thirds of those who have adopted alternate approach had paid bribe. One-fourth had claimed to have used influence of either a relative or an official. Over three-fourths of those who had adopted alternate procedures in Lower Income States had paid bribes as against 60 per cent in case of High Income States.

#### 7.7.4 Motivation for Adopting Alternate Methods/Routes?

Nearly 55 per cent of those paying bribes had paid to ensure compliance with the Income-tax Rules, like filing of returns or getting PAN Card. Over 20 per cent have paid bribes to get Income-tax refund. About 30 per cent claimed to have paid bribe to seek benefits, like under-assessment, reduction in penalty, closure of scrutiny, etc.

**Table 7.10: Services for which Bribes were Paid**

(Figures in per cent)

Purpose for paying bribe	State's NSDP			
	High	Medium	Low	Total
Filing returns	52	26	49	43
Under-assessment	09	06	19	13
Issuing PAN Card	09	09	15	12
Ensuring Income-tax refunds	17	10	30	21
Ensuring case does not come under scrutiny	05	06	05	05
Ensuring closure of scrutiny	06	06	08	07
To reduce penalty	05	25	03	10
To get Income-tax exemptions	03	01	05	03
For getting back dated collection of returns	05	08	10	08

### 7.7.5 Modus Operandi for Bribing

More than half of the respondents acknowledged to have paid bribe directly to Income-tax officials. Over one-third admitted to bribing through Chartered Accountants, while 17 per cent have paid bribes through agents/touts. Relatively, higher percentage (75) have bribed the Income-tax officials in case of Low Income States as compared to High Income States (54%).

**Table 7.11: Routing the Bribe**

(Figures in per cent)

Bribe paid to...	State's NSDP			
	High	Medium	Low	Total
Income-tax office staff	30	44	50	43
CA to bribe income-tax officials	45	40	36	41
Agents Touts	25	16	14	16

Note: Multiple responses

## 7.8 Service Providers' Perspective

### Concerns

- ☞ Last-minute filing of returns: Most of the tax-payers file their returns within the last 15 days. This increases the work-load of the staff.
- ☞ Shortage of staff: There is a severe shortage of staff. Therefore, the work-load of the present staff is immense.
- ☞ CAs collect money from their clients in the guise of paying bribe to the Income Tax officials. This results in tarnishing the image of the Department.

- ☞ The primary reason for corruption is that the tax-payers want to minimize their tax liability.
- ☞ Tax-payers do not make sufficient efforts to understand the Income-tax rules and procedures. As a result, they are totally dependent on CA's.
- ☞ Nobody complains as they think that it will hinder the progress of their work

### Initiatives

- ☞ SARAL FORM: The IT Return Form has been considerably simplified
- ☞ PAN Card outsourced: The issue of PAN Cards has been outsourced to UTI and National Share Depository Limited (NSDL) to speed up the process.
- ☞ Technology: Tax-payers can file their returns through Internet. Similarly, they can apply for PAN card and also check the status of issue of PAN cards.
- ☞ Helpline: Helplines have set up 130 Help Centers across the country to help small tax-payers in calculating their tax, filling up forms for tax returns and advise them on other tax-related matters.
- ☞ Computerization of Returns : Despatch of returns has been computerized
- ☞ Increasing transparency: The criteria for short-listing of case for scrutiny have been made public.
- ☞ Tax-payer Service: During shortage/ heavy demand of staff dealing with public, extra personnel are employed to handle the workload so that the tax-payer doesn't need to visit again and again.

## 7.9 Initiatives to Improve Services

### 1. Reduce the Need to Visit and Revisit

- Alternate channels for collecting returns, eg, enable banks as post offices to collect returns. The IT Dept. has already enabled citizens to file their returns through internet.
- Call Centre to provide information on procedures, status of various queries of citizens, status of tax refunds, etc.
- Website where information is provided on procedures, check status of Income-tax refunds, list of FAQs, etc.

### 2. Processing of Returns

- The returns should be processed in a strict chronological order on first-cum-first-serve basis according to the Return Receipt numbers.

### 3. Selection of Tax-Payers for Scrutiny

- Norms for selection of cases for scrutiny should be disclosed.
- Random selection of cases using computer software.

### 4. Education of Tax- Payers About Procedures & Responsibilities

- Income-tax Department should organize seminars/ open house for familiarizing citizens about the Income-tax Procedures and their responsibilities.
- Make it mandatory for the companies to have training session for fresh recruits on Income-tax procedures and responsibilities of citizens as part of their induction programme.

### 5. Citizen's Charters Should be More Effective

- Should be drafted in consultation with tax-payers.

- Penal provision for non-delivery of the services within timeframe be specified in the Citizens' Charter.
- Independent audit of performance of the Deptt. against standards mentioned in the Citizens' Charter be taken up annually and made public.

#### 6. Tax-payers Advocates

- Each Tax office should have Govt appointed advocates to represent tax-payers' interests and actively help resolve unfair situations.

#### 7. Service Conditions of IT Employees

- IT employees should have fixed and variable components of salary. The variable components should be based on the net amount of tax collected and/or the number of people effectively brought in the tax net.
- Promotions should be based on merit, as reflected in the real and timely tax collection without any harassment to the common man.
- Staff should be rotated using computer programme based on objective criteria outlined by the Department.
- Training to staff to make them more service-oriented.
- Strict action against the staff found to be indulging in deviations.

#### 8. Action against Defaulters

- Strict action is called for against defaulters whose lists are often made available during replies to Parliament Questions.

### 7.10 Case Study of Korean Tax Reform

South Korea has taken several initiatives to simplify and increase transparency in the Income Tax administration. To some extent, the nature of the problems faced by the South Korea was similar to problems faced in our country. The initiatives taken by South Korea are relevant to our country and can also be implemented here easily. In view of this, we present below the initiatives taken by South Korea to reform the Income Tax administration.

#### Objectives

- ☞ Earn the trust of taxpayers
- ☞ Fair taxation
- ☞ Transparent tax administration.

#### Four-part Approach

##### A. Design World-class Taxpayer Service

- Alleviating the need to visit tax offices by providing more responsive services, including IT solutions, such as the Home Tax Service, which allows all tax matters to be dealt with over the Internet.
- Weekly Newsletter with useful tax information written in Korean language was published and available via e-mail.
- The National Tax Consultation Centre to quickly resolve nationwide tax inquiries raised through telephone, fax, mail and e-mail on a one-stop service basis was set up.

- Taxpayers' Advocates were appointed at each District Tax Office to represent tax-payers' interests and actively help them resolve unfair situations.

#### **B. Reform of Tax Audit System**

- Transparency and predictability of the selection process of subjects for the tax audit using a computerized method.
- Computer analysis method ensured honest taxpayers were not selected and tax-evaders were identified and brought to book.
- Ratio of subjects for the tax audit to the taxpayer population was reduced.
- The subjects for the tax audit mainly included taxpayers whose returns were evaluated as inaccurate or dishonest through the computer analysis.
- Tax audit policy and selection criteria (for scrutiny) were announced in advance to increase transparency of tax audit system and to relieve tax-payers anxieties.
- Service unit was separated from the investigation unit within the tax audit department so that system of checks and balances could be in operation.
- The Centre would protect tax-payers' rights during the audit process and minimize arbitrary tax assessments by tax inspectors.
- The Special Tax Investigation that was a major source of tax-payer complaints was abolished. Instead, tax-payers were classified and treated differently according to their level of tax compliance. In this way, honest tax-payers receive preferential treatment, while those who commit minor offences are normally audited, and those who deliberately evade taxes are subject to criminal tax investigation and strict punishment.
- The Real Name Taxation System was introduced to reinforce internal regulations so that unreasonable and arbitrary tax assessment could occur.
- Tax collections records of each audit were accumulated and analyzed according to the tax inspector's name.

#### **C. Eliminating Corruption by Making Tax Administration More Transparent and Trustworthy**

- Any lobbying for obvious tax evasion through personal connections or unofficial channels was no longer accepted.
- Anyone who offers a bribe is subjected to intensive tax investigation.

#### **D. Establish a Tax Culture Where Taxes are Willingly Paid**

- Acknowledging honest taxpayers, through introduction of Exemplary Taxpayers Award.
- Once selected as Exemplary Taxpayers, they would receive preferential treatment through various benefits, such as a 3-year exemption from tax audit, and VIP client status at financial institutions.
- In addition, a Tax Point System was introduced to give taxpayers various benefits relating to the amount of tax that they had paid.
- Expanding citizens' awareness of the immoral and criminal aspects of tax evasion achieved the results.
- In an obvious case of tax evasion through fictitious transactions, profit manipulation, transfer pricing, or tax haven, it is subjected to intensive tax investigation by a strict application of the law.

## PUBLIC DISTRIBUTION SYSTEM

### 8.1 Introduction

The focus of the study is on the bribes paid by common citizens to avail services of Public Distribution Department. The study, however, does not take into account bribes paid by business houses and other institutions to get contracts for various services and profits earned by Ration shopkeeper by selling Government supplies in the market.

### 8.2 Highlights

- ☞ Total monetary value of petty corruption in Public Distribution System (PDS) in the country is estimated to be Rs. 358 crores per annum.
- ☞ 9.1 crore households are estimated to be using the Public Distribution System as against approximately 16 crores claimed by the government. Of these, 7.6 crores are in rural areas while 1.5 crores are in urban areas.
- ☞ 1.5 crore (1.22 rural and 0.24 crore urban) households claimed to have paid bribe during the last one year.
- ☞ The average amount of corruption works out to be Rs. 245 per household per annum.
- ☞ Level of corruption is much higher in States with higher poverty incidence.
- ☞ Nearly 60 per cent of the households using PDS said that unavailability of ration at the Fair Price Shop (FPS) was as high as 80 percent and very frequent. In high poverty incidence States.
- ☞ 34 per cent of those visiting Ration Office had to make four or more visits before their work was done.
- ☞ One-third of those making four or more visits to the Ration Office had to visit because in the earlier visits the concerned officer either could not be located or was absent.
- ☞ Nearly half of the people paid bribe to get a new ration card.

### 8.3 Classification of States according to Poverty Incidence

Since the Public Distribution System (PDS) is designed to alleviate poverty and provide security, the entire sample of 20 States was divided into three clusters according to the incidence of poverty. To classify the States on poverty basis, the percentage of people living Below Poverty Line (BPL) in those States was taken as an indicator. The States lying on the first three deciles were classified as low incidence States, States lying in the fourth to seventh deciles were classified as middle incidence states and States in higher deciles were classified as high incidence States.

Table 8.1: Classification of States According to Poverty Incidence

State	%age Below Poverty Line* (2000-2001)
<b>A- Low Poverty Incidence States</b>	
Jammu & Kashmir	3.48
Haryana	8.74
Punjab	6.16
Himachal Pradesh	7.63
Delhi	8.23
Kerala	12.72
Gujarat	14.07
Rajasthan	15.28
Andhra Pradesh	15.77
<b>B- Medium Poverty Incidence States</b>	
Karnataka	20.04
Tamil Nadu	21.12
Maharashtra	25.02
West Bengal	27.02
Uttar Pradesh	31.15
<b>C- High Poverty Incidence States</b>	
Assam	36.09
Madhya Pradesh (including Chhatisgarh)	37.43
Bihar (including Jharkhand)	42.6
Orissa	47.15
All India	26.1

\*Source: Planning Commission

## 8.4 Usage of PDS

About 45 per cent (9.1 crores) of the households in the country were estimated to be using public distribution system. In the rural areas, more than half of the households are drawing their food supplies from the Fair Price Shops (FPS).



**Table 8.2: People using PDS**

(Figures in per cent)

Cluster	People using PDS
Low poverty incidence States	32
Medium poverty incidence States	44
High poverty incidence States	37

The usage of PDS is expected to be higher in the States with higher poverty incidence. However, according to our study, the usage in high poverty incidence States is lower than the usage in medium incidence States, though higher than low poverty incidence States. This could be due to the inefficiencies in the system. In a few States like Haryana, Punjab and Delhi, the usage was very low, while States like Uttar Pradesh, West Bengal, Andhra Pradesh and Himachal Pradesh have comparatively a higher dependence on PDS.

## 8.5 Type of Harassment

### 8.5.1 Visits to the Ration Office

About one-third each of the people visiting Ration Office had to make four or more visits to get their new ration card and change of ration shop. Other reasons for visits are change in address (23%) and deletion/addition in ration card (15%).

**Table 8.3: Purpose of Four or More Visits to the Ration Office**

(Figures in per cent)

Work / purpose	People making four or more visits
Preparation of New Ration Card	34
Change of Ration Shop	32
Change in Address	19
Deletion or Addition members	15

### 8.5.2 Reasons for Repeated Visits

More than half of the people, who visited Rationing Office, had to make repeated visits (four or more) times due to incomplete forms or more information was required to be furnished. In most of these cases, respondents felt that this was just an excuse for forcing them to pay bribes.

**Table 8.4: Reasons for repeated visits to the Rationing Office**

Reason for Repeated Visits	Per cent
More clarifications sought formalities or incomplete application forms	52
Officer was not available	29
Non-cooperative Staff	18

Almost no information was provided by the concerned officer as to what was actually required by him to be furnished by the consumers.

### 8.5.3 Nature of Problems Faced

Non-availability of the ration is the most frequent problem faced by the people visiting Ration Shops. The reason for unavailability, more often than not, is the diversion of supplies to open market. Even when the ration is available, it is of poor quality. There are other problems like faulty weights used to give less quantity.

On a visit to the Rationing Office, the most frequent and frustrating problem is the indifferent attitude of the staff. Besides, there are a number of procedural problems like:

- ☞ Not information about the concerned officer to be contacted.
- ☞ Not knowing what papers and information are to be furnished, resulting in multiple visits.

Getting an application form was also very difficult at times. In a Rationing Office, the forms might be out of stock, whereas the same could be bought in the open market or from touts for a price. Such forms and the instructions about their filling up and documents should be publicised in the local newspapers. Such an arrangement would have time and expenditure of both the applicants and the Govt.

**Table 8.5: Problems Faced in Interaction**

Nature of problems faced	Per cent
<b>A- Ration Shop</b>	
Ration is not available	17
Inferior quality of ration	15
Ration shop is closed	08
Faulty weights used by ration Shop	05
<b>B- Ration Office</b>	
Indifferent or corrupt staff	25
Procedural problems	16
Non-availability of forms	10
Interference of middlemen	04

## 8.6 Perceptions about the Prevalence of Corruption

About 61 per cent of the people using PDS observed that there was a corruption in this System. In the high poverty incidence States, one-thirds of the people using PDS felt it to be corrupt.

**Table 8.6: Perception About Prevalence of Corruption**

(Figures in per cent)

Is there Corruption?	Low Poverty Incidence States	Medium Poverty Incidence States	High Poverty Incidence States	All India
Strongly Disagree	06	08	03	06
Disagree Somewhat	11	10	10	10
Neither Agree Nor Disagree	24	22	18	22
Agree Somewhat	32	34	41	36
Strongly Agree	22	24	26	25
Can not say	05	02	02	01

In Delhi and Bihar States corruption is perceived to be very high, whereas Kerala and Himachal Pradesh are perceived to be less corrupt States.

### 8.6.1 Common Irregularities

Non-availability of ration is a very frequent problem faced by the users of PDS. The ration supplies are normally available for a few days in a month. Very often, the problem is due to illegal diversion of supplies to the open market. Even when people get the ration, more often than not, it is of poor quality and much less than the quantity due. There are other problems like faulty weights being used and charging more than the government prescribed rates. The prevalence of irregularities like charging more than the prescribed rates may be under-reported, because in many instances people might not be knowing the Government prescribed rate. The problems are aggravated by the nexus between officials at various levels and the Fair Price Shop (FPS) owners which makes even complaining about these irregularities very difficult.

**Table 8.7: Common Irregularities**

(figures in per cent)

Irregularities	Low Poverty Incidence States	Medium Poverty Incidence States	High Poverty Incidence States	All India
Ration not available	46	56	79	59
Ration sold in open market	41	43	64	54
Inferior quality	46	45	65	51
Less quantity	37	48	66	49
Faulty weights	24	41	43	38
More than prescribed rates	21	27	46	30

Note- Multiple Answers

Moreover, all of these problems/irregularities plague the States where incidence of poverty is much more than in other States.

### Diversion of PDS Commodities

A study was conducted by the Tata Economic Consultancy Services to ascertain the extent of diversion of commodities supplied under PDS from the system. At the national level, it is assessed that there is 36% diversion of wheat, 31% diversion of rice and 23% diversion of sugar. In extreme cases, diversion rice is estimated at 64% in Bihar and Assam. In the case of wheat, 100% diversion is estimated in Nagaland and 69% in Punjab.

### 8.6.2 Has Corruption Increased or Decreased in the Last One Year?

Nearly half of the respondents, who interacted with the PDS, felt that the corruption had increased in the last one year. In the high poverty States, 60 per cent felt that the corruption had increased in the last one year as against 49 per cent in the better-off states.

**Table 8.8: Has Corruption Increased or Decreased During the Last One Year**

Change in the level of corruption	Low Poverty Incidence States	Medium Poverty Incidence States	High Poverty Incidence States	Overall
Decreased	16	16	06	12
About the same	43	38	34	39
Increased	41	46	60	49

### 8.6.3 How Committed the Department to Bring Down Corruption?

More than half of the respondents, who interacted with the PDS, felt that the Department was not committed to undertake any reforms. Again, the situation is worse in the high poverty incidence States where 67 per cent felt that the Department was not committed to reforms in the system. In the low poverty incidence States, 39 percent felt so.

**Table 8.9: Commitment of the Department to Bring Down Corruption**

Is the Department committed to reforms ?	Low Poverty Incidence States	Medium Poverty Incidence States	High Poverty Incidence States	Overall
Not committed	15	35	39	29
Not very committed	24	20	28	24
Indifferent	26	22	21	23
Committed	27	15	11	18
Highly committed	08	08	01	06

## 8.7 Alternate Process Used

Of all the people interacting with the ration office, 19 per cent used alternative process (like paying bribe, using influence or middlemen) to get their work done. About 55 per cent of the people using alternate process got their work done by bribing the officials.

**Table 8.10: Ways to Bypass Normal Process**

Alternate Process Used	Per cent
By paying additional amount	55
By using influence	36
By approaching middlemen	9

In case of States with high poverty incidence, more than 22 per cent of the people had to take recourse to the alternative process. In certain States like Delhi (44), Rajasthan (37) and Bihar (32), the situation was particularly bad. In fact, only 35 percent of the respondents, who used alternative process had to make four or more visits to the ration office, as against 44.5 per cent in case of people using normal process.

### 8.7.1 What Do People Pay For ?

About 24 per cent of respondents reported that the shopkeepers were charging higher rates than the prescribed by the government. More than two-thirds of the respondents paid bribe for getting their new ration cards or for making changes (change of address, addition or deletion of names) in the ration cards. There is a considerable corruption for getting BPL ration cards by ineligible people. The amount paid as bribe for getting a new ration card varied from Rs. 50 to Rs. 500. Possession of a ration card is widely required as a pre-condition for verifying identity and domicile, without which access to many public and private services is difficult. It is a *de facto* identity card, and obtaining one is a major pre-occupation of many poor families.

**Table 8.11: Services for which People Pay Bribe**

Services	Per cent
New Ration card	47
More rates than prescribed are charged for supplies	24
Changes in Ration card	15
Change in Ration shop	07
Others	07

### 8.7.2 Service Providers' Point of View

Even though the FPS owner is the most tarnished symbol of what is wrong with the PDS in the country, they too have a case to make. According to them, they work under severe constraints, like:

- ☞ The margins are too low to run and maintain the shop. Moreover, after the launch of Targeted Public Distribution System (TPDS), the volumes have also fallen below sustainable levels.
- ☞ The credit provided is too low. Many a times, it is just not possible for them to lift the stock from government godowns. The recent very low volumes of off-take have aggravated the situation.

- ☞ They have no control on the quality of grains for which they normally bear all the blame from public and have to deliver to the public what they get.
- ☞ FPS owners have to pay bribes to the ration officials to get their quota of supplies from FCI.
- ☞ The supplies from FCI are very erratic and most of the time come late. The blame for ration not being available has to be borne by the FPS owners.

## 8.8 Problems with PDS

- ☞ Selection of households - Targeting

As with any targeted system, the basis for PDS eligibility has been plagued by errors of both exclusion and inclusion, that is, the exclusion of certain families that should have qualified and the inclusion of families that are not entitled.

According to a study conducted on the relative functioning of PDS in AP and Maharashtra on targeting and efficiency, the figures reveal that the error of inclusion in AP is as high as 22.35% in rural areas while it is 4.29% in urban areas and the error of exclusion for rural and urban areas is 20.42% and 36.40%, respectively.

The corresponding figures of error of inclusion for Maharashtra are: 11.30% in rural areas and 4.12% in urban areas while the figures for exclusion are 49.90% in rural areas and 51.34% in urban areas.

- ☞ Bogus cards

A widespread practice among FPS owners is to get bogus ration cards made in the name of people who do not even exist. The ration is regularly drawn by FPS owners in the names of these card-holders and sold in the open market.

- ☞ Hijacking of ration cards

Another frequent problem is that the ration cards do not reach the people who had applied for them. Instead, unscrupulous FPS owners/ration office staff draw ration on them and sell it in the open market.

- ☞ There are a large number of households who do not take ration from FPS but still the records show off-take. The supplies are actually sold in the open market.

- ☞ Poor quality of supplies

The ration distributed at the ration shops is of very low quality. Even, when the supplies from FCI are good, they are sold in the open market, not given to the card-holders.

- ☞ Less than entitled quantity is given

In many areas to obtain five kilograms of grain, consumers must sign a shop register recording that they had received ten kilograms. This is another means of fixing the otherwise out-of-balance books produced by the shopkeepers' continued creaming.

- ☞ More than the prescribed rates are charged.

- ☞ Under-weighing.

- ☞ Repeated visits to the ration shop

The ration is available at the FPS only for a few days (sometimes, for a few hours) every month. The card-holders have to keep on checking from the shop-owner as to when the ration will be available.

### 8.8.1 Suggestions for Reducing Corruption

#### 1. Food vouchers - Giving client power to the users

The current PDS gives a monopoly to the FPS owners over a specified area. The card-holders have no choice but to go to that shop only. Instead, vouchers (or stamps) can be given to the card-holders who can exchange them for food from any shop. The shop owners can exchange the collected vouchers for cash from the administration.

This does away with the hugely inefficient government procurement, storage and distribution operations. Moreover, the resulting competition among shops to attract these stamp-bearing consumers would minimize irregularities as customers with food stamps would visit shops that did not impose illicit fees or short-change customers on either quantity or quality.

The system can effectively address the diversion of supplies and curb the losses during transportation. But the problem of identification still persists with this system.

#### 2. Local production and distribution

The mainstay of corruption and inefficiency in the current PDS is the long distribution chain where the food supplies go waste or are diverted at each step. Also, there are huge inefficiencies and corruption in the targeting and identification of eligible households.

Both these problems can be largely done away with a system where food is grown and distributed locally, wherever possible. However, identification of beneficiary families can be done by the local community in a participatory way based on mutually agreed parameters for poverty level.

### 8.8.2 An Alternative Public Distribution System through Community Grain Fund – A Case Study of Deccan Development Society

Two most glaring problems in the current PDS resulting in corruption are:

- ☞ Diversion of the food supplies to open markets at every point in the distribution chain.
- ☞ Identification and targeting of the needy households.

These two problems were effectively handled by means of an experiment in alternative public distribution system, conducted by Deccan Development Society (DDS) in about 11 villages for five years in the Medak district in Andhra Pradesh.

In the programme, food grain production, procurement, storage and distribution are done at the local community (village) level and are entirely managed by the Women Sangham members (comprising mostly of dalit women). Another innovation of the programme is the identification of poor households within the community through a process of participatory wealth ranking that overcomes problems of exclusion/inclusion so pervasive in Government-run PDS.

The entire programme had four stages:

1. The first stage of the programme starts with advancing loans to the beneficiary farmers over a three years' period for various agricultural operations, starting with tractor ploughing, bullock ploughing, application of farm yard manure, sowing and weeding in the first year. The loan amount for the first year is fixed at Rs.2, 700/- per acre. Tractor ploughing is done only for the first year since soils are hard and require deep ploughing. The second and third year loan amounts are fixed at Rs.1,000 and Rs.500 per acre. The total investment for bringing fallow

lands under cultivation for all the three years is Rs. 4,200 per acre. The task of collecting and disbursing loan amounts rests with the women committee members in each village.

2. After the harvest, the committee members in each village are required to collect the loan repayment in the form of grain from the partner farmers. The loan repayments by the partner farmers are spread over a five years' period in the form of grain in prefixed quantities at prefixed prices.

**Table 8.12: Loan Repayment Schedule**

Year	Jowar (Kgs)	Value (Rs.)	Cash (Rs)	Total (Rs.)
1	150	675	125	800
2	200	900	125	1025
3	150	675	125	800
4	150	675	125	800
5	150	675	100	775
Total	800	3600	600	4200

3. The grain, thus, collected is stored in the village for distribution during the scarce months of monsoon season among different categories of poor, based on participatory wealth ranking. The Participatory Wealth Ranking is an innovative process of identifying various categories of poor within the village by the villagers themselves through a PRA method, overcoming the problems of inclusion/exclusion so pervasive in official calculations. The criteria for rural poverty are developed by the villagers themselves and each household is judged on a five-point scale of poverty. Each poverty level is identified by a different colour card which entitles beneficiaries under the APDS programme to certain fixed amount of Jowar from the Community Grain Fund. The poverty level was decided on the basis of things like acres of land owned, whether there is any physically unfit person in the household, ownership of land, etc.
4. Households thus identified are issued a sorghum card by the Sangham, entitling them to a fixed quantity of jowar at a subsidized price of Rs.3.50 per kg. The proceeds from the sale of jowar are deposited in a Bank as the Community Grain Fund (CGF). The subsidy of one rupee, between the issue price and procurement price is made up by the interest payments, accruing from CGF Bank deposit in five years. Individual village groups hold the CGF account and the fund is used year after year for reclaiming more fallow lands.

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# JUDICIARY

## 9.1 Introduction

The former Chief Justice of Supreme Court Sam Piroj Bharucha had observed that “up to 20 per cent of judges in India were corrupt.”

## 9.2 Highlights

- ☞ Value of corruption in the Judiciary in the entire country is estimated at Rs. 2630/- crores per annum.
- ☞ The average amount of bribe paid to the department was estimated to be Rs. 2095/- (Rs. 2181/- for urban households, and Rs. 1942/- for rural households).
- ☞ There was a variation in the amount of bribe paid depending upon the nature of work. On an average bribe for a getting a favorable judgment was Rs. 2939/- while the average bribe paid for getting case listed was Rs. 799/-
- ☞ Nearly 2.73 crore households (i.e., around 13.37% of the total households) are estimated to have interacted with Judiciary to get one or the other service during the last one year. This figure is higher in urban areas (15.73%) than rural areas (12.43%).
- ☞ Among those interacted with the Judiciary during the last one year, -
  - 47.32% have claimed to have paid bribes. This figure is one and a half times higher in case of urban households as compared to rural households.
  - 73% had visited courts for civil cases, while 26% came for criminal cases.
  - More than half (57%) had visited for at least 4 times in last one year.
  - 80% admitted that there was corruption in the Judiciary.
  - Almost 54% respondents took the alternate process like using influence or paying bribes for getting their work done.
- ☞ Of those who paid bribes, 61% had paid money to a lawyer, whereas 29% paid money to court officials, while 15% paid money to middlemen to get their work done.
- ☞ 64% of those interviewed believed that corruption had increased during last one year.

