General Knowledge Today

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GS-II- 19: Aspects of Governance

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Model Questions

1. Comment on the role played by Right to Information Act towards good governance in India.

2. What do you understand by the Participatory Governance? While citing some examples, establish the link between Participatory Development and Good Governance.

3. While keeping in light the *Clause 49 of SEBI Listing Agreement* and *Companies Act 2013*, examine legal framework around Corporate Governance in India. Do you agree with the view that with these steps in place, transparency and accountability of corporate governance in India stands at better position than before the Satyam Scandal? Justify.

4. What do you understand by corporate governance? Explain the benefits of good corporate governance throwing light on major 'characteristics' of good corporate governance.

5. *"Company management has responsibility only towards its shareholders and the responsibility of the corporate management lies towards shareholders only."* Discuss critically.

6. "Governance in India today faces a serious crisis of accountability." Amplify.

7. What changes would you suggest to handle conflict between need for transparency and accountability, and protecting honest civil servants from undue harassment? Discuss keeping in view RTI, Whistleblower Protection act and other such regimes in focus.

8. The move to place political parties under Right to Information Act had drawn up sharp protests from all major parties. Discuss the issue while putting arguments for and against.

9. The Whistleblower Act (Amendment) Bill has come under heavy criticism from RTI activists and anti-corruption crusaders. What are its proposals and why there is so much protest against it? Critically discuss.

10. What are the various types of interactions in e-Governance? Discuss with suitable examples.

11. Digital infrastructure is as much important as physical infrastructure. What are the benefits of Digital Infrastructure? What are impediments to its path and what can be done to remove those impediments? Discuss.

12. What is DigiLocker? While there are many cloud storage facilities available, how DigiLocker stands to give a meaning to its purpose? Explain.

13. Internet shrinks the physical space connecting centres of habitat. What are the benefits of digitization in India? What are the challenges in making it a reality? What should be done to remove those impediments?

14. Differentiate between Digital Signature and Physical Signature while explaining the working of Digital Signature.

15. What are the key principles and elements of a citizen's charter? Despite all efforts, why the

implementation of citizen's charters has been not satisfactory and why there has been little improvement in public service? Opine.

Important aspects of governance, transparency and accountability, e-governance-applications, models, successes, limitations, and potential; citizens charters, transparency & accountability and institutional and other measures

Topic 1. Governance: Meaning and Different Aspects

Governance refers to *all processes of governing* via various *laws, norms, power or language.*

Definitions

UNDP defines governance as "*the exercise of economic, political and administrative authority to manage a country's affairs at all levels. It comprises the mechanisms, processes and institutions through which citizens and groups articulate their interests, exercise their legal rights, meet their obligations and mediate their differences*".

World Bank defines governance as "*the method through which power is exercised in the management of a country's political, economic and social resources for development.*"

But of late, it has placed special emphasis on governance issues like Transparency, accountability and judicial reforms. It has started looking at issues related to good governance.

Distinguishing 'governance' from 'government'

Simply put, governance is what a government does. The government may be of different kinds. It might be a geo-political government, a corporate government, a socio-political government etc. The dynamic exercise of management of power and policy is known as governance, while the governments act as the instrument that does it.

Different Aspects of term "Governance"

This term "governance" is very broad and includes all formal and informal organizations; and can be used as suffix to a wide array of processes of governing such as Public Governance, Private Governance, Global Governance, Corporate Governance, Non-Profit Governance, Project Governance, Environmental Governance, Internet Governance, Meta Governance and so on. They are discussed briefly as follows:

Public Governance

Public Governance is simply the interaction between government and other actors of the social sphere and the process of decision making in public policy sphere. It serves the citizens by *safeguarding territorial integrity of the state, securing individual security, rule of law,* and *delivery of services such as education, health, livelihood* and *food security.* There are three borad ways of public governance:

- Via top to bottom methods which include various tiers of government and state bureaucracy
- Via the networks involvingpublic-private partnerships (PPP) or with the collaboration of community organisations;
- Via the use ofmarket mechanisms whereby market principles of competition serve to allocate resources while operating under government regulation;

Private governance

Private governance is when the Non-governmental / private entities make rules and standards which have a binding effect on life of public at large. This implies that in private governance, private entities make public policy. In India, examples of such mode of governance can be seen to limited extent in Special Economic Zones and Industrial townships.

Global governance

This refers to the complex of formal and informal institutions, mechanisms, relationships, and processes between and among nations, markets, citizens and organizations, both inter- and non-governmental, through which collective interests on the global plane are articulated, right and obligations are established, and differences are mediated". One example is _UN Global Compact_ which brings together companies, UN agencies, labor organizations, and civil society to support universal environmental and social principles.

Corporate governance

This term is used to describe the manner in which corporations are governed and the laws / custom that apply to such governance. The key players in corporate governance include shareholders, management, board of directors and other stakeholders such as employees, suppliers, customers, credtors, banks and government bodies.

Project governance

This term is generally used in the IT sector and describes the processes that are needed for a successful project.

Environmental governance

Environmental governance refers to _all processes of governing_ via various _laws, norms, power or language_ with focus on environmental protection and sustainability. It covers all environment related laws, bodies, rules, regulations, stakeholders and public at large.

Internet governance

This refers to the development and application of shared principles, norms, rules, decision-making procedures, and programs that shape the evolution and use of the Internet.

Electronic governance / E-Governance

E-Governance refers to application ICT for delivering government services, exchange of information, communication transactions, integration of various stand-alone systems and services

between government-to-customer (G2C), government-to-business (G2B); government-to-government (G2G) as well as back office processes and interactions within the entire government framework

Information Technology governance

IT governance primarily deals with connections between business focus and IT management. The goal of clear governance is to assure the investment in IT generate business value and mitigate the risks that are associated with IT projects.

Participatory Governance

This refers to governance which focuses on deepening the democratic engagement through the *participation of citizens in the processes of governance with the state.* It emphasizes that the citizens should play a more direct roles in public decision-making or at least engage more deeply with political issues. The my.gov.in platform is an example of participatory governance. It is different from "collaborative governance" which uses a relationship management structure, joint performance and transformation management processes and an exit management plan as controlling mechanisms to encourage the organizations to make ethical, proactive changes for the mutual benefit of all the parties.

Metagovernance

Metagovernance is a normative concept referring to "governing of governing". It represents the *ethical norms which shape and steer the entire governing process.*

Good governance

Good governance is a normative concept which describes how the public institutions ought to conduct public policy and manage public resources. It encompasses full respect of effective participation, human rights, the rule of law, multi-actor partnerships, and accountable processes, political pluralism, transparent and institutions, an efficient and effective public sector, legitimacy, access to knowledge, information and education, political empowerment of people, equity, sustainability, and attitudes and values that foster responsibility, solidarity and tolerance.

Topic 2. Good Governance

Good Governance is one of the <u>normative concepts</u> of Governance which describes *how the public institutions ought to conduct public policy and manage the public resources.* The key components of Good Governance are <u>legitimacy, accountability, competence, respect for law, protection of human rights</u> etc. By legitimacy, we imply that the government should have consent of the governed; Accountability encompasses transparency and answerability to actions, Competence refers to effective policy making, implementation and service delivery.

Thus, Good governance is participatory, consensus oriented, accountable, transparent, responsive, effective, efficient, equitable, inclusive and follows the rule of law {read this article to enhance meaning of Good Governance}. It promotes gender equality, sustains the environment, enables citizens to exercise personal freedoms, and provides tools to reduce poverty, deprivation, fear, and violence.

Key Hindrances to Good Governance

Key hindrances and challenges to good governance include corruption, inefficiency of bureaucracy, nepotism in public administration, improper use of resources, poor planning strategy, criminalisation of politics, attitudinal problems of the civil servants , lack of accountability, red tapism, low levels of compliance of rules and low awareness, ineffective implementation of laws etc.