### 9.2.1 Grouping of States

There is a widespread belief that the strength (in numbers) of judiciary has a direct effect on efficiency, speed and corruption in courts. To analyze and understand this hypothesis, and get an insight in corruption, the states were grouped into three, namely, Higher, Medium and Lower, on the basis of judicial strength of lower and higher courts.

Table 9.1: Ranking of States on the Basis of Number of Judges Per Lakh of Population

States	Judges in High Courts*	Judges in Other Courts*	Total Judges	Population in lakhs #	Judges per lakh	Vacancies of Judges #
<b>A- Higher</b>						
Delhi	26	332	358	154.83	2.31	60
Gujarat	30	727	757	503.41	1.50	169
Himachal Pradesh	7	92	99	71.2	1.39	6
Karnataka	33	691	724	539.91	1.34	114
<b>B- Medium</b>						
Rajasthan	22	665	687	564.25	1.22	170
Bihar+Jharkhand	36	1236	1272	1054.95	1.21	454
Kerala	24	363	387	330.36	1.17	14
Tamil Nadu	35	702	737	632.01	1.17	65
Punjab & Haryana	27	494	521	449.06	1.16	133
Orissa	11	405	416	367.49	1.13	76
Madhya Pradesh & Chhattisgarh	31	917	948	840.94	1.13	115
<b>C- Low</b>						
Andhra Pradesh	33	724	757	780.34	0.97	73
Assam	12	240	252	271.29	0.93	37
Maharashtra	51	750	801	937.66	0.85	345
Uttar Pradesh & Uttaranchal	71	1353	1424	1823.29	0.78	769
West Bengal	39	549	588	819.9	0.72	164

\* **Source:** Rajya Sabha Unstarred Question No. 1315, dated 14.03.2005.

\*\***Source:** Women and Men in India 2001, Ministry of Statistics and Programme, Implementation, Govt. of India & Past Issue.

# **Source:** Population Projections for India and States 1996-2016, Registrar General, Ministry of Home Affairs, Govt. of India.

### 9.3 Pending Cases

As of now, 2.6 crore cases are pending in Indian courts. About 87% of these cases are pending in lower courts, while 12% of them are pending in High Courts. Of the cases pending in High Courts, almost 40% cases are pending for more than 5 years, while in Supreme Court this percentage comes around 6.6. According to a Supreme Court judge, six times more judges are needed for expediting the pending cases and supporting the present judicial system.

Almost one-fifth (22%) of the respondents interacting with the department have cases pending for more than five years. Clearly, seeking justice in India is a slow and a complex process.

### 9.3.1 How Many Visits did They Make?

To understand the frustration of litigants, respondents were questioned on the number of visits and the difficulties faced by them. More than half of the respondents (57%) had to visit the courts for at least four times in a year. The percentage of those who had to visit frequently was higher in case of criminal cases (55%) in comparison to civil cases (44%).

Around 62% of respondents visited courts had to revisit. This number was considerably higher (72%) in States having low judicial strength per lakh of population as compared to just 28% in States having higher judicial strength. No wonder, some of the citizens are taking to alternate mechanism of dispute settlement like approaching local dons and politicians.

**Table 9.2: Status of Work**

(Figures in per cent)

Case Pending	Judicial Strength Wise			
	High	Medium	Low	Total
Work has been done	40	22	23	25
Assured that work will be attended to	21	07	03	08
Have to come again	28	68	72	62
Not sure	12	02	03	04

### 9.3.2 Reasons for Visit

Those who had to visit the courts more than once in the last one year were probed as to why they had to visit again and again. Around 36 % of the respondents visited the Courts had to visit again due to postponement of their hearing. Nearly one-fourth had to visit again to complete formalities. Nearly one-fifth (21%) had to visit again as judges or lawyers did not turn up in court.

**Table 9.3: Reasons for Multiple Visits to Courts**

(Figures in per cent)

Cases Pending	Judicial Strength Wise			
	High	Medium	Low	Total
Hearing Adjourned	32	32	42	36
Need to complete more formalities	47	18	23	22
Opposition party had sought more time	16	14	12	13
Judge did not turn up	05	15	10	13
Lawyer did not turn up	00	10	07	08
Witness did not turn up	00	07	05	06
Others (didn't give bribe, given other date)	00	04	01	01

Non-surprisingly, major reasons for re-visiting courts in case of respondents from states having low judicial strength was due to hearing being postponed (42%).

## 9.4 Perception of Corruption in Courts

Judiciary was once considered to be a holy cow. Of late, going by the reports in the media, there have been several serious allegations of corruption against judges in the courts. In view of this, we have attempted to capture perception of the people about corruption in Judiciary.

### 9.4.1 Is Judiciary Corrupt?

More than three-fourths (79%) of the respondents, who had been interacting with the judiciary, admitted that corruption was prevalent in the Department. Surprisingly, only 8% of those respondents felt that there was 'no corruption' in Judiciary. However, not much difference is seen in perception of corruption in judiciary for states having different strength of judiciary.

**Table 9.4: Perception of Corruption**

(Figures in per cent)

Perception of Corruption	Judicial Strength-wise			
	High	Medium	Low	Total
Disagree	09	05	07	06
Neither agree nor disagree	16	11	14	13
Agree	74	83	76	79
Can not say	01	01	03	02

### 9.4.2 Commitment of Judiciary to bring down Corruption

Nearly three-fourths of the respondents, who have been interacting with Judiciary, were of the opinion that there was lack of commitment on the part of Judiciary to fight corruption. However 21% felt that they were committed to curb corruption. Around 26% respondents in the states having high judicial strength per lakh of population believed that Judiciary was committed, against 18% in states having low strength of judiciary.

**Table 9.5: Commitment of Judiciary to Fight Corruption**

(Figures in per cent)

Level of Commitment	Judicial Strength Wise			
	High	Medium	Low	Total
Not Committed	56	61	54	58
Indifferent	15	13	21	16
Committed	26	19	18	21
Can not say	03	07	07	05

### 9.4.3 Trends in Corruption during the Last One Year

Nearly two-thirds of the respondents (64%) who have been interacting with the department believed that corruption has increased during the last one year. In fact, nearly three-fourths (73%) of the respondents, whose cases are pending for over 5 years, felt that corruption had increased in the last one year.

Contrarily, more than one-fourth believed that corruption had actually declined. The reasons for decline in corruption, according to respondents, was due to strict supervision over officials (52%), honest working of officials (42%) and increase in awareness among public (6%).

## 9.5 Experience in Courts

After analyzing the perceptions, personal experience of the respondents specifically with the judiciary were probed on corruption, quality of service and alternatives used to get their work done.

### 9.5.1 Efficiency of Service Received and Difficulties Faced

Nearly two-thirds (63%) of the respondents interacted with judiciary rated the quality of service in Judiciary as poor, while only 12% of the respondents rated it as good. The poor perception about the quality of service is due to corruption and long delays in getting justice.

Surprisingly, higher percentage of respondents (64%) interacting with the judiciary in states with high judicial strength per lakh of population rate the service of the judiciary as 'poor' in comparison to 55% in States with lower judicial strength.

**Table 9.6: Quality of Service Received**

(Figures in per cent)

Quality of service	Judicial Strength Wise			
	High	Medium	Low	Total
Poor	64	65	55	62
Neither Poor/ Nor Good	26	22	26	24
Good	10	13	18	14

### 9.5.2 Other Methods Sought/Availed

For getting over the difficulties and harassment in the judiciary, almost 54% of the respondents interacting with judiciary had gone for other avenues for getting their work done, against 38% who had used the normal process.

Among those who have adopted alternate means, a startling 86 percent confessed having paid bribes. Nearly one-third of them have put extra efforts and one-sixth (15%) of such respondents used influence to get their work done. The analysis brings out that it is not always enough to pay bribes. In addition, the respondents also had to put additional efforts like pulling strings of influential people.

**Table 9.7: Alternate Avenues to Get Work Done in the Courts**

(Figures in per cent)

Alternate avenues used	Judicial Strength Wise			
	High	Medium	Low	Total
By paying bribe	79	87	89	86
Putting extra efforts	40	33	23	32
Influence through relatives/friends	18	15	12	15
Approached middlemen	11	11	8	10
Bureaucrats/Officials influence	08	07	10	08
By political influence	08	04	04	05
Legal/Judiciary's Influence	05	01	01	02

Note Multiple answers.

Nearly nine-tenths of respondents (89%) claiming to have used alternate process in States having low judicial strength per lakh of population paid bribe in comparison to States having higher judicial strength per lakh of population.

### 9.5.3 Motivation for Adopting Alternate Methods/Avenues?

More than three-fourths of the respondents had used alternate methods to solve their cases faster or expedite the process in the courts. The urgency to speed the process in the courts is rightly justified by saying "Justice delayed is justice denied".

There were higher number of respondents (44%) in states having low judicial strength used alternate means to get judgment faster, compared to higher judicial strength states (37%). On the other hand, higher number of respondents (33%) in high judicial strength states used alternate avenues to get administrative work done faster compared to respondents (22%) in states having low judicial strength.

**Table 9.8: Reasons for Taking to Alternative Avenues**

(Figures in per cent)

Reasons	Judicial Strength Wise			
	High	Medium	Low	Total
Getting administrative work done faster	33	45	22	38
Getting the judgment faster	37	31	44	35
To get work done on time	15	09	10	10
Gave bribe for bail	00	08	05	06
Other works	15	07	19	11

One-third of the people who had paid bribes, did so for systemic issues like speeding up the case and to get the case listed. This highlights the need for reducing corruption by making the system much more simple, transparent, efficient responsive and accountable. Also periodic independent reviews should be done through surveys.

**Table 9.9: Purposes for Paying Bribe**

(Figures in per cent)

Purposes	Judicial Strength Wise			
	High	Medium	Low	Total
Favorable judgment	30	19	29	23
Speeding up judgment	15	22	29	23
Getting the case listed	11	12	9	11
Other activities (Affidavit, registration etc.)	08	18	22	18
Obtaining bail	08	18	9	14
For manipulating public prosecutor	28	09	12	13
For advance/delay the case	03	11	10	09
For manipulating witness	10	04	06	05

Note Multiple answers.

There were higher number of respondents claiming to have paid bribe for speeding up of judgment in states having low judicial strength as compared to respondents from states having high judicial strength.

#### 9.5.4 Experience of Corruption

While 38% of the respondents had experienced corruption every time they had interacted with judiciary, 53% had experienced it some time or the other. On the other hand, only 5% never experienced corruption.

#### 9.5.5 Modus operandi for Bribing

During the last one year, three-fifths (59%) of respondents had paid money to lawyer, whereas 30% had paid money to court officials, and 14% to middle men to get their work done. There were higher number of respondents claiming to have paid bribe to court officials in states having low judicial strength compared to respondents from states having high judicial strength.

**Table 9.10: Money Paid**

(Figures in per cent)

Money Recipient	Judicial Strength Wise			
	High	Medium	Low	Total
Judge	06	04	04	05
Lawyer	55	64	53	59
Court officials	17	26	44	30
Public Prosecutor	17	05	08	08
Middlemen	17	12	16	14

Note Multiple answers.

Lawyers, who are supposed to uphold law, have ended being conduit for corruption as if there is no monitoring or initiatives on the part of bodies like bar associations. They could put up notice boards to file complaints or give telephone number for passing on information against corrupt lawyers. There is not a single case of a lawyer being suspended for practice on account of such complaints or any effort made to get such corrupt practices enquired into independently. Although cases about delays and even prevalence of corruption in judiciary have been reported, media has never reported giving specific examples of corruption by lawyers.

## 9.6 Service Providers' Concerns

### Concern

- ☞ Shortage of staff: There is severe shortage of staff. Therefore, the workload on the present staff is immense.
- ☞ There is lack of training to staff.
- ☞ Inadequate and obsolete infrastructure (inadequate premises, stationary, forms, absence of computerization, etc.) and poor finances have limited the scope for improvement.
- ☞ Corruption has become part of system in judiciary, as taking or giving bribes nowadays have become normal.
- ☞ Nobody comes forward for registering complains because there is lack of faith and fear of retaliation when there is no evidence.

- ☞ Most people do not visit courts for justice but to save themselves from punishment or help others for this purpose. In both the cases, there is ample scope of corruption as people seek favours.
- ☞ Political interference, false cases by police, and lack of awareness about law and its procedure in the mind of common man hinders justice and create avenues for corruption.
- ☞ There is irregular/low payment to public prosecutors/ staff which makes them take bribes

### Initiative

- ☞ Fast Track Courts have been initiated to dispose of pending cases (Maintenance cost of 1.2 lakh under trials in prisons across the country is estimated at Rs.240 crores a year. The Ninth Finance Commission had estimated that annual recurring expenditure in respect of fast track sessions courts at five per district would be approx Rs.87 crores).
- ☞ Registrar Vigilance for attending Complains – A Registrar of the High Court is appointed for looking into complaints against senior judges. He/she is a judicial officer (civil judge), and has the power of administrative Judge High court.
- ☞ Some states (like Rajasthan, Bihar) have made citizens' charter, that are prominently displayed in courts.
- ☞ Some states have computerized the courts proceedings which has improved efficiency (Karnataka).
- ☞ Quarterly Inspection report is sent to High Courts.
- ☞ Mobile Courts were initiated. These were particularly helpful for solving civil/ small cases in far fetched areas.

## 9.7 Problem Areas in Judiciary

### 9.7.1 Accessibility

- ☞ The judicial system is highly dilatory, expensive and beyond the reach of common man.
- ☞ Ordinary citizens find it hard to seek redress, as litigation is expensive, and extra money has to be given to oil the wheels in the system. Moreover, they have lost their faith and fear due to possible retaliation.

### 9.7.2 Misuse of Power

- ☞ There are few cases where Metropolitan Magistrate issued bailable arrest warrants against individuals in return for an inducement. Recently, a Metropolitan Magistrate in Ahmedabad issued bailable arrest warrants against President of India in return for an inducement of Rs. 40,000.
- ☞ Judicial favour in exchange for personal gains/favours. In Rajasthan, a judge had offered judicial favour in exchange for sexual favours from litigant. Some of these cases were reported prominently by media. But this has not led to any action.
- ☞ As of now, any person making allegation of corruption against a sitting judge can be charged and punished for contempt of court. This is a deterrent.
- ☞ A judge of Delhi High Court was alleged to be involved in corrupt practices with regards to issues of the Delhi Development Authority.

### 9.7.3 Speed and Efficiency

- ☞ Many cases are allowed to drag on for many years.



### 9.7.4 Impeachment

- ☞ The Supreme Court has ruled that no FIR can be registered against a judge, nor a criminal investigation initiated, without prior approval of the Chief Justice of the Supreme Court.
- ☞ Once appointed, a judge of a High court or the Supreme Court cannot be sacked except by a complicated procedure of impeachment, done through members of Rajya and Lok Sabha. This immunity is doubly reinforced by the fact that the procedure is not only cumbersome, but it is also susceptible to political interference. During mid-nineties, Congress regime, a motion for impeachment of Justice V Ramaswami could not be passed in Parliament as Congress abstained from voting.

### 9.7.5 Areas of corruption in the lower courts

In lower judiciary, a variety of corrupt practices are being followed due to lack of accountability. These include

- ☞ Inducements to court officials to loose/ misplace files.
- ☞ Delaying cases or assigning them to corrupt junior judges.
- ☞ Corrupting judges themselves.
- ☞ Bribing opposing lawyers to act against the interests of their clients.
  - Delay in the execution of court orders.
  - Unjustifiable issuance of summons and granting of bails.
  - Prisoners not being brought to court.
  - Lack of public access to records of court proceedings.
  - Unusual variations in sentence.
  - Delays in delivery of judgments.
  - Prolonged service in a particular judicial station.

## 9.8 Suggestions to Improve System

### 9.8.1 Use of Technology

- ☞ A review of court record handling and introduction of modern tracking methods can help eliminate much of the petty corruption, existing in lower courts.
- ☞ Technology can be used to help layman understand laws and information on citizens' rights, spelling out in simple language how to start a business, protect land rights or get a divorce. (e.g. Vietnam, Your Lawyer CD ROM's)
- ☞ Practical measures should be adopted, such as *computerization of court files*. Experience from Karnataka suggests that the computerization of case files helps in reducing immensely the workload of the single judge. It also speeds up the administration of justice.
- ☞ A video recording of all the proceedings in the courts should be maintained. Technology advancements have significantly reduced the cost of recording and storing.

### 9.8.2 Reducing the Gap

- ☞ Judges need to be made more responsive and accountable.

- They must be subjected to a judicial review.
- They are obliged by the law to give reasons for decisions, i.e., it must be speaking order.
- They must write judgment without delay and not merely announce it. There have been instances when judgments were written after a long gap.
- They must follow a code of conduct.
- They are accountable to their peers.
- There must be regular inspections.

### 9.8.3 Associations to Check Corruption

- ☞ The law societies and bar associations must also be encouraged to take stern action against their members who indulge in corrupt activities.
- ☞ Set up a public watch body, comprising of persons of unimpeachable integrity, to keep an eye on the judges and the judicial system,
- ☞ Review and public hearing of certain type of cases which are pending for long.

### 9.8.4 Recruitment

- ☞ Instead of appointment of High court judges from either the Bar or subordinate judiciary, an Indian Judicial Service (IJS) should be created. Judges may then be appointed through nationwide competitive examination. These officials could form the backbone of the subordinate judiciary at the level of District Judges. Most of the High Court Judges can then be drawn from this cadre of competent District Judges.
- ☞ There should be periodic training programs for judicial officers by practicing lawyers and senior judicial officers.
- ☞ The proposed National Judicial Commission (NJC) should have the powers not only to recommend appointments, but also to remove judges in higher courts.

### 9.8.5 Work Environment & Perks

- ☞ Judges should not be given excessive workload, as it affects the quality of work. It also makes them lose interest in job and thereby making them more susceptible to corruption.
- ☞ There is a need for the adoption of a transparent and publicly known (and possibly random) procedures for the *assignment* of all type of cases to particular judicial officers. Procedures with regards to getting copies of various documents and judgements, marriage certificates, revenue records and other matters concerning to common man should be formulated, prominently displayed and popularized.
- ☞ More cases under criminal law may be compoundable.
- ☞ Public prosecutors and other concerned staff should be made accountable.

## 9.9 Guidelines and Code of Conduct

- ☞ Declaration of assets: Judges should publicly *declare their assets* and the assets of their close family members. They should be scrutinized before appointment and monitored from time to time. (Karnataka High Court)
- ☞ *Sentencing guidelines* could significantly help in standardizing criminal sentences and other decisions to a great extent, barring exceptions that may be justified.

- ☞ Making available systems for *alternative dispute redressed and resolution* would give the litigants the possibility to avoid actual or suspected corruption in the judicial branch.
- ☞ *Workshops and seminars* for the judiciary should be conducted to consider ethical issues and to combat corruption in the ranks of the judiciary and to heighten vigilance by the judiciary against all forms of corruption.
- ☞ Widespread *delays are responsible for causing* both opportunities for corrupt practices and the perception of corruption. As per a reliable account, State is the biggest litigant being party in almost three-fifths of the court cases. There are cases by the government either against or between governments. Number of such litigations can be controlled if government administration adopts a 'people oriented' approach. Therefore, practical standards for timely delivery must be developed and made publicly known.

### 9.9.1 Others

- ☞ Faster filling up of vacancies – The existing poor ratio of judges per lakh of population is further affected adversely with the existing vacancies. These must be filled-up at the earliest.
- ☞ Increase number of Judicial Officers – The judge population ratio is abysmally poor. The suitable ratio may be considered as five judges for one lakh of population. (Ref. Malimoth Committee Report, 2003; pp. 1-32)
- ☞ Augmentation for fast track courts - The institution of 'Lok Adalat' established by the Government in its various departments/agencies like DDA, MTNL, etc., and even to resolve 'Power-supply related' controversies, is not vested with powers to give judgements on merits. It decides on the basis of compromise and consent between parties, which is mostly not forthcoming because of the 'struck up' approach followed by govt. Departments.
- ☞ A supervisory and monitoring cell at district courts levels should be set up especially to look into cases of delayed disposal. Cases pending for more than specified period, say three years, with the same judge, should be transferred to another judge with a report from the prior judge on reasons of delay. A monitoring cell should examine the merits of delay. Such transfer should be viewed seriously in assessing the performance of the judge.
- ☞ Strictness of courts in granting adjournments as a matter of routine. Adjournments may be granted only in unavoidable and rare cases.
- ☞ The strength and infrastructure of Courts must be strengthened by allocation of more financial resources. The whole criminal justice system must be considered as a Plan subject as development of the nation is dependent upon the maintenance of law and order.
- ☞ Effect may be given to amendments made in 2002 in the Civil Procedure Code to revamp and cut down procedural delays in administration of justice, particularly in the lower courts. In India, it is observed that while the new system is introduced, the old one continues for a considerable period of time due to lack of orientation.
- ☞ There are a large number of pending cases relating to 'cheque dishonouring'. Though the legal provisions provide for disposal within six months, these cases drag on for several years. If the Court, on prima facie merits of the case, orders the accused to deposit the amount of bounced cheques in the Court, the time taken in execution of decree gets reduced and efforts of such accused to protract proceeding on frivolous grounds gets deterred. Hence, there is a need to sanction and adopt such a practice.
- ☞ A service-specific Citizens' Charter spelling out standards of hassle-free judicial and allied services to be provided to the litigants and other service seekers should be prepared and displayed prominently in all Courts and similar institutions to create awareness amongst the citizens, and in

causing realistic expectations from Courts. It should also spell out standards of those services, which are provided, among others, by Jail Authorities, Public Prosecutors, Lawyers, Notary Public, Oath Commissioners and concerned Police Departments. Such Citizens' Charters should also have a penalty clause on the lines provided in the recently enacted Right to Information Act to create a kind of fear among the service providers if they fail to provide the promised services.

- ☞ A Vigilance Cell for the redressal of public grievances should be constituted to inspire confidence amongst litigants and other service seekers to report cases of bribe and other corrupt practices. Information about the functioning of such Vigilance Cell should be displayed prominently at various places in Courts and other similar institutions.

### Initiative - Karnataka

- ☞ On appointment, a judge attends training in ethics, management, transparency, and public expectations
  - Disclosure of assets: The new judge, before taking up the appointment, declares his or her assets and liabilities (including loans) to High Court Registrar and repeats the declarations every year thereafter. The disclosure includes family members (wife, son, daughter, and parents, if still alive).
  - The Vigilance Commission inspects the returns and makes discreet inquiries about the declarations.
  - Members of the public have access to the declarations.
  - The question of improving conditions of service receives constant attention, and there is a "self improvement scheme" whereby judges at regular intervals attend meetings to interact with each other and to prepare research papers on topics of interest.
- ☞ Checks on the system
  - Cases are allocated to judges on a random basis, and as late in the day as is practicable.
  - Transparency: Streamlined availability of information about cases and files, thus bypassing the lawyers and the court officials who previously had been insisting on payment before they would tell a person the stage his or her case had reached or when it was to be heard in court.
  - The disposal of old cases was continuously monitored to ensure that the numbers declined. Incentives were being provided to the judges who made significant progress in clearing backlogs.

## Case Study – Reforms in Slovakia Justice System

### 9.10 Background

To solve the long delays in processing court cases, together with the perception of corruption in the assignment of cases to judges, the Slovak Ministry of Justice sought to automate and speed the workflow of all lower and higher courts in the country. This system also enabled the random assignment of cases that helped in creating an anti-corruption environment within the judiciary.

#### 9.10.1 Situation

- ☞ Legacy of overwhelming caseloads, lack of resources, insufficient judicial training, and institutional corruption.
- ☞ Court procedures and hearings were complex and drawn-out, and there was no easy access to public registers maintained by the courts.

- ☞ Administrative processes were never coordinated across the system. Since each court simply did its own thing, the system was open to abuse and corruption with the potential for plaintiffs to manipulate to ensure a particular judge would – or wouldn't – preside over their case.
- ☞ Even when courts attempted more objective assignment methods, problems would arise.

### 9.10.2 Solution

- ☞ Reviewed the responsibilities of all judges and administrative staff and conducted an analysis of court cases passing through the system.
- ☞ The court workflow was redesigned with a view to automating as many of the procedures as possible.
- ☞ Local area networks were developed for all district and regional courts, which were then interconnected by wide area network.
- ☞ Administrative staff with more than 1200 judges was equipped with PCs and an overall court case management information system was implemented. The application features a number of modules, including:
  - Case filing, with random assignment of cases
  - Court agenda for Civil Law section
  - Court agenda for Commercial Law section
- ☞ The Court Case Management application integrated with other information systems like legal information systems, commercial register and bankruptcies and recoveries database.
- ☞ The details of civil cases are entered directly into the court case management information system and an electronic file is generated immediately. The petitioner is given a case number and the name of the presiding judge, who is randomly selected by the computer.
- ☞ Every regional court is equipped with a training room, a moveable training center and e-learning tools to train district court staff and judges.
- ☞ The legal information system enables retrieval of laws and regulations, international treaties, court rulings, internal and government directives.

### 9.10.3 Benefits

#### Speeded-up Procedures and Quicker Decisions

- ☞ Impressive improvements in the speed and efficiency of case processing at lower and higher courts throughout the country.
- ☞ Number of steps in processing court cases has been reduced by a quarter.
- ☞ The time needed to locate and retrieve a case file has been reduced to few seconds.
- ☞ Judges could increase their working time by 78 per cent.
- ☞ Reduction in time between filing and first hearing of case is reduced from 73 to 49 days.
- ☞ Reduction in time between first hearing and second hearing from 38 to 16 days

#### More Openness, Less Corruption

- ☞ Increase in transparency and openness in society.

- ☞ Creating an anti-corruption environment in the country's judicial system.
- ☞ All courts in Slovakia are now required by law to use the random assignment of cases, thereby reducing the opportunity for arbitrary action and helping to ensure that the country's judiciary is beyond reproach.
- ☞ Prior to creation of JASPI and commercial register Web sites, the justice system was a 'black box' to many people. Today, the company register is the most popular government Web site in Slovakia, receiving more than 4 million requests.

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## MUNICIPAL SERVICES

### 10.1 Introduction

The focus of the study is on the bribes paid by common citizens to avail services of Municipal Department. The study, however, does not take into account bribes paid by business houses and other institutions to get contracts for various works and services.

### 10.2 Highlights

- ☞ The value of petty corruption in Municipal Services in the country is estimated at Rs. 550 crores.
- ☞ 17.3% of urban households (approx. 92 lakh) claimed to have interacted with Municipalities to get one or the other service during the last one year.
- ☞ Nearly 23 percent of those interacted with the municipality had actually paid bribes. This is estimated be 4.22% (approx. 21.94 lakhs) of total urban households.
- ☞ The average amount of bribe paid to the municipality was estimated to be Rs. 2,509/- per household.
- ☞ There was a variation in the amount of bribe paid depending up on the nature of work. On an average, bribe for building approval was about Rs. 2,614. The average bribe paid for other activities like getting certificates, license renewal, for property survey etc. was Rs. 765/-
- ☞ More than two-thirds (69%) of respondents, who claimed to have paid bribe, had paid money to Municipal officials directly, while 29% had paid money to agents/touts to get their work done.
- ☞ There is not much difference in the quality of service or extent of corruption among the Municipalities irrespective of their sizes.
- ☞ Among those interacted with the Municipalities-
  - More than one-third (38%) had visited Municipality more than four times in the last one year.
- ☞ Nearly three-fourths (73%) opined that there was corruption in the Municipality.
- ☞ Nearly three-fifths (57%) believed that corruption had increased in the last one year.
- ☞ Two-fifths had taken recourse to alternate methods like paying bribe or using influence to get their work done.

### 10.3 Grouping of Cities according to Population

Overall, there are 3,789 municipal towns in India\*. The population-size of these municipalities varies from a few lakhs to more than one crore. It would be interesting to study whether the size of the population serviced by a municipality has any impact on service levels and incidence of corruption. For this purpose, the present study classifies 129 cities covered in the survey into 3 groups namely-highly populated (population greater than 10 lakh), medium populated (population between 2 to 10 lakh) and low populated (population less than 2 lakh) on the basis of population.

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\*(Source: Census of India, 2001).

**Table 10.1: Population-wise Distribution of Cities**

Population	Level	Number of Cities
More than 10 lakhs	High	19
2 to 10 lakhs	Medium	50
Less than 2 lakhs	Low	60

## 10.4 Type of Harassment

Nearly two-fifths of respondents had to make more than four visits to the municipal office to get their work done. In case of municipalities serving smaller populations, only one-thirds respondents had to make more than four visits, compared to 40% in case of bigger municipalities.

**Table 10.2: Number of Visits Made to Municipality**

(Figures in per cent)

Frequency	Cities Population-wise			
	High	Medium	Low	Total
Once	23	21	12	20
Twice	17	18	25	19
Three times	10	10	16	11
Four Times	10	11	14	11
More than four times	40	40	34	39

### 10.4.1 Purpose of Visits

About 38% of respondents visited municipal offices in order to make payments of either property tax or development charges. These visits can easily be reduced significantly by either adoption of e-technology, contracting banks or simply having drop boxes for payment wherever possible. Another 10 per cent respondents had come to municipal offices for assessment of property tax. Here again, if rules were made simple, easily understandable and widely publicized, people would be able to make self-assessments and file their returns.

**Table 10.3: Purpose of Visits**

Purpose of Visit	Per cent
Payment of property tax	36
Building plan approval	17
To complain against services	14
Birth / death certificate	13
Assessment of property tax	10
Modification in building plan	09
Payment of development charges	02



### 10.4.2 Frequency of Visits

About 60% of the respondents had to visit repeatedly to get their work done while about 40% were successful in their first visit to municipal offices. Hence, nearly half of the visits to municipal offices can be reduced by taking simple steps like introducing e-technology. This would ease the pressure on infrastructure to a considerable extent and also limit the interface between staff and public, thereby reducing opportunities for corruption or harassment. Municipalities serving smaller population performed marginally better than bigger municipalities.

#### 10.4: Population-wise Status of Work

(Figures in per cent)

Status of work	Cities: Population-wise			
	High	Medium	Low	Total
Work has been done	49	52	53	51
Given assurance that work will be attended to	05	03	08	05
Have to come again	44	41	39	41
Not sure	02	04	-	03

### 10.4.3 Reasons for Repeated Visits

More than half of respondents had to make repeated visits to municipal offices due to manpower related reasons (like officer not available or uncooperative), whereas 47% had to make repeated visits because of inadequate information (more clarifications/formalities or incomplete application). Most of the respondents (including well educated individuals) found the procedures and forms to be very complicated and cumbersome and very often people had to seek help from middlemen.

**Table 10.5: Reasons for Repeated Visits**

Reason for repeat visit	Per cent
Absence of Staff	37
Non-cooperation by staff	16
Have to come again for clarifications/formalities	38
'Incomplete' application	09

If procedures/forms could be simplified, prominently display of the sample of a duly filled-in forms, and formalities to be followed and documents required made widely publicised and available, a lot of these repeated visits can be avoided.

### 10.4.4 Common Irregularities

Even though there is a staff for sweeping and upkeep of roads in every locality, they are seldomly cleaned. Very often people have to pay extra money to get the streets/sewages cleaned. The staff is only accountable to the municipal officials, who take little interest in it and, instead, accept a percentage of their staffs' salary for their absence. There is no accountability of the personnel towards the people. Another very common irregularity faced by people interacting with municipalities is delays in approval of building plans. Very often these delays are a precursor for asking bribes.

**Table 10.6: Common Irregularities**

Irregularities	Per cent
Roads/locality is seldom cleaned	65
Delay in building plan approval	59
Nexus between officials and middlemen	55
Officials' harassment for bribes	48

**Note:** Multiple responses.

Of late, there have been some experiments where the management of services like cleaning, lighting etc. was handed over to Residents Welfare Associations. This brings direct accountability to the stakeholders and has improved quality of service.

## 10.5 Perception about Corruption

### 10.5.1 Is Municipality Corrupt?

Nearly three- fourths (74%) of the respondents interacting with the municipality, agreed that there was corruption in the operations of municipality, while only 7% respondents felt there was 'no' corruption.

**Table 10.7: Perception of Corruption in the Department**

(Figures in per cent)

Perception of Corruption	City Population-wise			
	High	Medium	Low	Total
Disagree	08	06	06	07
Neither Agree Nor Disagree	14	14	21	17
Agree	75	78	71	74
Can not say	03	02	02	02

Substantial number of persons among those who had to visit repeatedly opined that there was a corruption in the department. More than four-fifths of those who had to visit more than four times, had agreed that there was a corruption in the Municipality as against three-fifths of those who had to visit only once. This shows that there is clear co-relation between number of visits and perception as well as extent of corruption.

### 10.5.2 How Committed is the Municipality to Bring Down Corruption?

Over three-fifths of the respondents, who had interacted with the municipality, believed that it was not committed in fighting corruption, However, nearly one-fifth believed that municipality was committed to reduce corruption.

**Table 10.8: Level of Commitment to Reduce Corruption in the Department**

Perception of Corruption	Cities Population-wise			
	High	Medium	Low	Total
Not committed	57	63	59	59
Indifferent	16	14	20	17
Slightly committed	22	17	18	19
Can not say	05	06	03	05

## 10.6 Experiences in Municipal Services

### 10.6.1 Efficiency of Service Received and Difficulties Faced

About three-fifths of those who visited the municipality termed municipal services as poor against only one-fifth who were happy with the services. The prime reasons for poor rating of service was due to non-cooperative attitude of staff, prevalence of corruption and frustration on account of repeated visits required to avail the services.

**Table 10.9: Experience of Corruption the Department**

(Figures in per cent)

Perception of Corruption	Cities Population-wise			
	High	Medium	Low	Total
Every time	31	24	22	26
Some times	34	42	31	37
Only few times	10	19	18	16
Never	21	11	23	19

More than three-fifths of the respondents reported to have faced corruption in their dealings with municipalities. The experience of corruption was much more prevalent in bigger municipalities than the smaller one.

### 10.6.2 Service For Which Bribes are Paid For

Building plan approval is the single most important contributor to corruption in municipalities. More than half of the respondents paid bribes either to get their building plan approved or modified. Some of these respondents could also be people trying to get building plans approved which do not confirm to the rules.

**Table 10.10: Service for which Bribe is Paid: Population-wise**

(Figure in per cent)

Perception of Corruption	Cities Population-wise			
	High	Medium	Low	Total
For get building approval	42	40	46	42
Making modifications in houses	05	12	10	9
Ignoring unauthorized construction	03	03	01	02
Others (getting certificate, renewal of license, property survey)	31	33	31	32
For reducing property tax	15	12	13	13
Reducing penalty on delayed property tax	08	11	06	09
For getting plots in auction	03	03	03	03

Similarly, nearly two-fifths of those coming for assessment of property tax had experienced corruption. Also, one-fourth of respondents paid bribes to avoid penalties for flouting norms, e.g., delay in property tax submission, getting property tax reduced or ignoring unauthorized construction, etc.

### 10.6.3 Modus Operandi for Bribing

More than two-thirds (69%) of the respondents, claiming to have paid bribe, had paid money to municipal officials, while 29% had paid money to agents/ touts to get their work done.

## 10.7 Service Providers' Perspective

### Concerns

- ☞ Shortage of Staff - Vacancies caused, due to death or retirement, are not filled-up. This increases workload on present staff, resulting in delays.
- ☞ Shortage of Finances – Tax collected from various sources is not adequate to cover expenditure. Moreover, government's grants are insufficient even for development works.
- ☞ Employees are not provided with any training, and are, most of the time, unaware of the procedures for various works.
- ☞ There is lack of coordination between various departments of municipalities.
- ☞ Decision making authority is centralized and restricted to senior officials, which results in delay in work.
- ☞ People/shopkeepers illegally occupying and/or, making constructions on public land offer bribe during inspections/ demolitions to the municipal officials.
- ☞ Politicians and other influential people meddle in departmental affairs, like providing them/ others with favours.

### Initiative

- ☞ Organizing Training for Staff– Trainings are organized on efficient service delivery, improving communication skills, and creating awareness about the Rules and Regulations (Solapur).
- ☞ Registration of Complaints – Facility of online/ telephonic (toll free) registration of complaints is provided along with setting-up of anti-corruption cell within the Department, for quick redressal of grievances.
- ☞ Full computerization of departmental procedures to increase efficiency and reduce delays (Shimla Municipal Corporation).
- ☞ Regular checking/ inspections/ visits by senior officials to help in reduction of corruption.
- ☞ Simplification of procedures and transparency in work.

## 10.8 Service-Specific Problems

### 10.8.1 Building Plan Approval

- ☞ Long delays in getting approval of plans.
- ☞ Bribes for approval of building plans.
- ☞ Delays in getting completion certificates.
- ☞ Bribes for issue of completion certificates.

### 10.8.2 Property Tax

- ☞ The process of property tax is non-transparent and complex. Thus, corruption prevails in

assessment of property taxes.

- ☞ Bribe is paid to reduce property tax.
- ☞ At times, the taxpayer is not aware about his/her dues, as payment notice is not delivered in time. It results in action against tax-payer and thus lead to corruption.
- ☞ On several occasions, the bill collector is not available for receiving payments and other public servants are reluctant to serve. Thus bribe is paid to save time and expenditure on revisits.

### 10.8.3 Sanitation

- ☞ No heed is paid to prevailing unhygienic conditions, sewer, waste disposal, etc. in the city even after repeated petitions or pleas.
- ☞ People face many problems in receiving of basic services like sanitation, removal of garbage, cleaning of drains, etc.
- ☞ Payment is made to local cleaner, scavenger, Safai Karamchari (Jamadaar) for attention.

## 10.9 Suggestions to Improve Service Delivery

### 10.9.1 Building Plan Approval

- ☞ At the moment, Municipality is both the regulator and the service provider. There is need to separate the two aspects. The Municipality should limit its role to regulation, i.e, prepare a simple criteria and guidelines for approval of building plans.
- ☞ The Municipality should transfer the approval of building plans to registered Architects. The Architects should be asked to approve building plans. Each plan should contain the name of the firm, license number of the firm and name of the Architect who approves the plan.
- ☞ The Architect firm should be responsible for ensuring that the building is built as per approved plans. They should also issue the completion certificate.
- ☞ The Municipality should randomly audit the work of all these registered firms / architects. Strict action should be taken against any firm or individual found violating guidelines set out by Municipality.
- ☞ The charges for the approval of the plan should be fixed by the Municipality and revised from time to time, and citizens be informed accordingly.
- ☞ The list of registered Architect firms should be published and made readily available to the public. The list of registered Architect firms can also be put on the website.

### 10.9.2 Property Tax

- ☞ Voluntary Tax Assessment based on the Unit Area method depending on location, nature of usage, built-up area, year/period of construction and range of Municipal services available. This has been adopted in several cities including the Delhi Municipal Corporation. It has facilitated the proper assessment and payments of property tax.
- ☞ Involvement of
- ☞ Residents Associations in organizing property tax camps for educating the citizen and collection of taxes.

### 10.9.3 Civic Amenities

- ☞ Transfer certain funds to Ward Committees or Resident Welfare Associations (RWA) to undertake maintenance & repair works in their area. This is already being done in certain localities of Delhi.

- ☞ In case funds are not transferred as suggested above, then Ward committees or Resident Welfare Associations should be eligible to certify satisfactory completion of work before the payments are released to contractors.
- ☞ Privatize maintenance and operation of certain civic amenities like public toilets on the Sulabh Model.
- ☞ The Safai Karamcharis should be accountable to RWAs. Suitable modalities by the system be worked out.

#### 10.9.4 Use of Technology

- ☞ E – Governance - Citizens can check the status of their Property Tax at a particular instant of time and also pay them online.
- ☞ Make payments at Kiosk as in the case of e-Seva in Hyderabad.
- ☞ Computerization of all records for speedy execution of work.

#### 10.9.5 Citizens' Charter

- ☞ Service-specific Citizens' Charters should be drafted in consultation with all stakeholders like RAWs, NGOs and other service providers.
- ☞ Services standards, including time frames, should be indicated for various services and adhered to. Penal provision for non-delivery of the promised services should be specified in the Citizens' Charter, particularly in view of recently enacted Central Right to Information Act.
- ☞ Citizens should be made aware of the provisions of the Citizens' Charters, and have easy access to the provisions.
- ☞ Independent audit of performance of the Municipality against standards mentioned in the Citizens' Charters should be taken up annually and made public.

#### 10.9.6 Feedback

- ☞ Citizens' Report Card (on the lines of Bangalore Municipal Corporation) can be done for measurement of periodic customer satisfaction that also pinpoints specific areas of short falls and corruption.
- ☞ Disciplinary enforcement should be implemented strictly and action should be taken against the employees who are at fault or caught.

#### 10.9.7 Independent Grievance Redressal Cell

- ☞ Every Municipal Office should have a Grievance Redressal Cell headed by a public Ombudsman of unimpeachable integrity.
- ☞ Such Cell should have power to make random checks and probe, if there are any lapses or practices causing problems for the service seekers.
- ☞ Cases received and addressed should be prominently displayed and progress monitored to improve the confidence of public.

#### 10.10 Initiatives

Different cities have adopted different models to improve the working and efficiency of respective municipalities. For example, Saukryam by Vishakhapatnam Municipality, accounting innovations by Bangalore Municipality, and Bhagidari in Delhi. Some of these cases are discussed below for understanding the possible models and results achieved so far by them.

### 10.10.1 e-governance “Saukaryam”

Vishakhapatnam Municipality introduced an online information service to enable residents of Visakhapatnam to make their payments for municipal services at select banks in the city. It also allows them to file complaints, and check status of various projects being taken up by the Municipality.

- ☞ Website was designed through which citizens could access information about Municipality.
- ☞ Facilitated online registration of complaints, tax payment and many more services. As an alternative, City Civic Centers have also been set up in the city. (Similar Citizen Service Bureaus are being set up by the Delhi Municipal Corporation).
- ☞ Property Tax dues along with birth and death records can be obtained out instantaneously.
- ☞ Applicants can check status of their building approval applications online.
- ☞ Citizens can track status of their complaints and grievances through Internet or by visiting the Civic Center.
- ☞ It also gives online information as to how the property tax liability is arrived at, related procedures, building rules & regulations, etc.
- ☞ The website is linked to the Municipality internet, which enables Municipal officials to access official information from anywhere.

#### Outcomes

- ☞ Saukaryam scheme has enabled municipality to know on real time, demand and collection of ward-wise Municipal dues.
- ☞ The information database helped in monitoring large number of pending files and to prevent delinquents to escape.
- ☞ As the system also provides an automatic posting of penal interests for delayed payments, the discretion of tax collectors in waving such amounts gets eliminated. This improved tax collection efficiency.
- ☞ The Citizens' Forum acts as a virtual meeting place for the citizens who are freely airing their views for the city development. Many call centers catering to project are coming up, which reflects popularity of system.

### 10.10.2 Municipal Budgeting & Financial Management in Bangalore Mahanagara Palike (BMP)

BMP implemented the following two important initiatives to simplify the procedures and processes for assessment of property taxes -

- ☞ Self-Assessment Scheme (SAS) aims at making the process of payment of property taxes more transparent, easy, and simple.
  - SAS is area-based system of property taxation which replaces the earlier system based on annual rental value of properties.
  - BMP brought a comprehensive booklet explaining the tax computation procedure with extreme clarity. Amendments in Municipality Act required BMP to follow new self-assessment scheme based on capital value of properties, one of the most progressive systems.
- ☞ Saral Khata Scheme (SKS):
  - 'Khata' is an account of assessment of a property, recording details such as size, location and built-up area for the purpose of property tax.
  - It is an important document for all property owners as it is required for many transactions

such as obtaining trade licenses, bank loans, etc.

- The scheme considerably simplified the process of applying for a khata.

- ☞ Issuing an Information booklet to explain the procedure in a transparent and clear manner.
- ☞ Reducing the number of documents required for obtaining a khata..
- ☞ Simplifying the application forms.
- ☞ Transparent rates of taxation.
- ☞ Issue of khatas within a specified time schedule.

### Impact

- ☞ Impact of SAS: Out of 4 lakh properties in the city, 2.3 lakh property owners opted for the SAS in the first year. Subsequently, another 60,000 owners have used this facility.
- ☞ Impact of Saral Khata Scheme: BMP officials have claimed that response has been very good. In 2002-03, about 2000 khata booklets were sold.
- ☞ Impact on property tax collection: The BMP's property tax collection showed a significant increase in 2000-01 over the previous year. This was mostly the effect of the Self Assessment Scheme. Growth trend of BMP's property tax revenues has doubled over a period of five years.

### 10.10.3 Increase in Municipal Revenues: Indore Municipality

- ☞ Taxpayers provide information about their property, such as location, size, age, and use, into a formula-based programme that calculates what they owe. They also help citizens to understand how their taxes are calculated.
- ☞ IMC decentralized collections by introducing cash collection counters in 11 zonal offices and strengthened collection by staff in the field.
- ☞ People-friendly collection systems helped motivate citizens to pay taxes.
- ☞ City officials also engaged citizens through e-governance. In addition to viewing the city's website, citizens could submit questions, suggestions and grievances and receive responses via e-mail.
- ☞ Revenue collection increased due to simplified and more equitable assessments, better administration, increased coverage and billing, and more efficient collections and enforcement.

### 10.10.4 BHAGIDARI: 'Citizen-Government Partnership'

As an Initiative for improving governance, the Government of the National Capital Territory of Delhi introduced the concept of 'Bhagidari' (**Citizen - Government Partnership**) to involve all the stakeholders as 'partners'. The issues that have been taken up by the Municipal Corporation of Delhi (MCD) are as follows:

- ☞ House tax collection by interested RWAs.
- ☞ Maintenance of community parks through RWAs.
- ☞ Management of Community Hall through RWAs.
- ☞ Sanitation services to be supervised by RWAs.
- ☞ Information on Sanitary staff to be given to RWAs
- ☞ Imposition of fine on littering in co-operation with RWAs
- ☞ Desilting of nallahs
- ☞ Removal of stray and dead animals from colony
- ☞ Maintenance of Roads and Back Lanes on regular basis



## RURAL FINANCIAL INSTITUTIONS

### 11.1 Introduction

The focus of the study is on the bribes paid by common citizens in rural areas to avail services of Rural Financial Institutions.

### 11.2 Highlights

- ☞ The total monetary value of petty corruption in the Rural Financial Institutions is estimated to be Rs. 1543 crore per year.
- ☞ The average outgo on account of corruption is Rs. 1983 per household per year
- ☞ 28 per cent of the rural households (4.1 crore) avail the services of rural financial institutions. Punjab, Andhra Pradesh and Karnataka have significantly higher penetration of rural financial institutions compared to the rest of India.
- ☞ Among those who interacted with Rural Financial Institutions 19 per cent (0.78 crore households) have claimed to have paid bribes during the last one year.
- ☞ 43 per cent perceived them to be corrupt. The situation was particularly worse in Madhya Pradesh, Bihar and Rajasthan.

### 11.3 Interaction with the Institutions

Nearly half of the rural households (4.1 crore), who interacted with the Rural Financial Institutions, contacted them to seek loans, followed by 42 per cent for withdrawal, deposits, etc., and 11 per cent for requesting to defer loan repayment.

**Table 11.1: Reasons for Interaction**

Reasons for interaction	Per cent
To seek loan	47
Routine transactions (withdrawal, deposit etc)	42
Request to defer loan repayment	11

### 11.4 Purpose of Loans

Of the people seeking credit, 76 per cent wanted it for productive purposes, and 24 per cent for non-productive purposes. Long-term productive purposes like buying cattle or farm machinery accounted for only 20 per cent, while the rest 80 per cent was for short-term requirements like purchase of seeds, fertilizers, etc. Non-productive purposes include house-building and house-hold expenses.

**Table 11.2: Purpose of Loans**

<b>Purpose of loan</b>	<b>Per cent</b>
A. Productive	76
(i) Long-term needs like buy cattle, farm machinery, etc.	20
(ii) Short-term needs like agricultural expenses like purchase of seeds, fertilizers, etc,	80
B. Non-Productive	24
(i) Long-term like House building etc.	36
(ii) Short-term household expenses	64

More than 80 percent of the households seeking a loan had monthly household income of less than Rs. 5,000.

### 11.5 Perception about the Quality of Services

Overall, half of those who interacted with the Rural Financial Institutions rated the services as Good. The perception about quality of services was considerably better In Gujarat, Andhra Pradesh and TamilNadu than the national average, while in Bihar and Madhya Pradesh it was much lower.

**Table 11.3: Quality of Services**

<b>Perception</b>	<b>Per cent</b>
Very poor	8
Poor	15
Neither poor; nor good	18
Good	50
Very good	9

### 11.6 Perception about Prevalence of Corruption

More than two-fifths of those interacted with the Rural Financial Institutions opined that there was corruption in these institutions. Prevalence of corruption in Kerala was perceived to be very low with only 8 percent of those interacted with rural financial institutions told that there was corruption possibly due to higher rate of literacy. Corruption was perceived to be widespread in the Rural Financial Institutions in Rajasthan, Bihar and Madhya Pradesh.

**Table 11.4: Corruption Perception**

<b>Is there corruption?</b>	<b>Per cent</b>
Strongly disagree	17
Disagree some what	17
Neither agree, nor disagree	23
Agree some what	25
Strongly agree	19

## 11.7 Type of Harassment

Nearly three-fifths of those who wanted to take loan from the institutions had to make four or more visits before their loan was sanctioned.

## 11.8 Common Irregularities

Nexus among the bank officials and the local moneylenders was a very frequent problem faced by more than half of the people seeking loan from Rural Financial Institutions (RFI). Traditionally, these people have been taking loans from the local moneylenders at very high rates of interest. To gain this lucrative business back, the moneylenders often bribe to the bank officials for not sanctioning loans so that people are forced to come back to them.

RFI credit is considered much cheaper (even after including the bribes one has to pay to get it) than the credit from the moneylenders. In the scenario where the supply is invariably less than the demand; influence on the bank officials becomes a major tool for getting loans. So very often, the limited amount of money available through RFI are cornered by a few influential people (who incidentally also are the biggest defaulters).

More than two-fifths of the respondents reported that Bank officials also demand bribes to sanction loans even if all the requirements are being fulfilled. People still looked at it as a premium that one is paying bribe to get considerably cheaper credit than the credit from moneylender. In fact, the bribe amount is determined by the difference in the interest rates of formal and informal credits. So that a reduction in the formal interest rate may lead to an increase in the bribing rate.

**Table 11.5: Irregularities**

<b>Common irregularities</b>	<b>Per cent</b>
Nexus among bank officials and local money lender	52
Loans are cornered by a few influential people	44
Bribes are demanded to sanction loans	43

Note: Multiple Reply

## 11.9 Experience of Interaction with the RFI

Nearly one-fourth of those interacted with the Rural Financial Institutions had to get their work done using alternative process. Predominantly, the reason for using alternative method was their inability to get their work done in the normal courses. More than half of those using alternative methods paid bribes to get their work done.

### 11.9.1 Extent of Corruption

Nearly One-third of those interacted with the Rural Financial Institutions faced corruption very often in their dealings with the institution.

**Table 11.6: Extent of Corruption**

How often you face corruption?	Per cent
Every time	10
Some times	22
Only few times	22
Never	45

### 11.9.2 What services do they pay for?

One has to pay bribe at two levels first to get the loan sanctioned, and than to get it disbursed. More than 80 per cent of corruption happens as additional payments to the bank officials to get loan from the financial institutions. Bribes have to be paid (often in addition to influence) to get the loans sanctioned even if all the requirements have been fulfilled. In some cases, officials take advantage of the ignorance among loan seekers (especially the poorer ones) by misleading them that they are not eligible for a loan and demand money for sanctioning the loan. In some cases, the bank officials sanction loans after passing the criterion by accepting bribes.

**Table 11.7: Services Required**

Services	Per cent
Additional money to get loan	81
Money for documentation	12
Additional money for surety	4
Additional money to defer loan repayment	3

Documentation required to get a loan or even to open a bank account is pretty cumbersome requiring the assistance of a middleman. In case one does not have proper documents, which is often the case in rural areas (especially the property titles), these middlemen get the work done using their connections and by paying bribe to the bank officials.

## **11.10 Suggestions for Improving Services**

### **11.10.1 Deregulation of Interest Rates**

Regulated interest rates catalyze corruption in two ways:

- ☞ Low profitability (as a result of low interest rates) restrict supply, hence creating scarcity of formal credit
- ☞ Very high interest rate differential between formal and informal credit, creates incentive for corruption to avail formal credit

Currently, the supply of formal credit to rural areas is low because it is not considered by banks to be profitable enough at the prescribed interest rates. If interest rates were deregulated, it would create an enormous profit pool, given the size of the market, attracting larger flows of money.

The differential between interest rate in formal and informal sectors presently is very high. In conjunction with short supplies the differential creates incentives for people to pay bribe or use influence to avail formal credit.

### **11.10.2 Tackling delays**

Delaying loan sanction is a very common way of extracting bribes from loan seekers. There is no limitation on the time a loan application would be processed. Hence, a Citizens' Charter should be formulated, in consultation with all the concerned services seekers, service providers and the concerned NGOs, spelling out the standards of services rendered by them. These should be prominently displayed to create awareness among the public. Besides, an upper time limit should be fixed for processing a loan application, reducing official's power to delay and extract bribes.

### **11.10.3 More transparency**

In many instances people pay bribes to get loan even when they are otherwise eligible for the loan because they are not aware about the procedures and requirements and are at the mercy (as they perceive it) of the officials. Standards of various services, including eligibility, terms and conditions of loans, documentation required and repayment rules should be displayed prominently in all the rural institutions in the vernacular language to increase awareness and reduce the vulnerability of loan seekers.

### **11.10.4 Simplification of procedures**

The formalities and procedures for application of loans are very complex and cumbersome. Most loan seekers have to take recourse to the middlemen for filling up of forms and arranging necessary documents. The problem is compounded because most of these loan seekers in rural areas are uneducated, unexposed and in most cases need the money urgently.



# BIHAR

## Highlights

### Sample

This Study was conducted in this State with a sample of 795 respondents comprising 512 in rural areas and 283 in urban areas spread over the whole of State.

### All India

Going by the composite ranking of States on corruption involving common citizens and in the context of eleven public services, Bihar (Composite Score-695) is considered as the most corrupt State among the 20 States under Study. On all parameters and in the context of all the eleven services, Bihar continues to be most corrupt State.

### Within State

All the services studied have been ranked among the most corrupt services. Incidentally, Bihar is at the lowest (0.828) on the Education Development Index as compared to Kerala, which has been perceived the least corrupt, has the highest score of 1.436. Among the various services in the State, Land Administration (securing the maximum (82) Composite Index Value) is considered the most corrupt, followed by Police (78), Judiciary (76) and the Municipal Services (72).

This order was confirmed with the Corruption Perception of the respondents as they placed Land Administration and Police (both at 96%) as the most corrupt Departments, followed by Judiciary (94%) and Municipalities (90%). Incidentally, it may be mentioned that there were 70,189 non-bailable warrants pending to be executed in Bihar, according to a news item appeared in the Times of India on August 26, 2005. Besides, a TV channel reported in August 2005 the involvement of a large number of police personnel in criminal activities.

Since the quality of their services is worst among all the services, the common man has no choice but to shell out money out of his pocket to avail these unavoidable services, as is evident from the bribing experiences of the respondents.

Further, the respondents are very much pessimistic about the possibility of reduction of corruption.