Measures for good governance taken by India

The key measures taken towards good governance in India include decentralization by constitutional / legal /policy measures, electoral reforms, RIT Act, Citizen's charters, Lokpal Act etc. However, Good governance does not depend on good policy advice only but also on processes and incentives to design and implement policies on good governance. The necessary preconditions for Good Governance include Sound Legal Framework, Robust institutional mechanisms, competent human resources, apt policies and effective management.

Questions & Answers

What role has been played by RTI towards good governance?

RTI act is one of the landmark legislations in India which has brewed a social revolution and has played a vital role in the governance. Today, RTI uses are active throughout the country and asking questions on variety of subjects. This act has produced better impacts on quality of life of the poor and marginalized and has brought in positive changes in levels of corruption and accountability.

The act has emphasized on Good Governance of which the major elements are – informed citizenry, people's participation, transparency and accountability, reduction of corruption etc. Information is crucial for good governance as it reflects and captures the government activities and processes. If the people don't know about the actions of those who rule them, they cannot take meaningful part in the affairs of the society.

Establish the link between Participatory Development and Good Governance

The central focus of participatory development is raising the *quality of participation society in development.* Good governance is the foundation of participatory development in as much as it provides the government functions needed to promote participation and create the environment in which participatory processes take place.

Good governance as a function of government does not refer solely to support for participatory

development; as participatory processes evolve, good governance develops into such functioning that supports wider and more mature people's participation. In this sense, participatory development promotes good governance in its turn. The projection of the concept of good governance onto the national system an orientation of a state – then progressively boosts people's trust in their government, inasmuch as, through good governance, government services improve in effectiveness and efficiency. Thus in the long run, good governance evolves into stronger aspirations for further democratization. The strength of a state's desire for democracy also influences the process of formation of political and administrative structures and government's capability to translate this national stance into action. In turn, this, too, influences the evolution of participatory development. Participatory development and good governance are consequently interrelated, as are the two component elements of good governance, the ideal orientation of the state and the ideal functioning of government.

Topic 3. Corporate Governance

Corporate Governance deals with how a *corporate is governed*. It is all about promoting *corporate fairness, transparency and accountability*. Some of the objectives of Corporate Governance are – attaining disclosure and transparency in the way corporate is governed; fixing accountability of controllers and managers towards other stakeholders; fixing corporate responsibility; integrity and probity in financial reports etc.

Corporate Governance: Rationale

A corporation includes various stakeholders' viz. investors, share holders, customers, employees, vendor partners, government and society. Its objective should not be confined to maximizing the shareholder value but should be responsible to all stakeholders. Its governance should be fair and transparent to its stakeholders in all its transactions. Thus, corporate governance becomes imperative in today's globalized world where corporations need to access global pools of capital, need to attract and retain the best human capital from various parts of the world, need to partner with vendors on mega collaborations and need to live in harmony with the community.

On the other hand, the Liberalization and related developments such as deregulation, privatization and extensive financial liberalization render the Corporate Governance very crucial. All the fruits of capital market reforms can be lost to corporate frauds, malpractices etc. Thus, Independent and effective corporate governance reforms are necessary to maintain the market credibility confidence.

Corporate Governance in India

Concept of corporate Governance in India is not very old. For the first time, the CII had set up a task force under Rahul Bajaj in 1995. On the basis of this CII had released a voluntary code called

"*Desirable Corporate Governance*" in 1998. SEBI had also established few committees towards corporate governance of which the notable are Kumarmanlagam Birla report (2000), Naresh Chandra Committee (2002) and Narayana Murthy Committee (2002). While Kumarmangalam Birla committee came up with mandatory and non-mandatory requirements, **Naresh Chandra committee** extensively covered the statuary auditor-company relationship, rotation of statutory audit firms/partners, procedure for appointment of auditors and determination of audit fees, true and fair statement of financial affairs of companies. Further, **Narayan Murthy Committee** focused on responsibilities of audit committee, quality of financial disclosure, requiring boards to assess and disclose business risks in the company's annual reports.