According to an article on Corruption, published in Prabhat Khabar's 'Bihar Special-2005', D P Yadav alleged that 70 per cent of total annual allocation for rural development is siphoned off, and the rest 30 per cent is finished in floods. As a result, every District Collector earns two crores of Rupees every year in bribes. And when the Collector is corrupt, then his subordinates are bound to be involved in corruption.

The above Survey findings are further supported from the Statement of Union Finance Minister Shri P. Chidambaran. While moving vote-on-account for government expenditure in Bihar on August 16, 2005, he commented that 'he did not think that money is a constraint, but there is a need of good governance, accountability and appropriate expenditure'.

Table No. 1.1: Bihar - Ranking of Public Services

(Figures in Percent of Respondents)

Department	Direct experience of bribing	Quality of service is poor	Using influence/middlemen	Perception that department is corrupt	Lack of Commitment to reduce corruption	Perception increased	Composite Index Value
<b>NEED BASED</b>							
RFI*	49	56	35	77	77	59	59
Income tax (Individual Assesseees)	61	43	20	78	37	59	59
Municipal Services	62	72	46	90	72	84	72
Judiciary (Lower)	74	70	46	90	72	84	72
Land Administration	83	70	37	96	75	93	82
Police	67	84	34	96	82	86	78
<b>BASIC</b>							
School (Upto 12th)	36	42	18	78	35	65	50
Water Supply	17	50	00	90	29	90	47
PDS/Ration (Card/Supplis)	24	67	09	91	64	74	53
Electricity (Consumers)	37	62	23	89	63	79	59
Government Hospitals	45	58	25	85	57	76	60

\*RFI -Rural Financial Institution



### Households Paying Bribes in Bihar

The number of households estimated to have paid bribes during the last year is estimated to be maximum in Education Department (21.7 lakh), followed by Electricity (20.4 lakh), Govt. Hospitals (19.7 lakh), Public Distribution System (13.9 lakh), Judiciary (13.3 lakh) and Land Administration (12.5 lakh) Departments.

**Table No. 1.2 : Estimated No. of Households Paid Bribes**

Department	No. of Households Paid Bribes
Electricity	2036885
Education (Up to 12 <sup>th</sup> )	2175653
Hospital	1969874
Income Tax	474880
Judiciary (Lower)	1336700
Land Administration	1248760
Municipal Services	967349
Police	1125642
Water	11960
Rural Financial Institutions	633174
Public Distribution System	1389465

Such a situation may be attributed to the common man's most frequent interactions with these service providers as compared to other services.

## JAMMU & KASHMIR

### Highlights

#### Sample

This study was conducted in this State with a sample of 555 urban respondents spread over the State.

#### All India

Going by the composite ranking of States on corruption involving common citizens and in the context of eleven public services, Jammu & Kashmir (composite score 655) is the second most corrupt State - next only to Bihar - in India. Except Government Hospital and Rural Finance Institutions, most other services rank among most corrupt services in the country.

#### Within State

Among the various Departments in the State, 95 per cent of the respondents conceived Police as the most corrupt Department, followed by Judiciary (92%), Land Administration (90%), Municipalities (89%) and Public Distribution System (87%). Except Rural Financial Institutions (having a perception of 46%), other departments are also perceived more or less corrupt having a percentage of more than half of the respondents.

Such a percentage of corruption has increased substantially in respect of Judiciary (86), Police (84), Land Administration (77), Public Distribution System (71) and Electricity (60) during the last one year.

Services particularly of Police (91%), Judiciary (81%), Municipal Services (77%), Land Administration (71%), Electricity (63%) and Public Distribution System (55%) were found quite deficient. As a result, the proportion of respondents having direct experience of bribing is quite large in the above-mentioned services.

Further, these respondents found little commitment to reduce corruption on the part of the concerned authorities. All these 7 perceptions are also reflected in the Composite Index Value of all these deficient services. Thus, not surprising, J&K is the second most corrupt State.

Table No. 2.1: Jammu &amp; Kashmir-Ranking of Public Services

(Figures in Percent of Respondents)

Department	Direct experience of bribing	Quality of service is poor	Using influence/middlemen	Perception that department is corrupt	Lack of Commitment to reduce corruption	Perception increased	Composite Index Value
<b>NEED BASED</b>							
Rural Financial Institution	17	27	15	46	46	31	29
Income tax (Individual Assesses)	68	48	18	73	58	48	61
Municipal Services	76	77	10	89	86	76	77
Judiciary (Lower)	96	81	09	92	88	86	87
Land Administration	84	71	11	90	71	77	78
Police	73	91	18	95	87	84	81
<b>BASIC</b>							
Schools (Upto 12 <sup>th</sup> )	13	27	09	53	38	28	27
Water supply	54	45	05	69	52	49	53
PDS (Ration card / supplies)	67	55	14	87	78	71	69
Electricity (Consumers)	49	63	8	78	69	60	58
Govt. Hospitals	23	23	20	54	53	48	34

### Households Paid Bribes in Jammu & Kashmir

The number of households estimated to have paid bribes during the last one year is estimated to be maximum in Police (2.6 lakh), followed by Judiciary (2.2 lakh), Electricity (2 lakh), Municipal services (1.5 lakh), Water Supply (1.1 lakh) and Govt. Hospitals because of most frequent interactions of the common man with these services as compared to other services.

**Table No. 2.2 : Estimated No. of Households Paid Bribes**

Department	No. of Households Paid Bribes
Electricity	200657
Education (Up to 12 <sup>th</sup> )	50871
Hospital	101742
Income Tax	42392
Judiciary (Lower)	223267
Land Administration	90437
Municipal Services	152613
Police	265659
Water	115873
Rural Financial Institutions	20745
Public Distribution System	81959

### Government Initiative to Curb the Corruption

On August 26, 2005, the Government of Jammu & Kashmir notified the appointment of Justice R.P. Sethi, a retired judge of the Supreme Court, as the first chairman of the State Accountability Commission to curb the corruption in the State. The Commission would have the right to investigate the corruption cases against any Government officials under State Jurisdiction even the Chief Minister of J & K. To facilitate its functioning, the Commission would have three Wings, namely, Administrative, Legal & Enquiry, and Investigation.

The Chairman of the Accountability Commission is reported to have said that, unlike other Commissions, it will function like a Court. After the charges are proved, the competent authority will be recommended to take action against the accused.

# MADHYA PRADESH

## Highlights

### Sample

This Study was conducted in this State with a sample of 694 respondents (450 from urban and 244 from rural areas) spread over whole of the State.

### All India

Despite initiating some reforms in service delivery, Madhya Pradesh still ranks as third most corrupt State, having 584 Composite Score, among the 20 States included in the Survey. Only Municipal services are ranked relatively better than other services. Among all the eleven services under Study, Composite Index Value is maximum (around 72) for the Land Administration, followed by Police and Judiciary.

### Within State

Police, Judiciary, Land Administration, Municipal services, Electricity, Water Supply and Hospitals are perceived as among the most corruption Departments.

Services in almost all the State Departments are considered as 'Poor'. A large number of respondents have the direct experience of bribing in the departments of Land Administration, Judiciary and Police. Respondents feel that corruption has increased during the last one year.

It is very surprising that despite the introduction of Rogi Kalyan Samiti (RKS), i.e., Community participation in hospital management, Government Hospitals continue to perceive as corrupt by 81 per cent respondents.

### State's initiatives for Good Governance

There have been state's initiatives for good governance in various services, including the hospital management and Indore Municipality's efforts to increase its revenues. An initiative to improve hospital management is through community participation scheme, titled as 'Rogi Kalyan Samiti' (RKS).

(Details about these initiatives can be seen in the chapters on respective services in Part II of this Report.)

Table No. 3.1: Madhya Pradesh-Ranking of Public Services

(Figures in Percent of Respondents)

Department	Direct experience of bribing	Quality of service is poor	Using influence/middlemen	Perception that department is corrupt	Lack of Commitment to reduce corruption	Perception increased	Composite Index Value
<b>NEED BASED</b>							
Rural Financial Institutions	23	57	27	72	72	57	47
Income tax (Individual Assesses)	20	49	60	76	71	53	46
Municipal Services	29	70	37	80	63	70	54
Judiciary (Lower)	58	82	37	88	80	85	72
Land Administration	72	65	72	87	50	68	73
Police	51	89	49	94	75	88	72
<b>BASIC</b>							
Schools (Upto 12 <sup>th</sup> )	09	30	12	50	41	52	28
Water supply	20	54	26	82	61	69	48
PDS (Ration card / supplies)	16	60	19	71	70	56	43
Electricity (Consumers)	18	68	16	87	72	77	51
Govt. Hospitals	17	64	29	81	72	75	49

### Households Paid Bribes in Madhya Pradesh

The number of households estimated to have paid bribes during the last year is estimated to be maximum in Electricity (9.9 lakh), followed by Judiciary (8.9 lakh), Government Hospitals (7 lakh), Police (6.6 lakh), Land Administration (4.4 lakh) and Municipal Services (3.7 lakh) because of most frequent interactions of the common man with these services as compared to other services.

**Table No. 3.2: Estimated No. of Households Paid Bribes**

Department	No. of Households paid Bribes
Electricity	9,91,265
Education (Up to 12 <sup>th</sup> )	2,83,219
Hospital	7,08,047
Income Tax	78,672
Judiciary (Lower)	8,96,859
Land Administration	4,40,562
Municipal Services	3,77,625
Police	6,60,844
Water	1,57,344
Rural Financial Institution	94,406
Public Distribution System	2,83,219

# KARNATAKA

## Highlights

### Sample

This Study was conducted in this State with a sample of 789 respondents (540 from urban and 249 from rural areas), spread over whole of the State.

### All India

With a composite score of 576, **Karnataka** ranks fourth on the corruption perception index among the 20 States under Study because key services, like Income Tax, Judiciary, Municipalities and Rural Financial Institutions in Karnataka figure among the top corrupt services in the country. However, Electricity and Schools rank among the least corrupt Departments in the country.

### Within State

Among the various public services in the State, Police (87%), Income Tax (85%), Land Administration (83%), Municipalities (82%) and Judiciary (75%) are considered to be the most corrupt services.

As regards the direct experiences of paying bribe during the last one year, 97 per cent of the respondents had it with the Judiciary, followed by 89 per cent in case of the Income Tax Department.

Quality of services is considered poor by 69 per cent of the respondents in case of Police and Land Administration. Then comes the Municipal Services (68%), Judiciary (64%) and Income Tax (61%).

Though corruption is perceived by the respondents to have generally increased during the last one year, it was more so in case of Police, Land Administration, Judiciary and Municipal Services.

It is, however, surprising that despite various steps taken to streamline the functioning of various services, including the Judiciary and Land Administration Departments in the State, there is a perception that corruption has increased in these Departments too during the last one year. As regards Municipal Services are concerned, the improvements are limited to Municipal Corporations in big cities like Bangalore Municipal Corporations. Similarly, the prevalent perception about good governance may be attributed to the efforts made in the big cities like Bangalore where awareness is more than in the State in general.



Table No. 4.1: Karnataka-Ranking of Public Services

(Figures in Percent of Respondents)

Department	Direct experience of bribing	Quality of service is poor	Using influence/middlemen	Perception that department is corrupt	Lack of Commitment to reduce corruption	Perception increased	Composite Index Value
<b>NEED BASED</b>							
Rural Financial Institutions	40	35	31	56	56	46	44
Income tax (Individual Assesses)	89	61	58	85	56	70	79
Municipal Services	64	68	60	82	67	62	69
Judiciary (Lower)	97	64	56	75	55	72	80
Land Administration	64	69	36	83	64	83	70
Police	52	69	31	87	48	85	66
<b>BASIC</b>							
Schools (Upto 12 <sup>th</sup> )	06	08	03	36	21	26	16
Water supply	18	34	22	59	38	41	34
PDS (Ration card/supplies)	23	40	09	63	45	49	39
Electricity (Consumers)	20	29	18	56	54	40	34
Govt. Hospitals	34	44	18	66	42	60	46

### Households Paid Bribes in Karnatka

The number of households estimated to have paid bribes during the last year is estimated to be maximum in Govt. Hospitals (15.4 lakh) followed by Electricity (8.6 lakh), Judiciary (8 lakh), Police (7.1 lakh), Municipal Services (6 lakh) and Public Distribution System (5.5 lakh) because of most frequent interactions of the common man with these services as compared to other services.

**Table No. 4.2 : Estimated No. of Households Paid Bribes**

Department	No. of Households paid Bribes
Electricity	8,68,888
Education (Up to XII)	2,07,496
Hospital	15,43,249
Income Tax	5,18,739
Judiciary (Lower)	8,04,046
Land Administration	3,65,192
Municipal Services	6,09,519
Police	7,13,267
Water	3,24,212
Rural Financial Institutions	3,89,054
Public Distribution System	5,57,645

### State's initiative for good governance

- ☞ Judiciary - An Exercise in Self Regulation by Disclosure of Assets and checks on the system
- ☞ Land Administration by introducing a project titled 'Bhoomi' for Land Records & Registration
- ☞ Municipality - Innovations in Budgeting and Financial Management Systems in Bangalore Mahanagara Palike (BMP).
- ☞ School management by involving Parents in School Development and Monitoring Committees (SDMCs)

*(Details about these initiatives can be seen in the chapters on respective services in Part II of this Report.)*

# RAJASTHAN

## Highlights

### Sample

The Study was conducted in this State with a sample of 742 respondents (comprising 481 from urban and 261 from rural areas), spread over whole of the State.

### All India

Judiciary (Lower) in Rajasthan ranks among the less corrupt services in the country. Going by the composite ranking of States on corruption involving common citizens and in the context of eleven public services, Rajasthan stands out as the 5<sup>th</sup> most corrupt State among the 20 States with a composite score of 543.

### Within State

As per the Composite Index Value of various services, the study revealed that Land Administration (82), Police (73), and Judiciary (70) are the most corrupt Departments in the State. Schools (up to 12<sup>th</sup>), having Composite Index Value of 29, are considered the least corrupt Department in the State.

All most all (91%) respondents considered, Police is the most corrupt Department in the State followed by Judiciary (85%), Land Administration (82%) and Municipal Services (80%). Schools (Up to 12<sup>th</sup>) are termed as the least corrupt Department (52%) as per people's opinion in the State.

In case of quality of service, nearly four-fifths of respondents again believed that services provided by Police, followed by Judiciary (78%) and Land Administration (73%) were poor.

According to the study, 94% respondents had direct experience of bribing at Land Administration followed by Police (62%) and Judiciary (60%), which are the most corrupt Departments in the State as per the Composite Index Value as well as people's perception.

When it comes to using all sorts of influence/middlemen services for getting the work done, Municipal Services (56%) and Land Administration (55%) were the prominent ones followed by Police (35%).

The study also revealed that nearly three-fourths of the respondents believed that there is a lack of commitment in Land Administration and Judiciary Departments to reduce corruption and on Police three-fifths respondents had the same opinion.

According to Journalist Mrs Tavleen Singh, who spent August 27, 2005 with the Rajasthan Chief minister attending to public grievances, the main problem of the State is of Governance and mind set of the State Bureaucracy. Most of the school-going children leave their studies after V<sup>th</sup> primarily due to lack of public conveniences for Girls, schools being at a distance, and mid-day meal problems The State Bureaucracy tries to complicate the issues, instead of finding solutions of the problems.

Table No. 5.1: Rajasthan-Ranking of Public Services

(Figures in Percent of Respondents)

Department	Direct experience of bribing	Quality of service is poor	Using influence/middlemen	Perception that department is corrupt	Lack of Commitment to reduce corruption	Perception increased	Composite Index Value
<b>NEED BASED</b>							
Rural Financial Institutions	24	37	35	62	62	40	39
Income tax (Individual Assesses)	31	36	26	59	45	25	39
Municipal Service	48	59	56	80	45	60	59
Judiciary (Lower)	60	78	24	85	67	82	70
Land Administration	94	73	55	82	70	71	82
Police	62	83	35	91	64	77	73
<b>BASIC</b>							
Schools (Upto 12 <sup>th</sup> )	14	28	37	52	24	35	29
Water supply	10	49	11	58	49	47	34
PDS (Ration card/supplies)	29	63	33	73	45	55	49
Electricity (Consumers)	28	54	11	75	47	54	47
Govt. Hospitals	28	54	35	72	46	56	47

### Households Paid Bribes in Rajasthan

The number of households estimated to have paid bribes during the last year is estimated to be maximum in Govt. Hospitals (9.9 lakh), followed by Electricity (9.4 lakh), Police (6.4 lakh), Land Administration (5.7 lakh), Judiciary (5.1 lakh) and PDS (4.1 lakh) departments because of most frequent interactions of the common man with these services as compared to other services.

**Table No. 5.2: Estimated No. of Households Paid Bribes**

Department	No. of Households Paid Bribes
Electricity	9,44,302
Education	2,51,814
Hospital	9,94,665
Income Tax	1,51,088
Judiciary (Lower)	5,13,700
Land Administration	5,79,172
Municipal Services	3,27,358
Police	6,42,125
Water	1,25,907
Rural Financial Institution	1,51,088
Public Distribution Services	4,15,493

### State's Initiative for Good Governance

There have been initiatives in the field of education to dealing with shortage of trained teachers by introducing the concept of Para Teachers. This has been addressed through community participation – titled **Shiksha Karmi Project (SKP) in Rajasthan.**

*(Details of this initiative has been given in Chapter on Schools in Part II of this Report. )*

# ASSAM

## Highlights

### Sample

This Study was conducted in this State with a sample of 715 respondents (comprising 473 from urban and 242 from rural areas), spread over whole of the State.

### All India

Among the 20 States, Assam ranked sixth most corrupt State with a composite score of 542. Police of Assam has been termed to be the most corrupt in the country with a Composite Index Value of 84.

### Within State

Within the State, almost all the respondents (98%) perceived the Police as most corrupt Department, followed by Judiciary (88%), Land Administration (84%), Municipal Services (84%) and Electricity (82%).

More than four-fifths of the respondents again opined that quality of services were poor in Police Department, followed by Municipal Services (74%) and Electricity (70%). When it comes to direct experiences of bribing, Police again stood first having 79% of the respondent's paid bribes followed by Judiciary and Land Administration. Besides, practice of using influence/middlemen services also prominent in Police, followed by Judiciary, Water Supply and Municipal Services in the State.

The study also revealed that nearly three-fifths of the respondents believed that there was a lack of commitment to reduce corruption particularly in Police, Judiciary, Municipal Services and Land Administration Departments.

Table No. 6.1: Assam-Ranking of Public Services

(Figures in Percent of Respondents)

Department	Direct experience of bribing	Quality of service is poor	Using influence/middlemen	Perception that department is corrupt	Lack of Commitment to reduce corruption	Perception increased	Composite Index Value
<b>NEED BASED</b>							
Rural Financial Institutions	13	14	13	41	41	23	22
Income tax (Individual Assesses)	36	44	20	74	36	50	47
Municipal Services	31	74	26	84	54	69	55
Judiciary (Lower)	67	63	35	88	56	66	69
Land Administration	55	62	21	84	53	70	63
Police	79	86	52	98	62	94	84
<b>BASIC</b>							
Schools (Upto 12 <sup>th</sup> )	07	18	04	57	21	36	25
Water supply	27	50	27	69	36	42	43
PDS (Ration card / supplies)	14	63	08	73	50	59	42
Electricity (Consumers)	24	70	15	82	50	65	50
Govt. Hospitals	17	52	13	71	42	52	40

### Households Paid Bribes in Assam

The number of households having paid bribes during the last one year is estimated to maximum in Electricity (5.2 lakh), followed by Land Administration (4.8 lakh), and Government Hospital (3.7 lakh). It may be attributed to frequent interactions of the public with these departments in particular.

**Table No. 6.2: Estimated No. of Household Paid Bribes**

Department	No. of Households Paid Bribes
Electricity	524597
Education	109529
Hospital	365838
Income Tax	111666
Judiciary (Lower)	448669
Land Administration	483182
Municipal Services	213981
Police	262299
Water	55221
Rural Financial Institution	20708
Public Distribution Services	220883



# JHARKHAND

## Highlights

### Sample

The Study was conducted with a sample of 527 respondents (comprising 319 in urban and 208 in rural areas), spread over whole of the State.

### All India

This State is ranked seventh most corrupt State (with a composite score of 520) among the 20 States under Study. On the corruption Index, all the services in this newly-created State are much better ranked than those of the parent Bihar State though the corruption practices are very prominent.

### Within State

As per the Composite Index Value, Judiciary (72), followed by Police (66), and Land Administration (61) were the most corrupt Departments in the State. Next in order comes Water supply (56) and Municipal services (51). Govt. Schools (23).

Almost, all the respondents (93%) termed State Police and Judiciary as the most corrupt Departments, followed by Water Supply (87%), Land Administration (83%) and Electricity (82%). Govt. School (Up to 12<sup>th</sup>) is termed as the least corrupt Department (55%) in the State as per people's perception.

When it comes to direct experiences of bribing, Judiciary with 67% again scored highest, followed by Land Administration (58%) and Police (51%). Only six per cent had direct experience of bribing at the Schools, which is the least corrupt Department in the State.

Using all sorts of influence/middlemen services for getting the work done, the same services, i.e., Judiciary (18%), Police (14%), Land Administration and Income Tax (12% each) Departments again stands prominent ones among the eleven Departments. Besides, such a practice was also prevalent in Rural Financial Institutions (14%).

In case of quality of service, nearly three-fourths of respondents again believed that services provided by Police, Water Supply and Judiciary followed by Municipal Services (two-thirds) and Govt. Hospitals (three-fifths) are poor.

When it comes to the commitment to reduce corruption, around four-fifths of the respondent believed that there is a lack of commitment in Police, Municipal and Water Supply Departments.

Table No. 7.1: Jharkhand-Ranking of Public Services

(Figures in Percent of Respondents)

Department	Direct experience of bribing	Quality of service is poor	Using influence/middlemen	Perception that department is corrupt	Lack of Commitment to reduce corruption	Perception increased	Composite Index Value
<b>NEED BASED</b>							
Rural Financial Institutions	18	32	14	63	63	27	34
Income tax (Individual Assesses)	25	35	12	71	50	37	40
Municipal Services	29	64	09	80	82	51	51
Judiciary (Lower)	67	73	18	93	71	71	72
Land Administration	58	48	12	83	65	55	61
Police	51	74	14	93	84	69	66
<b>BASIC</b>							
Schools (Upto 12 <sup>th</sup> )	06	17	04	55	42	21	23
Water supply	26	74	04	87	78	83	56
PDS (Ration card / supplies)	07	47	02	74	62	47	36
Electricity (Consumers)	13	40	07	82	66	47	40
Govt. Hospitals	11	62	10	73	70	47	41

### Households Paid Bribes in Jharkhand

The number of households having paid bribes during the last one year is estimated to be maximum in Judiciary (5 Lakh), followed by Electricity (3.46 lakh), Police (3.3 lakh), Land Administration (3.2 lakh), Govt. Hospital (2.2 lakh) and Municipal Services (2.1 lakh). It may be attributed to frequent interactions of the public with these departments in particular.

**Table No. 7.2: Estimated No. of Households Paid Bribes**

Department	No. of Households Paid Bribes
Electricity	3,46,044
Education (Up to 12 <sup>th</sup> )	7,2851
Hospital	2,18,554
Income Tax	1,36,596
Judiciary (Lower)	5,28,172
Land Administration	318725
Municipal services	209448
Police	327831
Water	54638
Rural Financial Institutions	45532
Public Distribution System	136596

# HARAYANA

## Highlights

### Sample

This Study was conducted with a sample of 753 respondents (comprising 497 from urban and 256 from rural areas), spread over whole of the State.

### All India

Among the 20 States, it ranked eighth most corrupt State with a composite score of 516. Land Administration and Police Departments of Haryana figure among the most corrupt Departments in the country.

### Within State

Within Haryana, more than 80 per cent of the respondents perceived Police (88%), Municipal Services (84%), Judiciary and Land Administration (80% each) as the most corrupt Departments, followed by Electricity (74%), Income tax (68%), Government Hospitals (63%) and Public Distribution System (62%).

A large number of respondents also felt that there is a lack of commitment to reduce corruption in the Departments of Land Administration (71%), Police (64%), Judiciary & Rural Financial Institutions (each 58%) and Municipal Services (56%).

As regards the direct experience of having paid bribe during the last one year, 85 percent of the respondents had it with Land Administration, followed by Police (64 %) and Judiciary (55 %).

Similarly, 82 per cent of the respondents considered the Police services as poor, followed by Land Administration (72 %) and Judiciary & Municipal services (55 % each).

When it comes to using all sorts of influence/middlemen services for getting the work done, Municipal Services (48%), Police (35%) and Land Administration (34%) are again the prominent ones among the eleven Government Departments in the State.

Accordingly, a substantial number of respondents' perception is that the corruption has increased, icularly in Police, Judiciary and Land Administration Departments during the last one year.

Table No. 8.1: Haryana-Ranking of Public Services

(Figures in Percent of Respondents)

Department	Direct experience of bribing	Quality of service is poor	Using influence/middlemen	Perception that department is corrupt	Lack of Commitment to reduce corruption	Perception increased	Composite Index Value
<b>NEED BASED</b>							
Rural Financial Institutions	16	36	09	58	58	43	34
Income tax (Individual Assesses)	32	26	28	68	33	40	41
Municipal services	21	59	48	84	56	59	50
Judiciary (Lower)	55	59	15	80	58	65	61
Land Administration	85	72	34	80	71	66	77
Police	64	82	35	88	64	77	73
<b>BASIC</b>							
Schools (upto 12 <sup>th</sup> )	20	24	16	59	14	39	32
Water supply	04	41	01	58	55	41	29
PDS (Ration card / supplies)	20	44	23	62	44	56	39
Electricity (Consumers)	32	51	06	74	49	57	47
Govt. Hospitals	08	44	24	63	43	51	34

### Households Paid Bribes in Haryana

The number of households estimated to have paid bribes during the last year is estimated to be maximum in Electricity (4.4 lakh), followed by Police (2.6 lakh), Judiciary (2.4 lakh) and Land Administration (2.1 lakh) because of most frequent interactions of the respondents with these services as compared to other services.

**Table No. 8.2 : Estimated No. of Households Paid Bribes**

Department	No. of Households Paid Bribes
Electricity	4,45,307
Education (Up to 12 <sup>th</sup> )	1,31,248
Hospital	98,436
Income Tax	37,500
Judiciary (Lower)	2,43,747
Land Administration	2,10,935
Municipal Services	51,562
Police	2,57,809
Water	14,062
Rural Finance Institutions	32,812
Public Distribution System	56,249

# TAMILNADU

## Highlights

### Sample

This Study was conducted in this State with a sample of 798 respondents (comprising 461 in urban and 337 in rural areas), spread over whole of the State.

### All India

Over-all, Tamil Nadu ranks ninth most corrupt State among the 20 States with a composite score of 509. Schools, Hospitals, Income Tax and Municipalities rank among the most corrupt Departments in the country. This is surprising that, despite the State having one of the best health infrastructures and also ranks quite high on the Education Development Index, the State is suffering from corruption in these two Departments also.

### Within State

Within the State, Land Administration having Composite Index Value of 65 was the most corrupt Department in the State. Municipal Services (62), Police (60) and Judiciary (60) were the other most corrupt Departments in the State. Whereas, according to the respondents' opinion, Judiciary (78%) was the most corrupt Department in the State, followed by Land Administration (74%), Municipal Services (72%), Income Tax (71%) and Police (68%).

Services particularly of Police (62%), Land Administration (58%), Judiciary (57%), Municipalities (40%) and Govt. Hospitals (40%) were found quite deficient in quality. As a result, the proportion of respondents having direct experience of bribing is quite large in the above-mentioned services.

Besides, the respondents believed that there is a lack of commitment to reduce corruption specially in Land Administration, Electricity, Govt. Hospitals and Public Distribution System Departments.

Table No. 9.1: Tamil Nadu-Ranking of Public Services

(Figures in Percent of Respondents)

Department	Direct experience of bribing	Quality of service is poor	Using influence/middlemen	Perception that department is corrupt	Lack of Commitment to reduce corruption	Perception increased	Composite Index Value
<b>NEED BASED</b>							
Rural Financial Institutions	08	16	04	40	40	52	23
Income tax (Individual Assesses)	58	37	25	71	31	48	54
Municipal Services	70	40	73	72	42	47	62
Judiciary (Lower)	59	57	41	78	35	42	60
Land administration	64	58	30	74	66	33	65
Police	59	62	61	68	32	59	60
<b>BASIC</b>							
Schools (Upto 12 <sup>th</sup> )	24	23	10	44	33	30	29
Water supply	16	34	23	61	33	42	34
PDS (Ration card / supplies)	22	47	29	50	47	36	36
Electricity (Consumers)	37	31	38	57	53	40	42
Govt. Hospitals	36	40	31	61	51	42	44



### Households Paid Bribes in Tamil Nadu

The number of households having paid bribes during the last one year is estimated to be maximum in Electricity (26 lakh) followed by hospitals (25 lakh), Police (12.4 lakh) and Land Administration (11.8 lakh) departments because of most frequent interactions of the public with these departments in particular.

**Table No. 9.2 : Estimated No. of Households Paid Bribes**

Department	No. of Households Paid Bribes
Electricity	26,10,931
Education (Up to 12 <sup>th</sup> )	11,36,732
Hospital	24,86,601
Income Tax	2,48,660
Judiciary (Lower)	6,03,889
Land Administration	11,82,201
Municipal Services	8,17,026
Police	12,43,301
Water	3,01,944
Rural Financial Institutions	35,523
Public Distribution System	11,01,209

# DELHI

## Highlights

### Sample

This Study was conducted with a sample of 593 respondents (456 from urban and 137 from rural areas), spread over whole of the State.

### All India

Among the 20 States, it ranked tenth most corrupt State with a composite score of 496. Public Distribution System (PDS) in Delhi is ranked as the second most corrupt service in the country.

### Within State

According to Composite Index Value, Police, Land Administration, Public Distribution System and Judiciary are ranked as most corrupt Departments in the State. Further, according to the public perception, the most corrupt Departments are Land Administration (92%), Police (87%), Judiciary (81%), Public Distribution System (81%) and Municipal Services (75%).

When it comes to quality of services, four-fifths of the respondents perceived that the Police service was of a poor quality, followed by Judiciary and Rural Financial Institutions (RFIs), perceived by two-thirds each. Municipal Services, Land Administration and Public Distribution System Departments were also perceived to be of poor quality by 64 percent each. Due to poor quality of services, respondents had to bribe Police (62%), Land Administration (52%), Judiciary (48%) and PDS (40%) to get their unavoidable services. People have also used their influence/middlemen services, for availing PDS facilities (42%), Municipal services (37%) and Police assistance (35%).

Extent of corruption in Municipal Services is also evident from the statement made by Shri Rakesh Mehta, Commissioner of Municipal Corporation of Delhi that all its employees are corrupt.

The respondents also remarked that there is a lack of commitment to reduce corruption mainly in Municipal Services (76%), Land Administration (71%), Police (64%), Judiciary (56%) and PDS (51%) Departments.

According to a news item published in Punjab Kesri (Hindi daily) of Sep. 21, 2005, such deplorable conditions in basic services like health, education, police, water, Judiciary and Municipal services are chiefly due to inadequate staff strengths at various levels. Besides, the number of hospitals are less than in proportion to the population and most of the diagnostic facilities are non-functional. Police personnel are diverted for the securities of VIP and strategic places. In case of water services, the authorities have engaged contractors to meet the shortage of staff but these employees are not under the Government control. In Judiciary, thousands of cases are pending in courts for want of adequate number of judicial and other staff in proportion of the cases. Hence, justice delayed; justice denied.

The Chief Minister, Mrs. Sheila Dikshit has also admitted: "Politicians across the Board have their vested interests". She therefore advised that citizens' groups should remain vigilant.

Table No. 10.1: Delhi-Ranking of Public Services

(Figures in Percent of Respondents)

Department	Direct experience of bribing	Quality of service is poor	Using influence/middlemen	Perception that department is corrupt	Lack of Commitment to reduce corruption	Perception increased	Composite Index Value
<b>NEED BASED</b>							
Rural Financial Institutions	25	67	15	67	67	31	44
Income tax (Individual Assesses)	17	27	25	63	31	41	33
Municipal Services	23	64	37	75	76	62	49
Judiciary (Lower)	48	67	0	81	56	58	58
Land Administration	52	64	24	92	71	67	65
Police	62	80	35	87	64	77	71
<b>BASIC</b>							
Schools (upto 12 <sup>th</sup> )	06	21	16	52	23	25	23
Water supply	02	39	01	67	42	35	29
PDS (Ration card / supplies)	40	63	42	81	51	78	58
Electricity (Consumers)	16	39	12	63	42	41	35
Govt. Hospitals	06	38	18	65	48	41	32

### Households Paid Bribes in Delhi

The number of households estimated to have paid bribes during the last year is estimated to be maximum in Police (2.5 lakh) followed by Electricity (2.2 lakh), Public Distribution System (1.2 lakh), Judiciary (1.1 lakh) and Municipal Services (0.8 lakh) because of most frequent interactions with these services as compared to other services.

**Table No. 10.2 Estimated No. of Households Paid Bribes**

Department	No. of Households Paid Bribes
Electricity	2,19,665
Education	34,457
Hospital	51,686
Income Tax	47,379
Judiciary (Lower)	1,11,986
Land Administration	64,607
Municipal Services	81,836
Police	2,49,816
Water	12,921
Rural Financial Institutions	4,307
Public Distribution System	1,24,908

### State's Initiative for Good Governance

As a State initiative to improve governance, the Government of Delhi introduced the concept of **BHAGIDARI: 'Citizen-Government Partnership'** in its various public services, including

- ☞ Water management, including rainwater harvesting, spreading awareness about water and energy conservation
- ☞ Augmentation of infrastructure in distribution of electricity
- ☞ Facilitating collection of user charges and House Tax Revenues
- ☞ Maintenance of community parks, halls and public places
- ☞ Segregation of waste and management through community participation.
- ☞ Greening of Delhi
- ☞ Controlling air pollution and other environmental hazards
- ☞ Community involvement in crime prevention and detection
- ☞ Protection of senior citizens

- ☞ Women's empowerment
- ☞ Participation of children and youth in environment awareness campaigns
- ☞ Community participation in school management and improvement.
- ☞ Citizens Right to Information.

The success of Bhagidari is claimed due to application of democratic processes of problem solving by dialogue and consensus, where every stakeholder shares both responsibility and authority, and takes 'ownership' for finding and implementing solutions together.

To meet the shortage of staff in various services, the Government is proposing to initiate online services for all the department providing basic services.

*(Details about these initiatives can be seen in the chapters on respective services in Part II of this Report.)*

# UTTAR PRADESH

## Highlights

### Sample

This Study was conducted with a sample of 960 respondents (comprising 621 from urban and 339 from rural areas), spread over whole of the State.

### All India

Among the 20 States under the study, it ranked 11<sup>th</sup> most corrupt State with a composite score of 491. Electricity, Schools and Income Tax Departments of Uttar Pradesh figure high in the corruption rankings in India.

### Within State

Within the State, the Composite Index Value classified Land Administration (68), as the most corrupt Department, followed by Police (66), Judiciary (58) and Electricity (50). According to the respondents, Police (90%) is the most corrupt Department in the State, followed by Land Administration (81%), Electricity (79%) and Judiciary (78%) Departments

More than half of the respondents believed that the quality of service provided by Police (76%) is poor, followed by Judiciary (62%), Electricity (58%), Municipal Services and Land Administration (55% each) Departments in the State. Using all sorts of influence/middlemen services for getting the work done were also prominent in these Departments.

A large number of respondents had the direct experience of bribing mainly in Land Administration (69%), Income Tax (51%), Police (50%), Judiciary (47%) and Electricity (30%) Departments in the State.

Besides, more than three-fifths of the respondents believed that there was a lack of commitment to reduce corruption in Land Administration (79%), Police (71%), Judiciary (66%), Electricity (65%) and Municipal Services (63%) Departments in the State.

Table No. 11.1: Uttar Pradesh-Ranking of Public Services

(Figures in Percent of Respondents)

Department	Direct experience of bribing	Quality of service is poor	Using influence/middlemen	Perception that department is corrupt	Lack of Commitment to reduce corruption	Perception increased	Composite Index Value
<b>NEED BASED</b>							
Rural Financial Institutions	18	28	10	48	48	31	30
Income Tax (Individual Assesses)	51	30	09	71	47	36	49
Municipal Services	22	55	12	67	63	51	42
Judiciary (Lower)	47	62	19	78	66	66	58
Land Administration	69	55	25	81	79	67	68
Police	50	76	16	90	71	79	66
<b>BASIC</b>							
Schools (Up to 12 <sup>th</sup> )	18	26	03	48	31	35	29
Water supply	15	28	09	52	47	35	29
PDS (Ration card / supplies)	03	41	03	61	51	41	30
Electricity (Consumers)	30	58	08	79	65	63	50
Govt. Hospitals	23	41	08	65	50	49	39

### Households Paid Bribes in Uttar Pradesh

The number of households estimated to have paid bribes during the last one year is estimated to be maximum in Electricity (30 lakh) followed by Police (20.4 lakh), Govt. Hospitals (20 lakh) Judiciary (19 lakh) and Land Administration (18.5 lakh) because there are most frequent interactions of the common man with these services as compared to other services.

**Table No. 11.2 : Estimated No. of Households Paid Bribes**

Department	No. of Households Paid Bribes
Electricity	29,78,569
Education (Up to 12 <sup>th</sup> )	17,17,373
Hospital	19,85,713
Income Tax	6,44,015
Judiciary (Lower)	19,05,211
Land Administration	18,51,543
Municipal Services	8,31,853
Police	20,39,381
Water	325693
Rural Financial Institutions	2,95,174
Public Distribution System	287897

#### State initiative to improve governance:

Meanwhile, NOIDA administration is reported to have come up with a single-window facility to take care of all the civic problems of its residents —ranging from their complaints relating to power supply, water, sanitation, drainage to encroachments. For the purpose, it has put out a list of Nodal Officers, Asstt. Nodal Officers and their phone numbers. Their job is to coordinate with the department concerned to redress the problems. Their work will be supervised by Dy. C. E. O. (Times of India, August 25, 2005)



# ORISSA

## Highlights

### Sample

This Study was conducted in this State with a sample of 743 respondents, comprising 521 from urban and 222 from rural areas, spread over whole of the State.

### All India

Among the 20 States, it ranked 12<sup>th</sup> most corrupt State with a composite score of 475. Judiciary (Lower) in Orissa ranks among the top four corrupt services in the country.

### Within State

Within the State, besides Judiciary, Police, Land Administration, Municipalities and Government Hospitals were most corrupt Departments, as is evident from Composite Index Value. More than three-fifths of the respondents believed that there was a lack of commitment to reduce corruption in mainly Judiciary, Municipal Services, Police and Land Administration Departments of the State.

In case of quality of service, nearly four-fifths of the respondents again believed that services provided by Police were poor, whereas around three-fifths believed that the services were poor in Judiciary, Municipal Services and Land Administration Departments in the State.

According to the study, more than four-fifths of the respondents had direct experience of bribing at Judiciary and around three-fifths had with Land Administration and Police. When it comes to using all sorts of influence/middlemen services for getting the work done, Judiciary and Police were the prominent ones, followed by Land Administration and Municipal Services among the eleven services.

The study also revealed that between 64 to 76 per cent respondents perceived that there was a lack of commitment to reduce corruption chiefly in Judiciary, Municipal, Police and Land Administration Departments.

Table No. 12.1: Orissa-Ranking of Public Services

(Figures in Percent of Respondents)

Department	Direct experience of bribing	Quality of service is poor	Using influence/middlemen	Perception that department is corrupt	Lack of Commitment to reduce corruption	Perception increased	Composite Index Value
<b>NEED BASED</b>							
Rural Financial Institutions	13	23	13	31	31	27	21
Income tax (Individual Assesses)	28	25	22	52	42	27	34
Municipal Services	39	62	24	78	68	55	55
Judiciary (Lower)	82	66	30	80	76	65	75
Land Administration	64	57	25	75	64	59	63
Police	59	78	28	85	65	71	68
<b>BASIC</b>							
Schools (upto 12 <sup>th</sup> )	09	12	03	33	34	22	18
Water supply	16	27	08	49	56	30	29
PDS (Ration card / supplies)	11	46	07	65	57	49	35
Electricity (Consumers)	21	41	07	63	54	31	36
Govt. Hospitals	25	42	12	72	59	35	41

### Households Paid Bribes in Orissa

The number of households having paid bribes during the last one year is estimated to be the maximum in Judiciary (9.4 lakh), followed by Govt. Hospitals (9.3 lakh), Land Administration (7.9 Lakh), Police (7.4 Lakh) and Electricity (6 Lakh) Departments because of most frequent interactions of common man with these services as compared to other services.

**Table No. 12.2 : Estimated No. of Households Paid Bribes**

Department	No. of Households Paid Bribes
Electricity	6,03,765
Education(Up to 12 <sup>th</sup> )	2,22,440
Hospital	9,32,128
Income Tax	95,331
Judiciary (Lower)	9,42,720
Land Administration	7,94,427
Municipal Services	3,28,363
Police	7,41,466
Water	1,05,924
Rural Financial Institutions	74,147
Public Distribution System	1,69,478

## WEST BENGAL

### Highlights

#### Sample

This Study was conducted in this State with a sample of 820 respondents, comprising 519 in urban and 301 in rural areas, spread over whole of the State.

#### All India

Among the 20 States under the study, it ranked 13<sup>th</sup> most corrupt State with a composite score of 461. Water Supply service in West Bengal is ranked as the most corrupt service in the country.

#### Within State

Within the State, Water supply, Police, Land Administration, Judiciary and Municipal Services have been termed the most corrupt Departments. The respondents also perceived the most corrupt Departments were Police (93%), Water Supply (87%), Judiciary (79%), Municipal Services (74%) and PDS (74%).

More than half of the respondents had experiences of getting poor services from Police, Municipal, Land Administration, Water Supply, Government Hospitals and Judiciary Departments in the State. Accordingly, direct experiences of bribing were also prominent in Water Supply, Land Administration, Judiciary, Municipal Services and Police Departments in the State.

In the official Kolkata Police Newsletter on Sept. 7, 2005, prevailing of corruption can also be realized with the publication of a "rate chart" (though denied later on) of bribes required to be paid to enable under-trials at a city court lock-up to lay their hands on almost anything. (Times of India – Sept. 11, 2005)

More than three-fifths of the respondents believed that there is a lack of commitment to reduce corruption in most of the corrupt Departments – chiefly Police, Land Administration, Municipalities and PDS in the State.

Table No. 13.1: West Bengal-Ranking of Public Services

(Figures in Percent of Respondents)

Department	Direct experience of bribing	Quality of service is poor	Using influence/middlemen	Perception that department is corrupt	Lack of Commitment to reduce corruption	Perception increased	Composite Index Value
<b>NEED BASED</b>							
Rural Financial Institutions	03	05	07	24	24	10	10
Income tax (Individual Assesses)	18	22	11	47	34	19	26
Municipal Services	36	60	07	75	62	53	51
Judiciary (Lower)	48	51	04	79	53	37	53
Land Administration	59	56	07	74	63	51	59
Police	32	70	27	93	74	73	59
<b>BASIC</b>							
Schools (upto 12 <sup>th</sup> )	12	16	06	28	21	18	18
Water supply	77	55	16	87	44	36	68
PDS (Ration card / supplies)	10	52	04	74	63	55	39
Electricity (Consumers)	16	37	06	62	49	43	34
Govt. Hospitals	21	52	11	74	57	54	44

### Households Paid Bribes in West Bengal

The number of households having paid bribe during the last year is estimated to be maximum in Govt. Hospitals (17 lakh), followed by electricity (11 lakh), Judiciary (9.4 lakh )and Land Administration (9.2 lakh) Departments because of most frequent interactions with these services as compared to other services.

**Table No. 13.2 Estimated No. of Households Paid Bribes**

Department	No. of Households Paid Bribes
Electricity	10,92,448
Education (Upto 12 <sup>th</sup> )	4,79,144
Govt. Hospitals	16,67,420
Income Tax	1,34,160
Judiciary (Lower)	5,17,475
Land Administration	9,39,122
Municipal Services	9,19,956
Police	4,98,310
Water	4,59,978
Rural Financial Institutions	38,332
Public Distribution System	5,94,138

# PUNJAB

## Highlights

### Sample

This Study was conducted with a sample of 746 respondents (comprising 470 from urban and 276 from rural area), spread over whole of the State.

### All India

Among the 20 States under Study, Punjab ranked fourteenth most corrupt State with a composite score of 459. The Public Distribution System (PDS), Police, Judiciary and Municipal services of Punjab are ranked amongst most corrupt services in India as compared to other States.

### Within the State

Within the State, the Composite Index Value is maximum for Police classifying it as the most corrupt Department, followed by Judiciary, Land Administration and Municipal services. The above conclusions are also supported by people's perception, as the respondents perceived the Police (90%) as most corrupt, followed by Judiciary (86%), Municipal Services (82%) and Land Administration (80%) Departments.

In case of quality of service, more than three-fifths of the respondents believed that services provided by Police, Municipal authorities were poor in the State, followed by PDS (58%) and Land Administration (53%). Direct experience of bribing was most common in Judiciary (64%), Police (56%) and Land Administration (47%) Departments in the State. When it comes to using all sorts of influence/middlemen services for getting the work done, Municipal Services, Judiciary and Police were the prominent ones, followed by Land Administration and other Departments.

Besides, more than half of the respondents believed that there was a lack of commitment to reduce corruption in Land Administration, Municipal Services, Police and Judiciary Departments in the State.

It is believed that the current perception about Police in Punjab is because of the anti-terrorist activities in the past. As a result, the community in general was seen to be alienated from Police personnel. Thus, a need was felt to modify the existing policing system and bring people closer to men and women in 'khaki'. Hence, initiatives have been taken in community participation through *Community Policing Scheme*. As a result, the World Bank Report has commented that –

*“Punjab Police has pioneered what is probably India's finest effort to improve relations between the Police and local communities”*

*(Note: Details of the scheme is available on Chapter of Police Service. )*

Table No. 14.1: Punjab-Ranking of Public Services

(Figures in Percent of Respondents)

Department	Direct experience of bribing	Quality of service is poor	Using influence/middlemen	Perception that department is corrupt	Lack of Commitment to reduce corruption	Perception increased	Composite Index Value
<b>NEED BASED</b>							
Rural Financial Institutions	14	18	10	35	35	21	21
Income tax(Individual Assesses)	18	18	08	60	46	32	31
Municipal Services	28	71	37	82	70	79	56
Judiciary (Lower)	64	61	36	86	54	64	67
Land Administration	47	53	20	80	79	59	58
Police	56	79	35	90	69	74	69
<b>BASIC</b>							
Schools (up to 12 <sup>th</sup> )	08	12	06	30	23	20	16
Water supply	12	29	06	54	44	41	29
PDS (Ration card /supplies)	08	58	16	72	61	57	39
Electricity (Consumers)	15	41	09	72	53	58	39
Govt. Hospitals	10	40	17	61	45	50	33



### Households Paid Bribes in Punjab

The number of households estimated to have paid bribes during the last year is estimated to be maximum in Electricity (3.6 lakh), followed by Police (2.4 lakh), Judiciary (2.3 lakh), Govt. Hospitals and Land Administration (1.7 lakh each) Departments because of most frequent interactions of the common man with these service providers as compared to other services.

**Table No. 14.2 : Estimated No. of Households Paid Bribes**

Department	No. of Households Paid Bribes
Electricity	360194
Education (Up to 12 <sup>th</sup> )	131499
Hospital	170606
Income Tax	68608
Judiciary (Lower)	234412
Land Administration	172209
Municipal services	131499
Police	245847
Water	71449
Rural Financial Institutions	70533
Public Distribution System	40022

# CHHATTISHGARH

## Highlights

### Sample

The Study was conducted in this State, with a sample of 539 respondents, comprising 331 in urban and 208 in rural areas, spread over whole of the State.

### All India

Among the 20 States, it ranked 6<sup>th</sup> least corrupt (next to Maharashtra) State with a composite score of 445. On the Corruption Index, all the services in this newly created State are much better ranked than its parent State of Madhya Pradesh.

### Within State

As per the Composite Index Value, the study revealed that Police (65), followed by Judiciary (59) and Land Administration (57) were the most corrupt Departments in the State. Next, in order come the Municipal services (44), Govt. Hospitals (40) and Electricity (35).

The above findings were also supported by the people's perception about the extent of corruptness of the above Departments. Almost, all the respondents (95%) termed State Police as the most corrupt, followed by Judiciary (78%), Land Administration (76%), Municipal services (75%) and Govt. Hospitals (73%). Education (Up to 12<sup>th</sup>) has been termed as the least corrupt Department (46%). When it comes to direct experiences of bribing, Judiciary with 50% scored highest, followed by Land Administration (48%) and Police (37%).

Using all sorts of influence/middlemen services for getting the work done, the same services, namely, Police (30%), Judiciary (15%), and Municipal (13%) again stand prominently amongst the eleven Departments.

Over three-fourths of the respondents perceived that services provided by Police were poor, followed by Judiciary (59%), Land Administration (55%) and Municipal Services (53%).

The study also revealed that almost all the respondents (90%) believed that there is a lack of commitment to reduce corruption mainly in Police Department, whereas 72% believed same in respect of both Land Administration and Judiciary.

Table No. 15.1: Chhatisgargh-Ranking of Public Services

(Figures in Percent of Respondents)

Department	Direct experience of bribing	Quality of service is poor	Using influence/middlemen	Perception that department is corrupt	Lack of Commitment to reduce corruption	Perception increased	Composite Index Value
<b>NEED BASED</b>							
Rural Financial Institutions	14	36	05	58	58	38	32
Income tax (Individual Assesses)	26	19	11	39	23	29	28
Municipal Services	21	53	13	75	66	52	44
Judiciary (Lower)	50	59	15	78	72	67	59
Land Administration	48	55	09	76	72	68	57
Police	37	78	30	95	90	86	65
<b>BASIC</b>							
Schools (up to 12 <sup>th</sup> )	08	26	09	46	41	36	25
Water supply	09	21	11	53	54	47	28
PDS (Ration card / supplies)	02	43	05	68	64	51	33
Electricity (Consumers)	15	33	07	63	55	50	35
Govt. Hospitals	12	48	12	73	63	56	40

### Households Paid Bribes in Chhattisgarh

The number of households having paid bribe during the last one year is estimated to be maximum in electricity (3.1 lakh), followed by Land Administration (2.8 lakh), Judiciary (2.5 lakh) and Govt. Hospital (2 lakh). It may be attributed to frequent interactions of the public with these departments in particular.

**Table No. 15.2 : Estimated No. of Households Paid Bribes**

Departments	No. of Households Paid Bribes
Electricity	311231
Education (Up to 12 <sup>th</sup> )	136638
Hospital	204957
Income Tax	171709
Judiciary (Lower)	250503
Land Administration	280867
Municipal services	136638
Police	167002
Water	45546
Rural Financial Institutions	68319
Public Distribution System	33249

# MAHARASTRA

## Highlights

### Sample

This Study was conducted in this State with a sample of 883 respondents, comprising 565 from urban and 318 from rural areas, spread over whole of the State.

### All India

Among the 20 States, it ranked 5<sup>th</sup> least corrupt State (next to Andhra Pradesh) with a composite score of 433. Municipal services of Maharashtra rank among the top five corrupt services in the country.

### With the State

As regards various services within the State, Police, Municipal Services, Judiciary and Land Administration relatively are considered more corrupt in comparison to other Services. Government Hospitals, Electricity, Water Supply and Income Tax follow the above.

Nearly three-fifths of the respondents believed that quality is poor in Municipal Services and Police Department, followed by Judiciary, Land Administration, Government Hospitals and Electricity. As a result, a large number of respondents had direct experience of bribing in Judiciary, Police, Municipal Services and Land Administration Departments and also had the experience of using influence/middlemen services to get the desired the job done.

Nearly half of the respondents believed that there is a lack of commitment to reduce corruption in Municipal Services, Land Administration, Rural Financial Institutions, Government Hospitals and Police in the State.

Table No. 16.1: Maharashtra-Ranking of Public Services

(Figures in Percent of Respondents)

Department	Direct experience of bribing	Quality of service is poor	Using influence/middlemen	Perception that department is corrupt	Lack of Commitment to reduce corruption	Perception increased	Composite Index Value
<b>NEED BASED</b>							
Rural Financial Institutions (RFI)	20	16	12	49	49	34	29
Income tax (Individual Assesses)	26	21	18	47	37	29	31
Municipal Services	45	65	39	79	53	70	59
Judiciary (Lower)	58	40	30	77	36	56	57
Land Administration	39	35	32	67	52	58	48
Police	46	57	27	83	44	82	59
<b>BASIC</b>							
Schools (up to 12 <sup>th</sup> )	17	14	10	40	30	35	24
Water supply	11	29	04	59	41	54	31
PDS (Ration card / supplies)	12	26	04	41	39	39	25
Electricity (Consumers)	19	30	09	59	42	53	35
Govt. Hospitals	20	31	09	59	45	47	35

**Households Paid Bribes in Maharashtra**

However, the number of households estimated to have paid bribes during the last one year is maximum in Electricity (12.7 lakh) Department followed by Govt, Hospitals (11.2 lakh), Police (9.1 lakh) and Municipal Services (9 lakh) because there is frequent interaction of the common man with these services.

**Table No. 16.2 : Estimated No. of Households Paid Bribes**

Departments	No. of Households Paid Bribes
Electricity	1273755
Education (Up to 12 <sup>th</sup> )	755617
Hospital	1122632
Income Tax	213300
Judiciary (Lower)	755617
Land Administration	669261
Municipal services	903502
Police	913650
Water	129534
Rural Financial Institutions	220209
Public Distribution System	604494

# ANDHRA PRADESH

## Highlights

### Sample

This Study was conducted in this State with a sample of 667 respondents (comprising 441 from rural and 226 from urban areas), spread over whole of the State.

### All India

Among the 20 States, it ranked 4<sup>th</sup> least corrupt (next to Gujarat) State with a composite score of 301. Government Hospitals and Water Supply services in Andhra Pradesh are ranked more corrupt services in comparison to other services in the country.

### Within State

Within the State, Police (65) and Land Administration (62) having scored the highest Composite Index Value, ranked most corrupt Departments, followed by Municipal Services (47) and Judiciary (44). The respondents also perceived the Police (86%), Land Administration (81%) and Municipal Services (75%) more corrupt Departments in the State.

The study revealed that there was a lack of commitment to reduce corruption in the most corrupt Departments, i.e., Police, Land Administration and Municipal Services.

Nearly three-fifths of the respondents had the direct experiences of bribing in Police and Land Administration, followed by Judiciary (50%) and one-fourth respondents had the same experience at Municipal Services.

When it comes to quality of services, a large number of respondents opined that it was poor mainly at Police, Land Administration, Judiciary and Municipal Services. As a result, using all sorts of influence/middlemen services also prevalent in these Departments. They also feel that the corruption in Police, Land Administration and Municipal services have increased during the last one year.