Clause 49 of SEBI Listing Agreement

As a major step towards codifying the corporate governance norms, SEBI enshrined the *Clause 49* in the Equity Listing Agreement (2000), which now serves as a standard of corporate governance in India. With clause 49 was born the requirement that *half the directors on a listed company's board must be Independent Directors.* In the same clause, the SEBI had put forward the responsibilities of the Audit Committee, which was to have a majority Independent Directors.

Clause 49 of the Listing Agreement is applicable to companies which wish to get themselves listed in the stock exchanges. This clause has both mandatory and non-mandatory provisions. Key Mandatory provisions are as follows:

- Composition of Board and its procedure – frequency of meeting, number of independent directors, code of conduct for Board of directors and senior management;
- Audit Committee, its composition, and role
- Provision relating to Subsidiary Companies
- Disclosure to Audit committee, Board and the Shareholders
- CEO/CFO certification
- Quarterly report on corporate governance
- Annual compliance certificate

Key Non-mandatory provisions include the following:

- Constitution of Remuneration Committee
- Training of Board members
- Peer evaluation of Board members
- Whistle Blower policy

In 2014, the clause 49 was amended to include Whistleblower policy as mandatory provision.

Companies Act 2013

Despite of all the mandatory and non-mandatory requirements as per Clause 49, India was still not in a position to project itself having highest standards of corporate governance. Taking forward, the Companies Law 2013 also came up with a dedicated chapter on Corporate Governance. Under this law, various provisions were made under at least 11 heads viz. Composition of the Board, Woman Director, Independent Directors, Directors Training and Evaluation, Audit Committee, Nomination and Remuneration Committee, Subsidiary Companies, Internal Audit, SFIO, Risk Management Committee and Compliance to provide a rock-solid framework around Corporate Governance.

Summary of Major Provisions

The key provisions in Clause 49 and 2013 act are summarized as follows for quick overview:

ED,NED and ID

There are two kinds of directors in the companies' viz. Executive Directors (ED) and Non-executive Directors (NED). The Non-Executive Directors are divided into two categories viz. Independent Directors (ID) and others. Thus, every listed company has Executive Directors, Non-Executive Directors and Independent Directors on its board.

Rationale behind Independent Directors

The Independent directors are primarily meant to *oversee the functioning of the board and ensure that the decisions it makes do not hurt the interests of minority shareholders*. The current norms demand that the two third members of the Audit Committee and the Chairman should also be Independent.

An independent director can server in the same capacity in maximum seven companies. Further, if a person is whole-time director, he cannot be an independent director in more than three listed firms. An Independent Director who has already served on a company's board for 5 years can serve only one more term of 5 years. Companies are now required to disseminate Independent Director's resignation letter to Stock Exchanges & on company website.

Women Directors

The Companies Act 2013 provides that every listed company has to appoint at least one woman director. Appointment of women directors was hitherto voluntary but making it mandatory in Companies Act would draw have more talented woman on the boards of their companies.

Related Party Transactions (RPTs)

To enhance the transparency, there are rules regarding RPTs (Relative Party Transactions). These rules make sure that in all material dealings by company promoters, business decisions are not against the interests of small and minority shareholders.

Top Level remuneration

To check the tendency of fixing unreasonably high compensations for promoters and top-level executives, the new norms have mandatory constitution of a nomination and remuneration

committee with an independent chairman. Moreover, all companies will need to follow enhanced disclosures norms on remuneration. These disclosure norms mandate the company to disclose the ratio of remuneration of top executives to median remuneration.

Audit Committee and whistleblower mechanism

There are rules and norms which expand the role of audit committee in listed firms and direct them to adopt a compulsory whistleblower mechanism to curb unfair business practices and protect the interest of minority stakeholders.