Table No. 17.1: Andhra Pradesh-Ranking of Public Services

(Figures in Percent of Respondents)

Department	Direct experience of bribing	Quality of service is poor	Using influence/middlemen	Perception that department is corrupt	Lack of Commitment to reduce corruption	Perception increased	Composite Index Value
<b>NEED BASED</b>							
Rural Financial Institutions	10	13	05	31	31	25	18
Income Tax (Individual Assesses)	30	23	17	46	36	35	33
Municipal Services	25	53	21	75	50	61	47
Judiciary (Lower)	50	52	16	40	38	39	44
Land Administration	60	43	26	81	50	73	62
Police	58	58	31	86	57	75	65
<b>BASIC</b>							
Schools (upto 12 <sup>th</sup> )	07	08	10	29	21	19	15
Water supply	32	23	07	51	30	37	34
PDS (Ration card / supplies)	8	25	06	50	42	47	27
Electricity (Consumers)	17	30	08	62	45	45	34
Govt. Hospitals	28	38	08	67	46	58	42

### Households Paid Bribes in Andhra Pradesh

The number of households having paid bribes during the last one year is estimated to be maximum in Govt. Hospitals (17 lakh), followed by electricity (11 lakh), Judiciary (9.4 lakh) and Land Administration (9.2 lakh) Departments because of most frequent interactions with these services as compared to other services.

**Table No. 17.2 : Estimated No. of Households Paid Bribes**

Department	No. of Households Paid bribes
Electricity	1288370
Education (Upto 12 <sup>th</sup> )	429457
Hospital	1793613
Income Tax	227359
Judiciary (Lower)	480702
Land Administration	1237846
Municipal services	606292
Police	909438
Water	485762
Rural Financial Institutions	252622
Public Distribution System	505243

### State's Initiative for Good Governance

However, Andhra Pradesh is the only State in the country having taken a lot of initiatives to improve governance. These initiatives are particularly in the fields of :

- ☞ **Public distribution system** through community grain fund – conducted by the Deccan Development Society (DDS) in about 11 villages for five years in the Medak district in Andhra Pradesh.
- ☞ **Hyderabad Water Supply Department** introduced (i) Dial A Tanker (ii) Instant Connection (iii) Extension Counters and simplification of applications (iv) Spot Billing, and (v) Online complaint redressal system.
- ☞ **Electricity Services** to control the theft of electricity and improve revenue collection in the electricity department by establishing a new legal, regulatory, and Institutional framework; developing a new industry and market structure; and privatize distribution.
- ☞ **Police Department** - Initiatives in Community Participation by introducing e COPS: through state-wide online accessibility, for registration of cases, processing and follow-up of criminal cases with the aim to improve transparency. It has resulted in significant reduction in time required to register a criminal case, and locate relevant information.
- ☞ **Municipality** - Different cities have adopted different models to improve the working and efficiency of respective Municipalities.

*(Details of these initiatives can be seen in the respective Service chapter in Part II of the Study)*

# GUJARAT

## Highlights

### Sample

This Study was conducted in this State with a sample of 742 respondents comprising 466 households in urban and 276 in rural areas, spread over whole of the State.

### All India

Among the 20 States, it ranked 3<sup>rd</sup> least corrupt State with a composite score of 417. Overall, the State is ranked as less corrupt in comparison to most of the other States.

### Within State

As regards eleven services in the State, Judiciary, Police and Land Administration are concluded relatively more corrupt in comparison to other services on the basis of Composite Index Value. The respondents also perceived them as the most corrupt departments in the State.

Nearly four-fifths of the respondents believed that quality of service is poor in Police Department, followed by Judiciary (two-thirds), Land Administration and Municipal Services (three-fifths each). Accordingly, the direct experience of bribing and using influence/ middlemen services were also prominent in the above-mentioned Departments.

Maximum number (three-fifths) of respondents also remarked that there was a lack of commitment to reduce corruption in the most corrupt Departments namely, Police, Municipalities, Judiciary and Land Administration.

Table No. 18.1: Gujarat-Ranking of Public Services

(Figures in Percent of Respondents)

Department	Direct experience of bribing	Quality of service is poor	Using influence/middlemen	Perception that department is corrupt	Lack of Commitment to reduce corruption	Perception increased	Composite Index Value
<b>NEED BASED</b>							
Rural Financial Institutions	08	17	15	30	30	17	18
Income tax (Individual Assesses)	16	36	16	66	36	43	35
Municipal Services	17	58	23	72	64	61	44
Judiciary (Lower)	64	66	40	81	59	68	67
Land Administration	39	59	36	71	58	64	53
Police	47	79	23	88	62	76	64
<b>BASIC</b>							
Schools (up to 12 <sup>th</sup> )	18	26	11	43	23	28	26
Water supply	03	34	11	48	34	33	24
PDS (Ration card / supplies)	09	45	06	52	43	39	30
Electricity (Consumers)	12	36	09	51	41	43	30
Govt. Hospitals	06	38	13	48	35	34	26

### Households Paid Bribes in Gujarat

The number of households estimated to have paid bribes during the past one year was maximum in Electricity Department followed by Police, Judiciary and Municipal services. The households number mainly depend on coverage area, frequent interaction with large number of people, corruptness of the particular Departments, monopolistic nature and other related factors.

**Table No. 18.2 : Estimated No. of Households Paid Bribes**

Department	No. of Households Paid Bribes
Electricity	6,10,873
Education (Up to 12 <sup>th</sup> )	2,07,957
Hospital	1,68,965
Income Tax	64,986
Judiciary (Lower)	3,89,919
Land Administration	1,81,962
Municipal Services	3,63,924
Police	4,02,916
Water	25,995
Rural Financial Institutions	51,989
Public Distribution System	2,72,943

# HIMACHAL PRADESH

## Highlights

### Sample

This Study was conducted in this State with a sample of 626 respondents (comprising 418 households from urban and 208 from rural areas), spread over whole of the State.

### All India

Among the 20 States, Himachal Pradesh ranked 2<sup>nd</sup> least corrupt State with a composite score of 301. Most of the services in Himachal Pradesh are ranked as relatively less corrupt in the country.

### Within State

Within the State, the Composite Index Value and people's perception both concludes that the Police, Land Administration, Judiciary and Municipal Service Departments are the most corrupt as compared to other Departments. Corruption has increased most in Police Department during the last one year.

In case of quality of service, nearly three-fifths of the respondents again perceived that services provided by Police and Judiciary were poor, followed by Land Administration (51%) in the State. Accordingly, direct experiences of the respondents of paying bribes were also high in the three Departments, namely, Land Administration, Judiciary and Police.

When it comes to using all sorts of influence/middlemen services for getting the work done, Municipal Services and Judiciary were the prominent ones, followed by Land Administration and Police. Besides, more than half of the respondents also believed that there was a lack of commitment to reduce corruption in Police and Judiciary Departments in the State. Nearly half of the respondents had the same opinion on Land Administration and Municipal Services.

Table No. 19.1: Himachal Pradesh-Ranking of Public Services

(Figures in Percent of Respondents)

Department	Direct experience of bribing	Quality of service is poor	Using influence/middlemen	Perception that department is corrupt	Lack of Commitment to reduce corruption	Perception increased	Composite Index Value
<b>NEED BASED</b>							
Rural Financial Institutions	17	10	18	16	16	12	15
Income tax (Individual Assesses)	15	18	25	38	19	31	24
Municipal Services	09	34	62	42	43	40	28
Judiciary (Lower)	43	58	54	65	55	58	53
Land Administration	46	51	46	70	49	64	55
Police	37	67	37	80	57	82	58
<b>BASIC</b>							
Schools (upto 12 <sup>th</sup> )	04	11	12	23	10	22	12
Water supply	04	17	23	27	16	25	15
PDS (Ration card / supplies)	02	17	11	25	18	19	13
Electricity (Consumers)	08	15	12	29	21	25	17
Govt. Hospitals	01	22	17	34	21	30	17

### Households Paid Bribes in Himachal Pradesh

The number of households having paid bribes during the last one year is estimated to be maximum in Land Administration (75 thousands), followed by Judiciary (61 thousands), Electricity (54 thousands) and Police (38 thousands) Departments because of most frequent interactions with these services as compared to other services.

**Table No. 19.2 : Estimated No. of Households Paid Bribes**

Department	No. of Households Paid Bribes
Electricity	53510
Education (Up to 12 <sup>th</sup> )	17837
Hospital	9909
Income Tax	25764
Judiciary (Lower)	61437
Land Administration	75310
Municipal services	16383
Police	37655
Water	14879
Rural Financial Institutions	16846
Public Distribution System	9910



# KERALA

## Highlights

### Sample

This Study was conducted in this State with a sample of 708 respondents (455 households from urban and 253 from rural areas), spread over whole of the State.

### All India

Going by the composite ranking of States on corruption involving common citizens and in the context of eleven public services, Kerala stands out as the least corrupt State in India, having 240 Composite score. All 11 public services considered for the Study are ranked as the least corrupt among the rest of the States.

### Within State

As per the Composite Index Value, the study reveals that Police (54), followed by Land Administration (36), and Govt. Hospitals (29) are the most corrupt Departments in the State. Next in order come Judiciary (23) and Municipal services (23). Rural Financial Institutions (RFI), having Composite Index Value of 3, is considered the least corrupt Department.

The above findings are also supported by the people's perception about the corruptness of the Departments. Accordingly, 70 per cent of the respondents termed State Police as the most corrupt followed by Govt. Hospitals (55%), Land Administration (52%) and Judiciary (48%). Rural Financial Institutions (RFI) is termed as the least corrupt Department (8%) as per people's opinion in the State.

When it comes to direct experiences of bribing, Police with 43% again scored highest, followed by Land Administration (29%) and Income tax (20%). Only one per cent had direct experience of bribing at the Rural Financial Institutions (RFI), which is again the lowest even among all the 20 States and 11 public services.

Using all sorts of influence/middlemen services for getting the work done, the same services, i.e., Police (59%), Judiciary (24%), Land Administration (20%) and Municipal (20%) Departments again stand prominent ones among the eleven Departments.

In case of quality of service, nearly three-fifths of respondents again believed that services provided by Police, followed by Land Administration (one-third) and Govt. Hospitals (one-third) are poor.

The table also revealed that nearly one-half of the respondents (47%) believed that there is a lack of commitment in Police Department, followed by Land Administration (37 %) and Municipal services (25%) to reduce corruption.

Table No. 20.1 : Kerala-Ranking of Public Services

(Figures in Percent of Respondents)

Department	Direct experience of bribing	Quality of service is poor	Using influence/middlemen	Perception that department is corrupt	Lack of Commitment to reduce corruption	Perception increased	Composite Index Value
<b>NEED BASED</b>							
Rural Financial Institutions	01	01	3	08	08	04	03
Income tax (Individual Assesses)	20	08	17	25	08	08	18
Municipal Services	10	25	20	42	25	21	23
Judiciary (Lower)	10	25	24	48	11	11	23
Land administration	29	35	20	52	37	37	36
Police	43	59	59	70	47	52	54
<b>BASIC</b>							
Schools (up to 12 <sup>th</sup> )	02	06	03	10	08	05	05
Water supply	08	22	11	31	20	18	18
PDS (Ration card / supplies)	04	15	10	19	17	11	11
Electricity (Consumers)	10	21	07	37	24	23	20
Govt. Hospitals	11	35	17	55	23	41	29

### Households Paying Bribes in Kerala

The number of households having paid bribes during the last one year is estimated to maximum in Electricity (3.6 lakh), followed by Land Administration (2.5 lakh), Govt. Hospital (2.3 lakh) and Police (2.1 lakh). It may be attributed to frequent interactions of the public with these departments in particular.

**Table No. 20.2 Estimated No. of Households Paying Bribes**

Department	No. of households paid bribes
Electricity	3,64,192
Education ((up to 12 <sup>th</sup> ))	27,946
Hospital	2,32,882
Income Tax	55,892
Judiciary (Lower)	38,148
Land Administration	2,54,188
Municipal Services	1,22,037
Police	2,14,251
Water	90916
Rural Financial Institutions	9,315
Public Distribution System	98369

### Conclusions

However, there has been a mixed reaction in the press over to classify Kerala as the 'least corrupt State' among the 20 States covered in the Study. Many people of the State has attributed it to -

- ☞ 'relatively better educated people, well streamlined staff selection procedure and high level of competition',
- ☞ 'there is no practice of giving bribe to authorities for any purpose',
- ☞ 'more than decentralisation of administration, .....big levels of awareness and literacy among the public in Kerala that have brought down the corruption level in the State. District administrations have become more efficient and streamlined, thanks to the initiatives taken by the Collector .....and other officials'.
- ☞ 'Finding is correct'.
- ☞ Contrarily, many readers, based on their personal experiences, have considered the State as the most corrupt one, next to Bihar only. To quote some of them -
- ☞ 'Every Department in Kerala is submerged in Corruption.'
- ☞ 'Kerala is a corrupt State, though less in percentage..... Corruption is a common trait seen among politicians and officials.

- ☞ 'Political parties are more corrupt than individuals.....ample scope of corruption by a group instead of an individual.'
- ☞ 'In Kerala's context, it is bribery that is most rampant form of corruption.'
- ☞ 'Corruption is the hallmark of Kerala'.
- ☞ 'Large scale irregularities are being repeated in Government Departments.....The former DGP had publicly admitted that corruption is a serious problem at various levels in the Police Department.'
- ☞ 'The agony of a common man to obtain an incomeor caste certificate, or to get a small plot registered is beyond words and Kerala Govt. Departments stand as a corrupt demon, demanding bribe everywhere. ....The politicians , who are the watch dogs of democracy are themselves corrupt with benami bank accounts and Swiss bank accounts.'
- ☞ 'In Police Stations any thing can be done with the influence of money and power. ....The police often make the petitioners the offenders.'
- ☞ '.....failed to get any work done in judiciary and quasi judicial offices.'
- ☞ 'Corruption has seeped into every activity .....no employee or official working in a government agency or deptt. can claim to be free from corruption'.
- ☞ 'Corruption is such a well organised operation in Kerala that it is rampant right from the top-most officer to the lowly chaprasi.'

Since these are only indicators and based on the experiences of the respondents of the particular State, it is very difficult to realise the life of the people living in the other States.

## Towards Improving Governance

It is commonly recognized that corruption, which has become a universal phenomenon, unless kept in check, can undermine the finest of systems. It eats into the very vitals of the civic society and directly vitiates the relationship between the citizen and the state, which in modern times must conform to the status of a welfare state. However, the common man feels that there is lack of political accountability – its criminalisation and ‘compulsions’ of coalition politics, and systemic weaknesses in corruption/grievance redressal machinery are the most important reasons for sustaining corruption in the country. Further, it is perceived more as a result of monstrous greed allowed sanction by corrupt politicians and a weak, apathetic and unaccountable government machinery – all these elements reinforcing each other. The existing anti-corruption institutions are also not very effective as they are under the control of the politicians, lacking real teeth and powers, and not having the strength of officers with impeccable integrity. Besides, these institutions face problems with regard to paucity of staff and non-filling up of the vacancies, etc.

It is argued that corruption can be curbed by systematic changes in governance through introducing transparency, accountability and probity in administration. These can be brought through various tools, including the Citizens’ Charters, Right to Information, e-Governance, Report Cards and Social Audits. During the National Seminar on August 24-25, 2005, it was claimed that Citizens’ Charters constituted a commitment of the Government towards the people. It is a revolutionary tool for good governance. However, it was argued that, on the British pattern, an automatic compensation mechanism should be put in place, to begin with, for four essential services, viz., electricity, water, gas and telephone, if the services were not delivered as per specified time frame not working for a specific time. To make citizens’ charters a need was felt to introduce the following five “Cs”:

- (1) Change in the mindset of the service providers - that they are servants of people.
- (2) Consultation between service providers and service seekers.
- (3) Computerization of services.
- (4) Compensation to customers for delays or non-performance by service providers.
- (5) Corruption eradication.

Citizen Report Card (CRC) is a participatory service delivery assessment system and provides organizational leaders an opportunity to reform and re-orient service delivery. It involves generation of credible user feedback on a variety of qualitative and quantitative indicators of services where random sample survey of users of public services based on a mix of household and exit interviews. The Public Affairs Foundation (PAF), Bangalore, is involved in this activity for some time. It is, however, hoped that preparation of such report cards and indices can only be useful if people were involved in making the use of the same.

The Right to Information empowers the common man to know his entitlement to avail a particular public service, and redress his grievance, if any. It also includes the Right to be Heard and Consumer Education, i.e., educating the consumer about his rights. It is based on the rationale of “participatory, transparent and accountable governance”. Under the Right to Information, public servants can also be questioned on their conduct and, thus, made accountable.

The evolution of use of Information Technology in the country has made it possible to cover the country by computer network for public services. There are efforts to promote e-governance for improving the administrative system and make it citizen friendly. With the passage of time, the adoption of ‘e-Governance’ is expected to eliminate corruption to a large extent. For example, railway reservation has through e-mail has become hassle-free.

To, sum up, the ‘vigilant citizens’ could shake up the bureaucracy by making it duty conscious and accountable. Therefore, the citizens must act - either on their own or with the help of NGOs. Unless the public servants are made afraid of being questioned, they shall never improve and perform and corruption shall continue to thrive.

## Citizens' Charters

A Citizens' Charter represents the commitment of the Organisation towards standard, quality and time frame of service delivery, grievance redressal mechanism, transparency and accountability. Based on the anticipated expectations and aspirations of public, Citizens' Charters are to be drawn-up with care and concern for the concerned service users. They enable the service seekers to avail the services of the government departments with minimum inconvenience and maximum speed. For this, the Citizens' Charters are expected to indicate 'WHERE TO GO' and 'HOW TO PROCEED'. On the other hand, it makes the service providers aware of their duties to attend to the problems of the concerned citizens within a reasonable time-frame. Thus, the dissemination of information about the Charter's contents for the awareness and sense of responsibility & accountability among all are the keys to practical application of Citizens' Charter in any area.

As on March 31, 2005, 107 Citizens' Charters had been formulated by the Central Government Ministries/ Departments/ Organisations and 629 Charters by various agencies of State Governments & Administrations of Union Territories. Most of the national Charters are posted on the government's websites and are open to public scrutiny. These can be accessed from the GOVT. WEBSITE - [www.goicharters.nic.in](http://www.goicharters.nic.in)

Suggestions and grievances can also be communicated to Director (PG), Deptt. of Administrative Reforms & Public Grievances, Govt. of India, V Floor, Sardar Patel Bhawan, New Delhi-110 001 (Telefax - 011-2336-2325) or at - <http://darpg-grievance.nic.in>

Similarly, there are efforts to introduce e-governance at various levels by different Central and State Govt. Departments. Among them, Railways, Judiciary, Post Offices and Income Tax have already taken some of the steps; more steps are on the way. Andhra Pradesh is one of the foremost States in this respect.

Some Essential Ingredients of Citizens' Charters:

Every Charter is a solemn commitment of the government or public sector institution for delivery of services to the intended beneficiaries. Very briefly, the basic and essential ingredients of a citizens' charter are-

- (a) Listing of specific services offered by the Department,
- (b) Location and timings of offices connected with the delivery of services.
- (c) The names (with address and telephone number) of the officers responsible for delivery of the aforesaid services;
- (d) The time required for the delivery of each service; and
- (e) The grievance redressal authority in case the services offered are delayed or denied.
- (f) Provision of a 'compensation clause'.

### Some Obvious Ddficiencies in the Existing Citizens' Charters:

In May 2002, TI India had released a Study of the Citizens' Charters in respect of eleven Deptts. of Delhi Govt. and two Deptts., namely, DDA and Income Tax of Central Govt. According to this Study, the following were the problem areas

- ☞ Lack of awareness and knowledge and adequate publicity, hence no confidence among service seekers
- ☞ No training to the operative and supervisory staff

- ☞ Lack of infrastructure and initiative
- ☞ Hierarchy gap between the Officers and the Operative Staff-Need of team effort
- ☞ Different mind-sets of officers and the Staff-Insensitiveness on the part of the Supervisor and the Staff because they are yet to be sensitized
- ☞ Staff is not prepared to shoulder the responsibility due to lack of motivation and accountability
- ☞ Non-revision, complicated and restrictive rules & procedures

### Recommendations

The present Citizens' Charters in general have been found to be deficient particularly in respect of above mentioned aspects. Therefore, the Study made the following recommendations -

**Change of Mind-set:** There is a need for the officers and staff dealing with the public to realign the mindset from the present Raja-Praja syndrome so that harmonious relations prevail between the service providers and the service users/consumers. The services promised by a Department should be rendered without any discourtesy or harassment. In this connection the oft-quoted statement of Mahatma Gandhi, Father of our Nation, bears reiteration: -

“A customer is the most important visitor on our premises.

He is not dependent on us. We are dependent on him.

He is not an interruption on our work; he is the purpose of it.

He is not an outsider to our business; he is part of it.

We are not doing him a favour by serving him, he is doing us a favour by giving us an opportunity to do so”.

The foregoing inscription in bold letters should also be displayed near the entrance of every Department dealing with the public. The introduction of customer and people's orientation in administration and the adoption of Citizens Charter ought to represent more than a philosophical statement. They have to be seen really as what they are, a paradigm shift in the way administration has functioned so far. The public agencies have to collaborate in the institutionalization of the new attitudes and changed procedures, and in the required capacity- building of the personnel at the managerial and cutting-edge levels.

**Awareness and Consultation:** About 70% of the intended beneficiaries are not aware of the existence of the Citizens' Charter at all. How can then they ever demand its implementation? What is worse, most of the personnel in a Government department themselves are not aware of the existence of a Citizens Charter in their department. Consequently we recommend that a Citizens Charter shall be displayed prominently at the entrance of the department concerned, both in English and Hindi. The Citizens Charter shall be printed and kept ready with the Receptionist or the Public Relations Officer (PRO), so that any citizen going to the Department can have it free of charge.

The preparation of the Citizens' Charter should be done in consultation with the employees of the department dealing with the public, in addition to its officers and the service users, by publishing the charter and inviting suggestions from all concerned.

**Introduction of e-Governance:** Maximum advantage should be taken of the progress in Information Technology. Citizens' Charter should form a part of the Delhi Govt's website. All incoming letters, applications and complaints shall be computerised, and the current status is reflected in the computer. As a result, it should be possible for any applicant or complainant, to ascertain the progress in his case without repeated visits to the Office or to take the help of a Dalal or tout. It should be incumbent on the Department on receipt of any application to immediately point out to the party, if there is any deficiency.

**Compensation:** It is essential to provide in every Citizens Charter a clause stating the compensation payable if the promised service is not delivered in time. This alone will make the officer concerned with the delivery of the specific service fully accountable for any delay or denial of that service. Such a provision exists in several Citizens' Charters (particularly relating to the critical services like water, electricity, telephone and gas) in U.K. In certain Citizens Charters in Andhra Pradesh, compensations have been provided for and paid. A precedent for payment of penalty or compensation also exists in some of the Citizens' Right to Information Act.

We recommend that the compensation should be paid by the Department to the citizen without his going to a Court. However, the payment of compensation recommended as aforesaid, shall not be the end of the matter because the principal object of the delivery of service is not achieved. In case there is default even during the extended period, the citizen concerned shall refer the matter to the Citizens' Ombudsman.

**Corruption:** It is essential to curb corruption by adopting stern measures by implementing Citizens' Charters. If desired, detailed steps to be taken to curb corruption with a firm hand can be suggested.

**Review:** Every Citizens' Charter should be reviewed periodically by the Head of the Department concerned, in consultation with the service users and the Citizens' Ombudsman. The date of issue of every Citizens charter shall be mentioned on it.

**The Citizens' Ombudsman (Lok Prahari):** To address Citizens' problems a small Committee as under should function as Citizens' Ombudsman or Lok Prahari attached to every Department of the Delhi Govt. dealing with the public, for which a Citizens Charter has been issued. The Citizens' Ombudsman panel shall consist of three members: -

- (a) An Expert or Specialist having knowledge of the Department - this person could be a superannuated officer who may have knowledge about the working of the Department or say in the case of Health, a Doctor and in case of PWD a Civil Engineer.
- (b) A Representative of the Service Users Association: Where no such association exists, the Department shall try to promote one.
- (c) A social activist representing any NGO interested in the work of Citizens' Charter's implementation. TI India we can suggest a few such bonafide NGOs, if desired.

The Citizens' Ombudsman should have access to files and documents connected with a grievance and be entitled to meet any assistant or officer of the Department, including the Head of the Department to ensure justice and fair play to the citizen. Where necessary the Citizens' Ombudsman will have access to the Department of Public Grievances to seek redress for the wronged citizen.

Where a bribe has been demanded from the citizen, he shall report the matter to the Citizens' Ombudsman. If satisfied that the complaint is genuine, the Citizens' Ombudsman will request the Vigilance Department to take action against the erring officer.

**Citizen's Duties:** It is important that every citizen should also be aware of his duties. Such duties have been spelt out in Article 51A of the Constitution of India. In addition, the specific duties relevant to a Citizens' Charter shall also be spelt out clearly. Both these duties, general and specific, shall constitute an important part of the Citizens Charters.

**Orientation of Officers and Staff :** There is an urgent need to impart information and training to officers and staff regarding the necessity for Citizens' Charter, their active role in the formulation and whole-hearted cooperation in their implementation.

#### **Department of Administrative Reforms & Public Grievance Study**

These findings have been confirmed in another study of a professional agency sponsored by DAR &



PG in 2002-03 for developing a standardised model for internal and external evaluation of Citizens' Charters in a more effective, quantifiable and objective manner. This agency carried out evaluation of implementation of Charters in 5 Central Government Organisations and 15 Departments/ Organisations of States of Andhra Pradesh, Maharashtra and Uttar Pradesh. Its major findings were :-

- (i) In majority of cases, Charters were not formulated through a consultative process.
- (ii) By and large, service providers are not familiar with the philosophy, goals and main features of the Charter.
- (iii) Adequate publicity to the Charters had not been given in any of the Departments evaluated. In most Departments, the Charters are only in the initial or middle stage of implementation.
- (iv) No funds have been specifically earmarked for awareness generation of Citizens' Charter or for orientation of staff on various components of the Charter.

Its key **recommendations**, inter alia, include :- (i) need for citizens and staff to be consulted at every stage of formulation of the Charter, (ii) orientation of staff about the salient features and goals/ objectives of the Charter; vision and mission statement of the department; and skills such as team building, problem solving, handling of grievances and communication skills, (iii) need for creation of database on consumer grievances and redress, (iv) need for wider publicity of the Charter through print media, posters, banners, leaflets, handbills, brochures, local newspapers etc. and also through electronic media, (v) earmarking of specific budgets for awareness generation and orientation of staff, and (vi) replication of best

### **T I India's Suggested Guidelines for the Citizens' Charters**

- (1) List all Offices according to type of services they provide to public - Indicate their location, areas they cover, type of services being rendered to public, phone nos.
- (2) There should be a separate Citizens' Charter (i.e., Local Citizens' Charters) for each office covering the services they provide. For example, there should be a separate Charter of the Directorate, its subordinate offices, Hospitals, Schools, etc. according to the particular services they provide.
- (3) Mention Service Standards - Step-by-step-Procedure based on 'Where to go; how to proceed', simple and easy to fill-in Forms, specimen of duly-filled in forms, documents, fees, etc. required, reasonable time schedule, Do's & Don'ts, etc., names, addresses and Tele. Nos. of concerned Officials, his alternate for each service, etc.
- (4) Minimum documentation, self-attestation and self-declaration
- (5) No duplication - In case desired information and document submitted earlier like proof of residence (if there is no change), birth certificate, etc., it should not be asked again.
- (6) If promised services are not provided as per specified time schedule, an effective grievance redressal mechanism (including the provision of compensation to the concerned citizen in order to introduce accountability) should be introduced
- (7) Provision of "TATKAL" (Immediate) Services if somebody is in urgent need (as in the case of Passport, Railways, etc.) to avoid touts, bribery, etc.
- (8) Simultaneous changes in the Performa and other requirements to be effected along with the changes made in the Citizens Charter
- (9) Database of frequently required information, like ownership of property, vehicle, etc., tax and dues paid or pending, etc.

(10) If possible, the services and their related information may be presented in a tabular form.

(11) Salient features of each service should be prominently displayed in simple and easy language at all places likely to be visited by the service seekers.

**Note** - Every Charter has to be finalized after having a detailed discussion with the concerned Service Providers, Service Seekers and the genuine NGOs representing the concerned Citizens.

### **Charter Mark Scheme**

According to **Dr (Mrs.) Sanjeevan Bajaj** of Tata Consultancy Services, the United Kingdom for the first time had introduced the Charter Mark Scheme to create a quality certification exclusively for government agencies. Adoption of a similar approach in the Indian context, that was contemplated, would encounter initial difficulties as, among other things, the implementation of Citizens' Charters is still a far cry and they contained anomalies in several cases. However, from the Charter Mark's view, several factors needed to be taken into account in formulating Citizens' Charters. These may include capability to address needs of different types of customers, e.g., rural v/s urban; standards of services could legitimately differ across locations; the standards needed to be based on realistic possibilities obtaining at present rather than on aspirational ideals for the future, and the standards should take infrastructure issues into account otherwise they would be unrealistic and not sustained by motivation.

Besides formulating realistic and effective Charters, there are other issues also that are equally important, such as, consultation process for Charter formulation; dissemination of Charter contents; monitoring and improving compliance of standards, and review of Charter based on emerging requirements.

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## Right to Information Act-2005

### Basic Information

**When does it come into force?** - It comes into force on the 12th October, 2005 (120th day of its enactment on 15th June, 2005). Some provisions have come into force with immediate effect, viz., obligations of public authorities [S.4(1)], designation of Public Information Officers and Assistant Public Information Officers[S.5(1) and 5(2)], constitution of Central Information Commission (S.12 and 13), constitution of State Information Commission (S.15 and 16), non-applicability of the Act to Intelligence and Security Organizations (S.24) and power to make rules to carry out the provisions of the Act (S.27 and 28).

**Who is covered?** - The Act extends to the whole of India except the State of Jammu and Kashmir. [S.(12)]

**What does information mean?** Information means any material in any form including records, documents, memos, e-mails, opinions, advices, press releases, circulars, orders, logbooks, contracts, reports, papers, samples, models, data material held in any electronic form and information relating to any private body which can be accessed by a public authority under any other law for the time being in force but does not include “file notings” [S.2(f)].

**What does Right to Information mean?** It includes the right to -

- i.* inspect works, documents, records.
- ii.* take notes, extracts or certified copies of documents or records.
- iii.* take certified samples of material.
- iv.* obtain information in form of printouts, diskettes, floppies, tapes, video cassettes or in any other electronic mode or through printouts.[S.2(j)]

### Key Provisions

#### Strengths

The Act has gone considerably further than the Freedom of Information Act of 2002 in a number of areas, including independent appeals, penalties for non-compliance, proactive disclosure, and clarity and simplicity of the access process.

- ☛ **Information Broadly Defined:** The Act confers a right to “information” rather than just “records” or “documents”. In keeping with best practice in some of the Indian States, information has broadly defined to permit the inspection of public works\* including taking samples of materials. The definition also includes “information relating to a private body which can be accessed by a public authority under any law”. This provision is an interesting variation on promoting disclosure by private bodies. It has been designed to keep the onus on the Government to collect information from private bodies, rather than requiring the public to chase private bodies themselves.
- ☛ **Proactive Disclosure:** The list of information to be proactively published by public authorities is very broad. In addition to standard provisions commonly contained in access laws, public authorities must publish: (i) the budget allocated to each agency, including plans, proposed expenditure and reports on disbursements; (ii) the manner of execution of subsidy programmes, including the amounts allocated and beneficiaries; (iii) recipients of concessions, permits, licenses; and (iv)

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\* In Delhi, a similar provision has been used to expose corruption in public construction activities. For availing information under the Delhi Right to Information Act, the required Form ‘A’ is available on Delhi Government’s website [www.ar.delhigovt.nic.in](http://www.ar.delhigovt.nic.in) or at [www.parivartan.com](http://www.parivartan.com)

relevant facts while formulating policies or announcing decisions. The Act explicitly states that it “shall be a constant endeavour...to provide as much information *suo moto*...so that the public have minimum resort [to the Act]”.

- ☛ Appointment of PIOs: Public Information Officers (PIOs) are required to be appointed “in all administrative units/office...as may be necessary to provide information to persons requesting it”. Assistant PIOs are also to be appointed at each sub-divisional or sub-district level, and these Assistants are tasked with receiving applications and passing them on to the relevant PIO. These provisions combined are designed to bring access closer to the people, by ensuring that applicants can submit requests in their local area, rather than having to rely on the post or travel to the city.
- ☛ Time Limits: Thirty days for normal applications and 40 days where a third party submissions is to be called for. In a novel approach, these time limits are reduced to a mere 48 hours where the information sought “concerns the life and liberty of a person”.
- ☛ Fees: The application fee is explicitly required to be “reasonable” and no fee shall be charged from persons who are ‘below the poverty line’, as determined by the Government. Where a public authority fails to comply with time limits under the Act, the information shall be provided to them free of charge.
- ☛ Public Interest Override: All of the exemptions under the Act (except the exemption for information which is subject to copyright) are subject to a public interest override, whereby information *may* be disclosed “if public interest in disclosure outweighs the harm to the protected interests”.
- ☛ Independent Appeals: The Act establishes new Information Commissions at the Centre and in all the States. The Commissions are given broad powers to hear appeals and are also tasked with regular monitoring of the law (including production of annual reports). The Commissions can make any order required to bring about compliance with the law, including ordering release of documents, appointment of PIOs and publication of specified information. The Commissions are made up of a Chief Information Commissioner and up to 10 Information Commissioners.
- ☛ Penalties: Every PIO can be penalised Rs 250 per day up to a maximum of Rs 25,000 for not accepting application; delaying information release without reasonable cause; denying information in bad faith; knowingly giving incomplete, incorrect, misleading information; destroying information that has been requested and obstructing furnishing of information in any manner.

## Weaknesses

Despite progress on a number of fronts, the Act still retains a number of restrictive provisions, which could be abused to deny information which rightly belongs in the public domain.

- ☛ Cabinet Exemption: An overly broad exemption has been included for “Cabinet papers, including records of deliberations of the Council of Ministers, Secretaries and other officers”. A proviso is added that decisions of the Council of Ministers, their reasons and the materials on the basis of which the decisions were made will be published after a decision is taken and the matter is complete. However, there is no mention of a definition of Cabinet paper. Additionally, the extension of the exemption to records of deliberations of “Secretaries and other officers” is unjustifiably broad and could be used to exempt a large amount of non-sensitive information.
- ☛ Intelligence & Security Agencies Exemption: A range of Central intelligence & security agencies are specifically and entirely exempted from the Act, except where the information request pertains to allegations of corruption or human rights violations. (In the latter case, the Information Commission will make the decision regarding whether or not to release the information.) State Governments are also permitted to prescribe their own list of intelligence & security agencies, which will be exempted from the Act.

- ☛ 20 Year Rules Exemptions: A number of exemptions will continue to apply on some information which is more than 20 years old, most notably, the information classified as “prejudicially affect the sovereignty and integrity of India, the security, strategic, scientific or economic interests of the State, relations with foreign States of which would lead to the incitement of an offence”, the Cabinet exemption, and the exemption for information which would cause a breach of parliamentary privilege if disclosed.
- ☛ Public Authorities as Third Parties: Third parties are permitted to make representations where a PIO intends to disclose information supplied by the third party and “treated as confidential by the third party”. There is some concern that this provision could be abused in practice to improperly delay responses to requests, particularly because the Act defined third parties to include other public authorities.
- ☛ Penalties: The final form of the Act removed references to imprisonment for serious acts of non-compliance with the Act. It is notable in this respect that while the Act now allows for a fine for “denying information [in bad faith]; knowingly giving incomplete, incorrect, misleading information; destroying information that has been requested and obstructing furnishing of information in any manner”, the fine is to be calculated on a daily basis! It is not clear how this provision will apply in practice - how many days of fine will be imposed for destruction of a document?

Besides, after initially rejecting it, the Govt. has finally accepted the bureaucrats’ demand that notings by officials on file should not be made public under the Act, as it will discourage officials from making honest and fair assessments since file notings are part of the deliberation process.

## Apprehensions

The Act also contains certain provisions whose impact will likely not be fully appreciated until the implementation process is worked through. They could work well - but if implemented poorly, they could cause problems in administering the Act in practice.

- ☛ Coverage: In response to strong lobbying from civil society, the original Bill was amended to extend coverage to all State and local bodies as well as Central Government public authorities. This reflects the approach taken in the earlier *Freedom of Information Act 2002*. It is undoubtedly positive that the Act is designed to apply across the country at all levels, because only eight States and one territory have passed their own access laws. However, in practice it remains an open question as to whether and how a law which was passed by the Central Parliament will be implemented by State Governments. Thus, key issues for consideration include: (a) how will current State laws and the new Central law interact; (b) who will provide implementation funds; (c) what is the jurisdictional and operational interaction between the Central and State Information Commissions; (d) where will staff for Information Commissions be drawn from?
- ☛ Selection of Information Commissioners: The original Bill required that Information Commissioners were to be selected by a Committee comprised of the Prime Minister, leader of the Opposition and Chief Justice of India. The Bill was, however, amended to replace the Chief Justice with a Cabinet Minister selected by the PM. This could now mean that the selection process may be partisan because the Selection Committee is dominated by the Government nominees.

## Summing-up

This Act has replaced the Freedom of Information Act 2002. It will have jurisdiction over every public authority in the country. In States, which have already passed or plan to pass such laws, both the state and the Central Acts will co-exist - giving citizens a choice. Thus, it has freed the country from the Official Secrets Act 1923. It empowers all individuals by providing penalties on erring officials for not providing information or misinforming, and thus ensures administration accountable, and bring transparency in sections of the government like intelligence and security agencies. Under the Act, ten categories of information are exempted from disclosure. However, it allows a public authority to disclose

even exempted information if disclosure is in public interest like human rights violations or corruption. There will be independent information commissions as appellate bodies at the central and state levels to enforce the Act, and harsher penalties for officials who do not comply. In case of any information termed as 'confidential', provision has been made for additional 15 days' third party hearing and provide the information sought. Similarly, although information about the private sector cannot be sought directly, it can be accessed by a public authority under any other law for the time being in force.

Thus, this Act chiefly provides:

- (1) The Indian president will appoint a chief information commissioner and governors of states and state information commissioners to implement the Act. They will be autonomous functionaries with five-year terms.
- (2) The chief information commissioner and state information commissioner will publish an annual report on the implementation of the Act.
- (3) The annual reports will be tabled before Parliament/state legislatures.
- (4) 'Information' about events that took place 10 years before the date of request can be provided.
- (5) Provision for varying penalties or fines (Rs. 250 per day and to a maximum of Rs. 25,000) for delaying without reasonable cause beyond the stipulated 30 days, including malafide refusal to give or destroying information or knowingly giving out wrong information to an RTI applicant.
- (6) Government bodies have to publish details of staff payments and budgets.
- (7) An applicant will be given the choice to make a request either under provisions of the central Act or the State Act. (Eight State governments have implemented their own Right to Information laws.)

However, those instrumental in drafting the bill considered it a watered down version of the suggested one because it denies people the vital information they need to hold public authorities accountable. Members of the National Advisory Council (NAC) believe this bill has taken away access given in the original draft to information from state governments, district authorities and local bodies.

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## E-Governance

### **e-Governance: Key to Good Governance**

Information Technology (IT) has become an effective tool, inter alia, in efficient governance and in developing human resource. It is argued that e-governance is a better means -

- ☛ to make the government more responsive and accessible;
- ☛ to provide better Government services; and
- ☛ to enhance the role of government as a catalyst of economic growth;
- ☛ for transferring benefits, improving health care and education.

Thus, electronic governance or e-governance is expected to be an accepted methodology in:

- ☛ Providing information speedily to all citizens.
- ☛ Improving transparency.
- ☛ Improving administration efficiency.
- ☛ Improving various public services.

In other words, e-Governance is to provide SIMPLE, MORAL, ACCOUNTABLE, RESPONSIVE and TRANSPARENT, i.e., SMART Government. The resulting benefits are less corruption, transparency, paperless offices, greater convenience, revenue growth and/or cost effectiveness. Accordingly, e-governance can be defined as “an electronic delivery of government services to citizens, business and other external consumers of such services in a reliable, timely and transparent manner, rather than computerization of one department or the other.” Application of e-governance projects saves money, time and effort, while infusing efficiency into the system faster than expected.

### **Minimum Agenda for an Effective e-Governance**

Minimum agenda for each Ministry/Department for an effective e-Governance is expected to be

- (1) To provide PCs with necessary software, including LAN, up to a certain level.
- (2) Training of all staff members who are expected to use computer through Learning
- (3) Centres for decentralized training in computers.
- (4) To start using the NIC’s Office Procedure Automation software to keep a record of all receipts, issue of letters, and movement of files.
- (5) Pay roll accounting and other house-keeping software for day-to-day operations.
  - (a) Notices and circulars to be circulated by e-mail.
  - (b) Submission of applications and official Notes/noting to be done electronically.
  - (c) To set up online notice board to display orders, circulars etc.
- (6) To use the web-enabled DAR & PG Grievance Redressal Software.
- (7) To have its own website specifically containing a section in which various forms to be used by citizens/ customers are available. The forms to be available for being printed out, completed and submission on the computer itself.

- (8) All Acts, Rules, Circulars to be converted into electronic form and, along with other published material of interest or relevance to the public, be made available on the internet and be accessible from the Information and Facilitation Counter.
- (9) The version of the websites be developed simultaneously in national and regional languages.
- (10) To make efforts to develop packages so as to begin electronic delivery of services to the public.
- (11) To have an overall IT version of strategy for a specific period, with in which it could dovetail specific action plans and targets (including the minimum agenda) to be implemented within one year.

### Illustrative e-Governance Projects\*

There are over a score of e-governance projects spread across the country, interfacing with citizens. Some of the popular e-governance initiatives are :

**(i)** Suwidha centers in rural Punjab are providing a single window for 24 services in 120 flavors. These include all kinds of licenses, certificates, passports, approvals, pension cases and ration cards etc. There are 18 Suwidha centers - one each for every district in Punjab. These are now planned to be rolled out to 72 sub divisions. Most of these services that used to take days earlier are now available in a matter of hours.

**(ii)** Rajiv Computer Literacy Program in Assam has already been implemented in 400 schools covering 1,50,000 students in places even as remote as Majuli, a remote island in Brahmaputra. Students are taught Physics, Chemistry, Mathematics and English using computers. The facilities in remote areas were as good as those in Guwahati. Another project, titled "Aarohi" (computer aided education programme in government schools) is being run in Uttaranchal.

**(iii)** Rural e-Seva project in the West Godavari belt of Andhra Pradesh – It was began just as a facilitation centre to allow citizens to get their income and other certificates in one place. Now, it is used to pay bills, to allow children to get computer-enabled education; people are even selling traditional products like lace through the system. The most interesting point is that while utility bill payments were being made through the system, the users of it even bid to become meter readers and won the tender. The original project began with 46 such centers and has scaled to over 200 centers. Women's self help groups are using it to promote Lace - a local cottage industry.

**(iv)** The Citizen Information Center (CIC) in remote villages of South Sikkim, is a window for the residents to the outside world. From examination results, to downloading all kinds of government forms, looking for jobs, Internet banking and commodity prices, the citizens are finding good value in the service. There are 40 such centers spread over the state. Citizen Facilitation Center in Kalyan Dombivli Municipal Corporation (KDMC) is slated for replication all over Maharashtra and New Delhi.

**(v)** 'Wadi' (small orchard) project in South Gujarat and Maharashtra – It is a successful intervention in sustainable tribal development based on a agri-horti-forestry-food processing. As a result, the landless labourers are today orchard owners and there is a new impetus to women empowerment through self-help groups, capacity building and activities like dairy farming and nursery development.

**(vi)** Computerization Project in Courts - e-Governance has been successfully implemented in the Supreme Court and 18 High Courts. As a result, for courts like the Supreme Court and the Delhi/Rajasthan High Court have helped in reducing the pendency of court cases in the country from 152,000 in 1996 to around 29,000 at present by clubbing cases on the basis of 'points of law'. Case status can be got on the internet, judgments since 2001 are available on the internet.



A pilot project for making available digitally signed copies of orders immediately after an order is dictated is under progress. Since case assignments are made by the computer, it is not possible to shift certain cases to certain benches.

Apart from doing videoconferencing with under trials in the jails itself (with the judges in their chambers), an attempt is being made to speed up things with even 'virtual' benches. Similarly, while it took litigants up to 6 months sometimes to get certified copies of judgments, this is now available within half an hour. Indeed, in courts like in Delhi, judges have been given laptops and training in ICT techniques. A lot of time is saved in studying precedents in similar cases by using ICT technology.

(vii) Rural kiosk project (costs Rs. 50,000), developed by Prof Ashok Jhunjhunwala (IIT Chennai), is used not only for e-mail, but functions as a vibrant tele-medicine project as well. The villagers coming in with diseased animals, spoilt crop, etc., and get their pictures with a webcam (with a wire to take it outside the kiosk if needed) transmitted to a centre in the city/state (such as a medical centre or an agriculture university), and then get expert advice on what to do. Another similar project is the telemedicine project in Midnapore.

### **Other projects\* of interest are -**

Tax Information Management System (TIMS) in Assam

"Kaver-ecom" Project in Bangalore – fully automated bill payment gateway having high degree of acceptance.

LR-MIS, CARD and e-Panchyat of Andhra Pradesh are extremely popular due to integration of e-governance projects. There is another e-Panchayat project of Ministry of Panchayati Raj.

Replication Projects – It is a club of six essentially projects (such as Bhoomi in Karnataka and Sarita in Mumbai) of record/property registration organized by the Department of Information Technology (DIT) to assimilate the learning of various projects. Computerisation of land records in Hoogli (West Bengal) and Uttaranchal are other examples. (Attempts are being made to replicate some of them in the specific areas of land records, property registration and transportation.)

### **Major e-Projects in Pipeline\***

A few of the biggest e-projects in pipeline are

1. A software titled "Common Integrated Police Application (CIPA)" has been developed –both in Hindi and English to deal with Police services across the country. It deals about with several facets of policing like administration, lodging FIRs, investigations, prosecution and information. Hence, the registration of FIRs will become quite easy, and nobody will be able to access the file. All the Police Stations and the DCP's office would be connected through LAN. The investigation section will have details about all the developments in a case. The information section will carry profile of all criminals, including the first timers. This will ensure that once an accused is caught, the Police will know about his/her previous involvement. Thus, sketchy and illegible FIRs, often resulting in sloppy investigations, will not be possible.
2. Another software is to link up all ration shops across the country with a centralized database. It will have details of grain released by various FCI Godowns across the country and help to detect the huge leakages from the system.

### **Assessing e-Governance Projects\***

The Skoch Consultancy Services (SCS), leading market analysis and strategy consulting firm, has assessed the following e-governance projects (21 in 2004 and 16 in 2005) on various parameters, including ease of use, speed of delivery, reduction in corruption, single window access, service level

agreements and simplicity of procedures, etc.

**State wise e-projects & their ranking with score**

State	Project	Ranking	Scoring
<b>(A) e-governance projects assessed in 2004</b>			
Uttaranchal	Aarohi	1	8.9
Maharashtra	KDMC	2	8.7
Bangalore	Kaver-e-com	2	8.7
Center	Railways	2	8.7
Tamil Nadu	Tamil Nilam	3	8.6
Tamil Nadu	Rural Delivery	3	8.6
Maharashtra	Sarita	4	8.3
Andhra Pradesh	CARD	5	8.1
Bangalore	Kaveri	5	8.1
Andhra Pradesh	e-Panchayat	6	7.9
Andhra Pradesh	LR-MIS	6	7.9
Assam	Aamar Sewa	7	7.7
Assam	CIC	8	7.6
Uttaranchal	Land Records	9	7.2
Center	TIN	10	6.9
Assam	TIMS	11	6.8
Center	Kissan Call Center	12	6.5
Center	Customs	13	6.4
Delhi	Driving License	14	6.2
Center	Agmarketnet	15	5.6
Delhi	Passport	16	5.1
<b>(B) e-governance projects assessed in 2005</b>			
Punjab	Suwidha - Kapurthala	1	8.9
AP	Rural e-Seva- West Godavari	1	8.9
Sikkim	CIC - Temi	1	8.9
Assam	Rajiv Gandhi Computer Literacy Program	1	8.9
Center	IT in Judiciary - NIC	1	8.9
WB	Tele Medicine - Midnapore	2	8.8
WB	Gram Panchayat- Kanaipur	3	8.6
HP	Property Registration- Shimla Rural	4	8.2
Sikkim	Land Records- Namchi	5	8.1
Delhi	Transport- IP Estate	5	8.1
WB	Computer Literacy and Training Program	6	8.0
Punjab	Transport- Ropar	7	7.7
Center	Customs- NIC	8	7.6
WB	Land Records- Hoogli	8	7.6
HP	Land Records- Suni	8	7.6
Punjab	Property Registration-Sangrur	9	7.4

The 2004 initial assessment was as follows -

- ☞ Spending on e-Governance up 23% year on year
- ☞ Uttaranchal tops the list among 21 best projects
- ☞ 81% citizens report reduction in corruption
- ☞ 95% find cost of e-governance affordable
- ☞ 78% favour speed of delivery
- ☞ Alignment with user expectations is 75%.

Most citizens felt that application of e-governance projects saves money, time and effort, while infusing efficiency into the system faster than expected. The speed of service delivery is excellent compared to the earlier system. Hence, several of these projects kept coming up as examples of success stories with potential of replication. Thus, these factors have ensured Panchayats and other bodies to install e-governance projects. They have benefited them in monetary terms.

However, since the e-governance projects work in watertight compartments, the real benefit does not accrue to the citizens. It is, therefore, recommended that e-governance projects should be citizen friendly built with defined deliverables for citizens. Further, the government needs to be at the doorstep of the citizen offering a basket of services. Rural Employment Guarantee Plan and the Right to Information would be an immediate case in point.

- ☞ Even rural projects are reporting high ease : Most of the projects are working well with power backups and connectivity options. The emphasis, however, should remain on functionality.
- ☞ Penetration is the key : While initiatives like common Citizen Services Centers etc. can play a major role in increasing accessibility; there is a need of the domain ministries and local self governance bodies getting computerized. There have to be services at the back end for the front end common service centers to deliver.
- ☞ The spending on e-governance has to go up substantially : Two per cent of the Plan expenditure should be spent on the IT to enable the plan. While some such guideline already exists, it does not seem to be currently followed. This becomes increasingly important in light of the country's move towards outcome based budgeting.
- ☞ Scaling and replication is a crying need : Most of the projects are only a minuscule number. Speed of implementation would be another area requiring improvement.

*The message from citizens can not be clearer - e-Governance can effectively combat corruption.*

\*(Source : *skoch* e-Governance Report Card 2004 & 2005)

In view of above initiatives and citizens' satisfaction, a large number of customer care e-services have already been initiated. Among them, the most important is the website of the Union Deptt of Administrative Reforms & Public Grievances regarding Citizens' Charters. It can be logged on [www.goicharters.nic.in](http://www.goicharters.nic.in)

For complaints & suggestions: <http://www.darpg-grievance>

## Citizen Report Cards

### A Strategic Tool to Improve Service Delivery

Suresh Balakrishnan, Public Affairs Centre - Bangalore

In the context of urban growth and poor service delivery, a small group of citizens initiated the process of preparing Citizen Report Cards in 1993. The group gathered systematic feedback on service delivery from a cross section of citizens through a stratified random sample survey. They presented it as the “voice” of residents to service agencies and city government. The findings reflected abysmal service standards; proportions of users, who were clearly satisfied with many services, were in single digit percentages. The report was sent to concerned agencies, which had different responses to the feedback. Three agencies sought inputs to improve services.

Development agencies across India took notice of this process and its potential for impact. The interest generated by the first CRC led to the creation of Public Affairs Centre (PAC) in 1994. PAC went on to replicate this process in other cities while strengthening the civil society network in Bangalore. By the time of the second CRC in 1999, the CRC process evolved from information gathering and dissemination, to one that actively engaged service providers. The second CRC indicated improvements in services and an increase in the incidence of corruption. CRC findings were shared in separate presentations with the heads of four public agencies. PAC used the findings to facilitate a series of public discussions involving city agencies about measures to improve service delivery. This was followed with several initiatives by city agencies to engage civil society to improve service delivery. The third CRC indicates that satisfaction with services has improved from the single digits of 1994 to over 70% for most agencies in 2003.

The experience with this decade long process, has contributed to significant changes in civil society's engagement with public agencies in Bangalore, and in the manner by which citizens' participate to improve public service delivery. The learning from this experience has been replicated and adapted in other sectors in India and in several countries across the world.

The CRC was built on a foundation of “voice” as articulated by citizens through feedback surveys. While “voice” alone is inadequate to improve services, CRCs provided something that was hitherto absent – the basis for systematic civic engagement by city governments and civil society, as well as benchmarks for monitoring performance. The public character of this process moved the focus of dialogue to specific issues and improvements, along with an acceptance of public accountability. It must therefore be noted that improvements that have taken place in the city are the result of reactive and proactive initiatives of city government and service agencies. Over these years, other reform initiatives in Bangalore have built on this premise, and radically altered the relationship between the city and its residents.

The key challenges for PAC included: drawing attention to the issue of quality of service, establishing space and legitimacy for civil society without a formal mandate, identifying points of leverage in the political and administrative system, finding a model to engage elected representatives, strengthening civil society, convincing stakeholders of the reliability of survey methodology and taking cognizance of some startling CRC revelations.

PAC's experience provides important lessons for civil society and public service providers who wish to use “voice” as the starting point for improving service delivery. While some lessons are based on specific strengths and limitations of PAC, they provide a framework for other groups to consider. It is essential for civil society to realize that information generated through CRCs needs to be articulated, directed and followed up for it to become an effective means by which citizens engage with government. Findings are not to be seen as research that ends in a report. Sufficient time needs to be allocated for the entire process. As for local governments, these lessons suggest how agencies can respond to

citizen initiatives, as well as the need to self-initiate reform even when public demand has not gathered strength.

The experience in Bangalore highlights a variety of enabling conditions for 'voice' to make a substantive impact. The space provided by the state for engagement, the identity it provides for civil society institutions, the extent to which prevailing political agendas allow particular groups to operate and the power of the client lobby have an important role to play.

This experience offers insights on how civil society articulated "voice" and engaged local government, and on how the state proactively responded to make best use of such initiatives. This is not meant to be a prescriptive statement of actions, but seeks to inspire civil society and local government to work together and to adapt the learning from Bangalore to facilitate innovative improvements in service delivery.

(Now, the Delhi Government has taken the initiative to get the Citizen Report Card (CRC) prepared for six departments (Education, Health, Transport, Food & Civil Supplies, Commissioner's offices, and Delhi Jal Board) covering their services. For the purpose, it has engaged the Public Affairs Foundation (PAF), Bangalore. It would involve generation of credible user feedback on a variety of qualitative and quantitative indicators of services with random sample survey of users of public services based on a mix of household and exit interviews. It is, however, felt that ultimately preparation of such report cards and indices can only be useful if people were involved in making the use of the same.)