Concluding Remarks

After the Satyam Scandal, SEBI became more and more strict towards disclosure norms and implementation of Clause 49 provisions to bring about sea changes in transparency and accountability in the country. The Companies Act gave these norms a proper statutory backing. Towards transparency and accountability, there are laws regarding compulsory rotation of auditors and audit firms. An auditor cannot perform non-audit services for a company. Auditors are required to report fraudulent acts noticed during performance of their duties. Further, the act mandates that at least one third of board of a company has to consist of independent directors. Independent directors have been prohibited from receiving stock options or remuneration. To ensure greater transparency, additional disclosure norms such as formal evaluation of performance of the board of directors, filing returns with the registrar of companies with respect to any change in share holding positions of the promoters has been mode mandatory. Adoption of new accounting system may also help to check any fraud in accounting. Also statutory status for Serious Fraud Investigation Office (SFIO) has been proposed. Investigation report of SFIO filed with court for framing charges shall be treated as report filed by police officer. With these steps in place, transparency and accountability of corporate governance in India stand at better position than before the Sat yam Scandal.

Topic 4. Transparency and Accountability

Transparency paves the way timely and unfettered access to information on decisions and performance of an entity. Similarly, accountability paves for holding public officials answerable for their actions. Without accountability transparency would be of little value. Both are necessary for effective and efficient management of public institutions and they form crucial prerequisites for a democratic form of governance. We discuss this topic for second paper in the light of following issues.

4.1 : Crisis of Accountability and Governance in India

Accountability in India has two facets, separate but interrelated. The first is political, where the executive is accountable to Parliament, which has many devices and Instrumentalities for

keeping tabs on the executive.

The second facet is primarily administrative, where the (political) executive holds the civil servants accountable for how they carry out their responsibilities.

The executive's accountability to Parliament is total and unabridged, which the latter reasserts in many ways and on many occasions. In calling the executive to account, Parliament has at its command numerous tools and opportunities, such as parliamentary questions, adjournment motions, vote of no-confidence, discussion on demands for grants, calling attention notice, half-an-hour discussion, zero-hour discussion, etc.

All civil servants working in a ministry are accountable to the minister. As the minister is responsible to the legislature for actions and inaction of the civil servants, the latter must obviously be held accountable to him. The civil servants must know well their minister's mind and seek faithfully to project it in what they do.

- They must observe, in all their official transactions with citizens, due process of law and laws of natural justice.
- They must remain alive to the sensitivities of the legislature and must abjure from doing things which might embarrass the minister, particularly in his relationship with the former.
- They must be responsive to the larger public opinion.

Accountability is made more specific and is ensured by a complex of organizational and procedural devices. Hierarchy is itself an accountability-fixation exercise. Therefore, without adequate control and supervision over the actions of the lower levels, accountability can hardly be enforced.

Span of control, unity of command, inspection, supervision, etc, are other well-known devices facilitating accountability. Noting is also a mechanism of accountability. The executive, the legislature, and the judiciary—must remain in a state of dynamic equilibrium, for any disturbance in their equation subjects the political system to stress.

The mechanisms to keep the executive accountable are found to be insufficient and inadequate. The power of the executive has expanded enormously, largely by design but partly also by accident.

Parliament's control over the executive is inadequate, the two bodies being ill-matched. Consequently, the controlling authority of Parliament is also ineffective. The executive is not compelled to take action even against a civil servant censured by Parliament.

The control of the political executive cannot be qualitatively different in its impact from parliamentary control. If Parliament cannot even remotely touch the public servant, it is too much to expect the political executive to consistently keep the civil service accountable.

Effective control should not be confused with exercising terror. Control must not in the least be

inhibitive of managerial initiative and risk taking—qualities which are vital for growth and development. But terror tactics, through arbitrary actions, may totally demoralize the bureaucracy.

Adequate control on the executive, and thereby the public administration, calls for an alert Judiciary, a vigilant Parliament, a fearless and watchful press, and powerful watchdog organizations.

It is vital, therefore, that these institutions move forward to restructure themselves, redesign their business practices, and thus reinforce them. The emergence of the administrative state is inevitable in modern times but its abuses and dangers posed must be countered by strengthening extra-administrative state institutions and processes. The unwieldy size of present-day bureaucracy itself makes it difficult to bring it to account. Civil service must be pruned; and the surviving part should, as far as possible, be brought under social audit.