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## Government Efforts to Improve Governance

Mrs Shyamalima Banerjee<sup>1</sup>

Before independence the main concern of the government of our country was collection of revenue and law & order. After fifty-eight years we have arrived at a stage, where our country is self-reliance in respect of food, literacy rate is increasing fast and the economy on sound footing. The government of the strongest democracy in the world is now committed to give a citizen-centric administration to the nation.

The Department of Administrative Reforms & Public Grievances (DAR & PG) is the nodal agency to design Policy Guidelines for a citizen-centric administration. In May 1997 the Department organized a conference of Chief Ministers of the country under the Chairmanship of the Prime Minister to adopt policy guidelines for the purpose of effective and responsive administration in the country.

Since then the DAR & PG is pursuing with the central government ministries and also with the state governments and union territory administrations to formulate citizens' charters, as an empowerment tool at the hands of the citizens. The Citizens' Charter lays down the expectations of the quality of services from government organizations by the citizens while at the same time it lays down the responsibilities of the citizens. The Department helps the central government ministries and departments and also the state governments to draft charters for different departments by organizing regional workshops and discussions. The DAR & PG has a website <http://goicharters.nic.in> absolutely for citizens' charters of Government of India Departments. The Department has issued guidelines for formulation and evaluation of citizens' charters. The Charters formulated by GOI Ministries/Departments are scrutinized by the Department before placing them to the Core Committee under Secretary (Personnel) for their finalization.

An important component of Citizens' Charter is Grievance Redress Mechanism that explains the system available in the Ministry/Department to seek redress if something goes wrong. The Department issued guidelines to all GOI Ministries/Departments to nominate a Joint Secretary level officer as Director of Public Grievances. Wide publicity regarding Name, address, including E-mail address of all PG Officers of GOI are given by the Department to help citizens to approach them for redress of their complaints.

The Department in consultation with NIC has developed a uniform software for on-line lodging of complaints by citizens from any geographical locations any time. The software called Public Grievances Redress and Monitoring System (PGRAMS) is an effective method to trace the grievance petition and also to find the status of redressal and also for furnishing additional information/reminding the authorities.

The DAR & PG is getting reports from the PGRAMS in respect of grievance prone areas of different ministries of GOI and has been forwarding the findings for effective corrections and also for pro-active measures to ensure that the causes of grievance do not arise.

The grievance redress mechanism in GOI is monitored at the highest level as the DAR & PG is placing the grievance redress system and the status of grievances pertaining to particular Ministries before a Committee of Secretaries under the Cabinet Secretary. The Committee offers decisions on many issues, which are strictly followed.

The Department publicizes the system available for public grievance redress mechanism in the government and also to get feedback from NGOs and citizen groups for further improvement of the system.

In its endeavour to improve government service delivery the Department recently organized a One Day Workshop with the NGOs from all over the country and GOI Departments/Organizations, Bureau of Indian Standards, Quality Council of India, Centre for Good Governance, Hyderabad and other organizations.

The Department of Administrative Reforms and Public Grievances is also working on developing a framework for awarding Charter Mark to organizations that demonstrate excellence in service delivery to citizens. The broad areas to identify performance of an organization are based on –

Implementation of Citizens' Charter and the mechanism for evaluation of performance in this regard.

- ☞ Quality and standard of Public Grievance Redress Mechanism.
- ☞ Bench marking the quality of services delivered to the citizens and grading the departments from the point of view of delivery of services.

### **The Right to Information Act**

The Right to Information Act has been passed in 2005 and under Section 4 of the Act it is mandatory for the Departments to engage in discussions with stake-holders while finalizing their core missions and services.

As announced by the Finance Minister, the outcome budget is an important tool for effective management of programmes and accountability. From the current fiscal year it has been decided to put up in the public domain information about the spending of the Ministries along with the outcomes, which are expected to be achieved for easy scrutiny by citizens.

However, all these activities and initiatives would be successful only when the citizens are alert, active and are ready to perform their duties and share responsibilities towards achieving the goal.

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# CORRUPTION PERCEPTIONS AND AN APPROACH TO COMBAT IT

B P Sinha\*

## Introduction

This paper highlights the perceptions about the nature, extent and causes of corruption, in the country, especially in the context of delivery of basic public services, based on responses to a Questionnaire sent to over hundred institutions, including Transparency International India's State Chapters, and like-minded NGOs. Views were also invited on the functioning of the various government bodies<sup>1</sup> like Central Vigilance Commission (CVC), Central Bureau of Investigation, State-level Vigilance Commissions, Lok Ayukta and Anti-Corruption Bureaux, which deal with corruption and irregularities in their defined spheres of activity. A number of suggestions for combating corruption and for improving the functioning of the anti-corruption institutions were also received. In the later part of the paper, a people-centric approach to fighting corruption is discussed.

## Corruption Perceptions

It is commonly recognized that corruption, which has become a universal phenomenon, unless kept in check, can undermine the finest of systems. It eats into the very vitals of the civic society and directly vitiates the relationship between the citizen and the state, which in modern times must conform to the status of a welfare state. For a developing country like India, it additionally casts a deleterious effect on its growth prospects by adversely affecting international economic interaction and support. From this angle, one cannot but feel seriously concerned about India ranking 90th in the Transparency International's 2004 Corruption Perception Index (with a score of only 2.8. out of 10 being the least corrupt) amongst a total of 146 countries

According to a recent survey titled: "India Corruption Study 2005", conducted by the Transparency International India, an overwhelming proportion of respondents have opined that corruption in the country has been on the increase and has already become rampant and all-pervasive. This observation is based on the first hand experience of most of the respondents. Almost all the respondents felt that corruption in the delivery of public services was a reality and not just 'hearsay' or an impression. Some sort of a payment is generally extorted – whether a bribe/tip or consideration – for the delivery of an urgent service. In most cases, the service-seekers (users) know 'what is to be done', and accordingly a certain sum passes hands as a matter of course. The presence of agents and intermediaries corroborates the impression that corruption in the delivery of public services has become quite institutionalized.

## Corruption Level in Public Services

About the level of corruption in the basic services' departments or areas of public service, Police is generally found to be most corrupt, followed by the Municipal organizations, Public Distribution System, Land Administration and Income Tax. Educational institutions, Water Supply, Medical Services (Hospitals) and Rural Financial Institutions are mostly perceived towards the other end though certainly not free of corruption. Appalling condition of electricity in large parts of the country and specific expe-

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<sup>1</sup> In addition to State Vigilance Commission, the Govt. of J&K has appointed an Accountability Commission. According to its Chairman Justice R. P. Sethi, Commission will function like a Court and would recommend action against the guilty Chief Minister, Ministers and Legislators. (Kashmir Times Aug. 27, 2005)

riences of lower judiciary seem to have prompted placement of these services somewhere in between. From the viewpoint of combating corruption, the deep concern and anguish amongst the people in this regard may be regarded as a positive sign.

As per the above Survey, lack of political accountability and criminalisation, 'compulsions' of coalition politics, and weaknesses in grievance redress mechanism, are the most important reasons for sustaining corruption in the country. Lack of honest public servants and mal-practices in the lower courts reflect the social greed, openness and systemic apathy. Among the other causes suggested for consideration of the respondents, 'low salaries of Government officials' has not been regarded as an important element. Similar is the case with 'cultural reasons'. The respondents are somewhat unclear about the 'ineffectiveness of media' and 'poor economic policies' as causes for corruption. In sum, the respondents do not seem to feel that corruption exists not because of any compulsion or need on the part of bribe acceptors. It is perceived more as a result of monstrous greed abetted and encouraged by corrupt politicians and a weak, apathetic and unaccountable government machinery – all these elements reinforcing each other.

### **Anti-Corruption Institutions**

On anti-corruption institutions, observations are available both from members of the general public and a few individuals who served on them or otherwise have a good knowledge about their working. The views and suggestions, therefore, range from generalized impressions and comments to diagnostic and more specific ones.

As per the replies to the Questionnaire, most of the respondents, hail from the metropolitan cities, have shown awareness of the existence of institutions like the Lok Ayukta and anti-corruption Bureaus although they may not be well informed about the charters of their duties and their functioning<sup>2</sup>. But the general impression is that these institutions are not very effective in dealing with corruption for the following main reasons:

- (i) They do not possess autonomy to the extent required by their roles.
- (ii) There is political interference in their functioning.
- (iii) These institutions are often not manned by officers with unimpeachable integrity.

One respondent has gone to the extent of commenting that the Lok Ayukta himself is corrupt. It has also been pointed out that the anti-corruption departments should not be barred from probing the conduct of senior officers without being required to obtain prior permission of the Government, and be given real autonomy and teeth. There are also specific demands for passage of the Lok Pal Bill<sup>3</sup> (for which TI India, along with its sister organisation Lok Sevak Sangh, has also been relentlessly working) and appointment of some sort of an Ombudsman in each Ministry/Department to attend the public grievances.

Those who have been part of such institutions, or otherwise have first-hand knowledge about their

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<sup>2</sup> In his message to the Lok Ayuktas' Conference in Dehra Dun on Sept. 27, 2004, Hon'ble Chief Justice of India, Shri R. C. Lahoti, said: "The role of the institutions of Lok Ayuktas/Lok Pals/Upa-Lok Ayuktas (Ombudsman) in combating corruption is significant.

<sup>3</sup> The Lok Pal Bill, aimed at to took into the cases of corruption and misuse of power by ministers and others in high places, continues to be pending for the past more than three decades. Worried due to dilatory procedure, the Supreme Court has asked the Centre to file the Current Status Report on Lok Pal on Sept. 5, 2005

functioning, have corroborated some of the observations mentioned above. They have cited non-availability of 'suitable and willing' officers to man such organizations as a major problem. To a large extent, this is because traditionally mostly IPS and IAS officers are considered for top posts in such organizations, (and officers from IAS and IPS are lured by more powerful postings elsewhere). Such an approach and mentality is far from being justified/justification. It has been suggested that the Heads of Department of such organizations should have 'unimpeachable integrity', be selected for a 'fixed tenure' and all other officers in the organization be selected on his recommendations. Further, all corruption-prone departments/ corporations should have sufficiently large complement of staff to cope with the number of cases/enquiries for their timely disposal after a thorough examination. They should also be supported by adequate facilities and websites to do their job properly.

Vexed at the laxity of Departmental Enquiries, an informed respondent has suggested the following improvements:

- (i) 'Preferred' and 'Maximum' time limits may be fixed for each activity / stage of inquiry and required action taken thereafter
- (ii) The Enquiry Officer should not be changed during the course of the inquiry and must be held fully responsible for his actions.
- (iii) The Prosecution Authority should be severely punished for any lacunae in his work leading to acquittal of the accused officer
- (iv) Similar approach may be applied to the actions of CBI, Enforcement Directorate, Income Tax, Vigilance, and other similar organizations.
- (v) Any fine imposed by the Court or any agency of the Government should be recovered from the erring functionary. (Attention has been drawn to the Supreme Court judgement (Bench of Mr. Justice Kuldip Singh and Mr. Justice R. M. Sahai) of November 1993 wherein it was directed that accountability be fixed on certain officials for capricious and arbitrary functioning resulting in physical and mental agony to the common man and that the compensation awarded for harassment be recovered from such officers out of their salaries).
- (vi) A request may be made to the Chief Justice of India for considering to issue direction to various judicial and quasi-judicial authorities (including the Administrative Tribunals) (i) to identify and indict the erring officials and prosecution authorities in each case of non-performance, and (ii) to try summarily those complainants who turn hostile afterwards. Similar actions are also needed where our decision-makers have taken decisions or actions adversely affecting the interests of the Government or society in general, causing litigation.

Besides the problems mentioned above, the following two aspects in the functioning of the anti-corruption institutions must be kept in view:

- (i) Their role for the present is not 'pro-active' and 'preventive'. They cause enquiries to be instituted once an alleged 'deed of corruption' is reported (or suspected) to have taken place. It is only recently that the Central Vigilance Commission has reportedly taken initiatives to sensitize people about corruption, contemplated a Council for Clean India, organized Vigilance Awareness Weeks and reached out to organizations like Federation of Indian Chambers of Commerce & Industry (FICCI), Confederation of Indian Industry (CII) and ASSOCHAM. While such initiatives are commendable, they still fall much short of the requirements and one wonders whether in view of the staffing pattern and organization of CVC and the other organizations, they are sustainable and can deliver.
- (ii) Being government agencies, the anti-corruption organizations follow detailed procedures and quasi-judicial processes. The delays are often too long and procedural requirements too cum

bersome to give comfort to the common man to approach them.

- (iii) Since these agencies mostly get cases of government servants for investigation involving concerned government departments, references to them are generally made by the Government itself and not by private individuals.
- (iv) There is also an impression that senior officers and politicians often use the anti-corruption agencies to harass a government functionary (stoppage of promotion and settlement of pension, suspension, restrictions on foreign visits, etc.).

While the role, powers and functioning of the existing anti-corruption agencies require improvement, much faith has been expressed in the institution of Lok Pal. This is a step in the right direction, but one would do well to remember that we do not require institutions just in form. Unscrupulous politics has already taken better of several high offices with people alleging lack of objectivity and of impartiality against some of the office holders, e.g., Governors, Chief Ministers, Speakers of Legislatures and Cabinet Ministers. It is a sad fact that the criminals and the corrupt enjoy protection and privileges in the name of 'compulsion of coalition politics' and stark legality divorced of morality. The Lok Pal, whenever his office comes into existence, will have to additionally guard his position in relation to other constitutional heads, in specific cases. In other words, Lok Pal's office will provide an avenue in form to consider complaints against those under his purview, even in high offices, but how far it would effectively be able to serve the purpose of his office will have to be seen subsequently.

### **Suggestions to Fight Corruption**

In fact, corruption emanates from a system which lacks transparency, accountability, adherence to time schedule for specific actions and possibility of stern punishment. Hence, reeling under the pressure of rampant corruption and accompanying inefficiency in the delivery of public services, people have offered a spate of suggestions. The important among them include the following:

- (a) Exemplary action against sinners.
- (b) Electoral reforms to check the entry of corrupt politicians.
- (c) Implementation of Right to Information in government departments.
- (d) Privatization (with competition) in the provision of services, like electricity.
- (e) Security to honest officials.
- (f) Building a people's movement against corruption.
- (g) Time-bound and effective implementation of judicial pronouncements.
- (h) Provision of Ombudsman in every ministry/department to redress people's grievances.
- (i) Overhaul of judicial procedures.
- (j) Ending of class-specific favours and privileges (e.g., to journalists).
- (k) Insistence on redress of grievances by senior officers.
- (l) Giving more powers to anti-corruption departments.
- (m) Intervention by civil society organizations (e.g., TI India) in cases of victimization of officers.

While all the above suggestions carry strong logic behind them, almost all of them -

- a) expect the existing corrupt system substituted by a 'new deal', and
- b) wish comprehensive improvements in the existing system as if with a magic wand.

The possibility of dilution of implementation of such suggestions is not difficult to perceive.

### A People-Centric Approach

In considering a fight against corruption, its following characteristics must be kept in view:

- (1) The underlying cause of corruption is human greed and ego. It can, therefore, be contained but not eliminated for all times.
- (2) Corruption is a war on people; it has to be fought by people themselves for its most effective rebuttal.
- (3) Corruption has been tolerated by the present system and has become institutionalized; the system should not be expected to fight it out on its own initiative.
- (4) Corruption thrives in an environment of systemic inefficiency and chaos created by divisive / fissiparous forces and policies.
- (5) Corruption is a multi-faceted phenomenon and must be dealt with comprehensively.
- (6) A preventive / deterrent approach to checking corruption would be far more effective and lasting than a post facto / penalizing approach.

If the above propositions are found acceptable, from the viewpoint of organizing action to prevent corruption, it will have to be first evaluated in a broader sense. For this purpose, corruption will have to be viewed not just in terms of graft and largely as a public sector issue, but in a much wider perspective. Corruption may thus be defined as use of one's (individual /group/corporation) position and resources (also including contacts and influence) and acceptance thereof by the other party, to obtain gain or advantage against the express legal provisions/rules/bye-laws/procedures and/or the intent of the society. The 'intent of the society' is to be understood in terms of its overall stated philosophy in the Constitution (its rationale and interpretation) and public opinion in consonance thereof on specific issues. The above working definition is intended to perceive nature and ramifications of corruption in its varied forms and to organize preventive action to combat it, and is not intended for a legalistic scrutiny for seeking specifications.

Inasmuch as corruption emanates from human greed and ego and thrives on disregard for fellow members of society, its manifestation could be both subtle and gross. In both the cases, it needs to be nipped in the bud, drawing inspiration from the poet Alexander Pope:

"Vice is a monster of so frightful mien  
As to be hated needs to be seen,  
And seen too oft, familiar with her face,  
We first endure, then pity, then embrace."

Both human 'ingenuity' and 'cunning' know no bounds and, therefore, corruption in one form or the other, shall remain forever. Not surprisingly, it is found even in societies that can truly boast of having an efficient welfare state. Relentless efforts and alertness may, however, contain corruption making the lives of people more meaningful and satisfying as compared to societies where its degree is much higher.

Corruption affects the lives of people, especially the common man, vitally. It is a war on them. But perpetrated by whom? Interestingly, by individuals and cross-sections of people themselves who are less responsible, more greedy and egoistic. So it is a war from within that makes fighting against it daunting. But people will have to fight this war and emerge victorious if they should survive as a civic society worth living.

To expect the existing system, whose executive arm the government is, to win this war against corruption for the people on its own would amount to being unduly optimistic. Corruption has brought down the quality of governance itself. Some might say that corruption has been abetted by the present system as it has become deeply entrenched into it and has become institutionalized. As the TI India's recent survey brings out, corruption is in the public delivery of such basic services that have to do with the safety, security and day-to-day life of the people. These services comprise the primary responsibility of the government towards people. At a higher level, what greater acceptance of abetment of corruption is required when the 'coalition dharma' is projected as the 'justification' for accommodating individuals with criminal backgrounds (or even under serious suspicion thereof) in public life and hoist them on high positions, in the process as the heads of governments, even compromising their prerogative (indeed, "responsibility") to put only right type of people in such positions? (What became of requirements of merit, quality of record of service, endowment with a vision, suitability, etc. for the high offices?) "Proof" of criminality is required settling which is left at the doorsteps of judiciary where processes of justice could take decades unless the system itself is keen to seek early decisions. One also wonders whether real intentions of the Constitution and requirements of democratic traditions are not skirted when titular persons are put at the helm of affairs in some states, the real authority lying somewhere else and operated from even jails. Fingers have long been raised on the role of Governors in the formation and suspension of governments in states. So, to expect the patient to be his own surgeon would be bad logic. In such an environment, it is not surprising that the regular anti-corruption institutions are perceived by people to be shackled and, for various other reasons also, their effectiveness is seen below the threshold.

Corruption may be seen both as a cause and an effect of the systemic inefficiencies and of divisive tendencies and policies that create avoidable clash of interests and further imperfections. Inefficiencies reflect in cumbersome procedures, lack of accountability, inadequate monitoring, apathy towards customers, and inadequate infrastructure, culminating in poor quality of governance. They make it easy to demand a price / consideration for whatever should have normally been delivered as a matter of course (duty with good grace and courtesy). The inefficiencies also create an impression that lapses and inadequate performance would be tolerated and unless self-interest is not involved and propitiated there is no need to perform.

Similarly, divisive policies that treat people as belonging to different groups and neglect merit encourage discrimination, heartburn and erosion of faith in the system and justice. We are living in the self-delusion that creation, perpetuation and actually further increase of reservation quotas on grounds of caste, religion, sex and economic levels, brings about immediate social correction. Ironically, such quota allocations are considered desirable in all spheres – be it admission to educational institutions, financial assistance and loans, jobs, or distribution of assets (petrol pumps, kiosks, telephone franchises/ booths, auto-rickshaws, etc.). Immediately, all India population proportions or some ad hoc criteria are applied to derive satisfaction of creating a "little India" whenever discretion exists in organizing an activity. We have long stopped talking of when the need for any such special consideration (reservation) would end. On the contrary, political capital is derived in suggesting new areas for reservation or increasing its proportion. Any talk of assessment of costs to the society (that accompanies compromise on merit) due to such quotas/reservation, has become a taboo. We even do not want to satisfy ourselves of the propriety of continuing with such policies. In the sphere of civil services, that constitute arms and ears of government, dozens of cadres exist with unnecessarily created differentials in scales of pay, promotion prospects, service conditions and allotment of posts, exist. These distinctions (actually discriminations) cast deleterious effects on the motivation and commitment of the officers to the system, harm esprit de corps and create uncertainty among civil servants about their career. But it is not difficult to see that the inefficiencies and group consciousness (conflict) that such tendencies and policies breed, along with the resultant preferential and sheltering regimes, and the havoc of hopelessness that they create amongst large masses in the face of incommensurately increasing growth opportunities, directly contribute to subverting fair play and healthy values. They also give rise to corruption.

Corruption thus needs to be seen as a systemic malady in a wider sense. It encompasses both public and private sectors, individuals and groups, and blatantly manifests in public and private lives of people. Being a multi-faceted phenomenon, a comprehensive approach is needed for its containment. Government-oriented programmes cannot sustain such an approach though the use of the state's fiat in implementing several anti-corruption measures would be invaluable. At the same time, a preventive/deterrent approach should be preferable to a post facto / penalizing approach. Ultimately, a combination of the two would work.

The solution to preventing and containing corruption largely lies in creating a healthy, progressive and 'no nonsense' society. As in other spheres of dynamics of countries' growth, one must pay attention to the sense of social discipline, that is progress-friendly and intolerant to corruption of many kinds, attained by the upward looking countries. It is this change in attitude that gives primacy to country and society over the individual, creates an innate sense of social responsibility and regard for other beings that is required to be inculcated into the system, among other things. Illustratively, in line with the above, people need to be imbued with following values that would provide muscles to the society against corruption:

- ☞ Integrity, honesty, sacrifice, justice, fair play, simplicity, austerity and fellow feeling.
- ☞ Shunning stark materialism, unearned incomes and out of proportion rewards.
- ☞ A passion for improving efficiency of the individual and the system, and activism for nation building at all stations of work and life.
- ☞ A sense of pride for the country and inquisitiveness to know and study its rich culture and traditions. Giving priority to consumption of goods that are made in India.
- ☞ Respect for the Constitution – in letter and spirit.
- ☞ Entire gamut of social obligations and dealings with consideration of the convenience of others as the touchstone.
- ☞ Faith in national integration, social cohesion, democracy and a spirited willingness to participate in their promotion.

It may readily be seen that a marked erosion of the values and sentiments enumerated above characterizes the present situation. Corruption cannot be fought with weak social muscles.

It would be worth its while to try to establish the type of values and attitudes mentioned above as a major part of the war against corruption. The following elements of an action plan are for consideration:

1. Creation of widely dispersed social groups – both in rural and urban areas for:

- ☞ Emphasizing virtues, values, social consciousness and nation building attitudes.
- ☞ Educating people about the basic provisions and intentions of the Constitution.
- ☞ Appreciating outstanding performance of the individuals / public servants in conformity of the above.
- ☞ Providing information / clarifications required by the people.
- ☞ Guiding individuals and groups in fighting corruption.

(Action: NGOs /Voluntary Agencies, volunteers among educated persons and elites. Inter-agency co-ordination would be required to work out details of action and area coverage.)

## 2. Schools and Colleges:

- ☞ Introduction of appropriate lessons, course streams and activities in support of building of values and creating social awareness amongst children and youth.
- ☞ Organization of teachers' training workshops (also to be attended by willing social activists and parents).

(Action: NGOs will have to take up the matter with Human Resource Development and other agencies concerned both at Central and State levels. They must also ensure monitoring of progress in this regard).

## 3. Keeping tab on schemes of providing basic amenities/special programmes of development:

- ☞ Selectively monitoring delivery of basic civic amenities and special programmes of development and apprising any special feature or lacunae in their performance to State and Central governments at higher levels. Identification of corrupt and inefficient public servants.
- ☞ Participation in consideration of improvement in performance.

(Action: NGOs in co-ordination with State and Central Governments)

4. Organizing responsible discussions (involving apolitical experts) and disseminating information on issues / policy measures of national, regional and local significance to generate people's interest and contribute to formulation of healthy public opinion on them.

(Action: NGOs in co-ordination amongst them)

5. Committees at national and regional levels to monitor whether the nature of any programme or advertisement in electronic and print media is undermining healthy social values and / or misguiding people; and cause serious ones among them to be discussed at appropriate fora (including State legislatures and Parliament).

(Action: NGOs in co-ordination with similar non-political agencies.)

6. Extending support to People's and Consumer Courts in getting them a larger role and encouraging people to approach them for their grievances.

(Action: NGOs, to also persuade the Government to take appropriate action.)

7. Review of prosecution procedures and punishment for corruption related crimes. Action may be initiated in some NGOs and subsequently it should be insisted upon the Government to do revisions to shorten procedures and to make punishments more stringent to serve as deterrents. Special courts / People's Courts could also be thought of.

(Action: NGOs)

Many more such actions could be contemplated. Ultimately, people's awareness is to be developed in a manner that they start resisting corruption and begin insisting on the Government to take appropriate action.

A lot of curiosity, expression of doubts and difference of opinion on such an approach are bound to take place. The scale and coverage of such operations, sources of funding, availability of manpower, insulation against political interference, etc. are directions in which a host of questions will arise. Their details will have to be carefully worked out. But the major guiding considerations in this regard would be as follows:

- ☞ The NGOs must take a lead in initiating the types of action mentioned above. There is no better alternative.



- ☞ In view of the constraints of manpower and other resources, limited beginnings may be made. Their success will spark similar action elsewhere. But maintaining credibility of purpose and action is the essence of the matter.
- ☞ A beginning at the central and regional levels in setting up fora for analysis of issues and policies by apolitical experts can straightaway be made.
- ☞ Concerned NGOs may advisedly join hands with other like-minded organizations for the stated purposes and determine area coverage, etc. of activities in co-ordination with each other. This would, to some extent, ease their capacity constraints (manpower, funds, etc.).
- ☞ If the initiatives taken work well, willing support of local people and elites could be expected to flow in.
- ☞ NGOs could also draw upon well meaning local youth and willing under-employed and unemployed persons who could be assigned limited responsibilities.
- ☞ NGOs must guard against sneaking in of local politicians and unscrupulous persons into their initiatives. They should also keep away from electioneering.
- ☞ Acceptance of any funds or facility should not be conditional to the purpose of the initiative.

## About TI India

A non-partisan organisation, TI India is among the 92 affiliates of Transparency International (TI), headquartered in Berlin, Germany and founded by Peter Eigen, a former World Bank official, in May 1993. Each affiliate is dedicated to fight corruption in its respective country and follows an unbiased, non-investigative approach.

Set up in 1997 as an apolitical, non-Governmental Organisation (NGO), TI India is dedicated to combat corruption through practices that bring about absolute transparency and integrity.

It is an organisation of concerned citizens dedicated to maximise accountability of Governmental institutions, elected representatives and government machinery towards the general populace.

Its focus is not on investigating individual cases of corruption and malpractice, but on building holistic systems to combat corruption.

TI India is registered under the Societies Registration Act, 1860. It is also registered under Foreign Contribution Regulation Act and is authorised to accept contributions from overseas donors.

## About CMS

Centre for Media Studies (CMS) is an independent professional forum engaged in research, policy, advocacy, programme planning and evaluation. CMS endeavour is to bring more accountability, responsiveness and transparency in Government and other sectors.

Today, CMS initiates debate and dialogues on important public issues, disseminates research findings to contribute to knowledge and understanding of society and thus help in better informed decision making.

CMS has emerged as an inter-disciplinary Group with a wide-range of interests and capability in areas of communication research, social research, environment planning, public opinion research, training and advocacy.

Over the years, CMS has taken up initiatives in Citizens' Charter, administrative reforms, capacity building, improving public services, electoral reforms, right to information and good governance.