4.2: RTI and Transparency and Accountability

RTI, 2005 has brought a paradigm shift in the transparency and accountability in India. This is evident from two clear indicators as follows:

- Every year, an estimated 5-8 million RTI queries are filed
- Around 45 RTI activists have been killed so far – not counting many attacked.

In over one decade of being it's in force, ordinary citizens have used this law to question various acts of commission and omission on part of government. It played big role in exposing the Adarsh scam, irregularity in MGNREGA and other schemes. The largest role played by RTI has been in *institutionalising social audits* as an implicit part of governance. Indeed, RTI has been the weapon of the weak and set India's accountability landscape in a ground-up manner.

However, over a period, the enthusiasm over RTI has waned. Political parties have resisted all efforts to bring them in RTI ambit. Appointments to several posts in Information Commissions have been delayed. There is a lack of proper implementation of law to protect the whistleblowers. Without protection, many are discouraged to expose the information.

This apart, RTI has been blatantly misused also. In the initial years, the act was used by the bureaucrats to know about transfers and postings. The government also started putting out less information on a *suo motu* basis. Similarly, the Madras High Court ruled {later recalled this ruling} that word 'right' is not defined in RTI, those seeking information under the law would need to state the object and purpose for which the information is sought.

Solving the Dichotomy

In current times, the RTI Act, media and judicial activism etc. are proving helpful in bringing about greater transparency and accountability in the functioning of the government. But at the same time, it is also observed that these mechanisms are misused. Further, the officers are now afraid of taking

prompt and speedy decisions. Thus, this dichotomy between the need for transparency and accountability and protecting honest civil servants from undue harassment needs to be resolved. What can be done in this direction includes the following:

- Providing monitoring mechanisms for ensuring transparency in programme i
- Providing adequate safeguards to officers such autonomy and accountability can be balanced.
- Encouraging officers to take decisions by rewarding them for success.
- Defining standard operating procedure and Code of Conduct for
- Encouraging voluntary disclosure of information.
- Encouraging participation of people in governance through trust building measures.
- Penalty for those who use measures for personal inter
- Bringing media under regulations through propagating positive values.
- Judiciary can restrict itself in crossing the boundaries by coming out with norms for judicial activism.

These are some of the ways which might help in resolving the dichotomy and minimizing the impacts.

4.3: Issue of bringing Political Parties under RTI

In June 2013, CIC via an order had declared the political parties as *public authorities* and brought them under the RTI Act. It also asked them to appoint appellate bodies to answer RTI queries. Under Section 2(h) of the RTI Act, a public authority is defined as any 'non-governmental organization substantially financed, directly or indirectly, by funds provided by the appropriate government'.

The move to place political parties under Right to Information Act had drawn up sharp protests from all major parties. The issue is still under debate and political parties still don't come under RTI.

Arguments of Political parties

The move has attracted sharp protests from all major parties on account of one argument – that the political parties are not public authorities. Further, they also opine that Bringing Political Parties under RTI would hamper their internal working and political rivals may misuse the law thus adversely affecting functioning of the political parties.

Arguments of CIC

On the other hand, argument of the CIC is that political parties are public authorities as they receive financial aid including land from the government. Further, the political parties get total exemption under Section 13A of the Income-Tax Act for all their income and get free air time on All India Radio and Doordarshan during elections. These aspects make them public authorities, bringing them

under RTI.

Analysis

Placing political parties under the RTI Act will open politics to public scrutiny, regulate political party funding and clean up our electoral ecosystem. Transparency will also discourage transactions of ambiguous nature, for example, Congress's reported Rs 90-crore loan to a non-profit company, Young Indian, owned by Congress President Sonia Gandhi and Vice President Rahul Gandhi. In this way, the move seems very affirmative and effective which would ensure transparency and accountability in the governance system. But, it has also a potential which would create instability and Political parties use it against each other to create logjam. This fear was expressed in the move of the legislators when during the previous Lok Sabha, the government tried to overturn the CIC and SC order by resorting to amend the law itself, when UPA-II introduced the infamous Right to Information Amendment Bill, 2013, to specifically exclude political parties from RTI requests. With extremely low level of credibility that politicians as a class have in India, it furthers the belief that political parties have much to hide.

4.4: Whistleblower Protection (Amendment Bill), 2015

The Whistleblower Protection Act 2011 act protects the whistleblowers who make public interest disclosure of corruption by public servants. The act also makes provisions for false complaints. The act came into force in May 9, 2014.

Salient Features

- This act makes provisions to protect the persons making public interest disclosure related to an act of corruption, misuse of power, or criminal offense by a public servant.
- It provides that any public servant or private individual or non-governmental organization can make such a disclosure to Central or State Vigilance Commission. The complaint must include the identity of the complainant.
- The Vigilance Commission shall not disclose the identity of the complainant except to the head of the department if he deems it necessary.
- The Act penalizes any person who has disclosed the identity of the complainant.
- The Act prescribes penalties for knowingly making false complaints.

Criticism

Following are specific points of criticism for this act:

- Covers only central government employees. Does not cover state government / private bodies
- No provisions of incentives for whistle blowing.
- Does not cover corporate whistleblowers

- Powers of CVC is limited to making recommendations. It cannot impose penalties.
- Victimization neither defined nor covered properly.

Whistleblower Protection Act (Amendment) Bill, 2015

In 2015, the government had introduced a bill in the parliament to amend the 2011 act. This bill is still pending. The key objective of this bill, which comes with a list of don't dos, are as follows:

is that whistleblowers should not be allowed to reveal any documents classified under the *Official Secrets Act of 1923*, even if the purpose is to disclose acts of corruption, misuse of power or criminal activities. Further, it also puts a bar on disclosure of any information that could prejudicially affect the interest of sovereignty and integrity of India, friendly relations with foreign State.

Thus, the bill puts bars on the activity of whistle blowing in such a way that only some information obtained through RTI etc. has been kept in its ambit. The bill says that the whistleblowers would be entitled to official protection only if these conditions are met; and they could face action if they are not.

Reaction to the bill

The bill has come under heavy criticism from RTI activists and anti-corruption crusaders. They say that the bill has created huge area of exceptions and due to this, the state authorities would be out of reach of whistleblowers. They also claim that the proposed amendments were drafted without any kind of public consultation and participation. It is also said that if the amendments to Whistleblowers Act, 2011 tabled in the Parliament is passed, *there may be no one left to protect*.

Topic 5. E-Governance

E-governance refers to the use of old and new technologies to enhance government efficiency, transparency, accountability, and service and information delivery, as well as fostering citizen participation in democratic processes via ICT networks and networking. E-governance thus includes three core components: e-administration, e-services and e-participation. The important topics under E-Governance are as follows.

5.1: Rationale, History and Stages of E-Governance

The objective of E-Governance is to bring about 'Simple, Moral, Accountable, Responsive and Transparent' (SMART) governance. The rationale of E-governance is in its need in reducing red tape; promotion of knowledge sharing to facilitate improvements in quality of governance; fulfilling expectations of the people from government; welfare of citizens, transparency and accountability; increase reach of service delivery by government; speeding up government processes and decision taking ability; equitable access to public service; internal efficiency; reducing costs and improving revenues; improving quality of services etc.

History of E-Governance in India

In 1977, the National Informatics Centre (NIC) was set up as first major step towards e-Governance. In 1980s, computers were used for word processing but this use was confined to only few organizations. Later with advancement of technologies, the government started use of ICT for some of the processes such as tracking movement of papers and files; monitoring of development programmes, processing of employees' pay rolls etc. In 1987, NICNET was launched as National Satellite Based Computer Network. This was followed by District Information System of the National Informatics Centre (DISNIC) programme to computerize all district offices in the country. NICNET was extended to all district headquarters by 1990. In 1998, a National Task Force on Information Technology and Software Development recommended the launching of 'Operation *Knowledge'* to universalize computer literacy and spread the use of computers and IT in education. In 1999, a separate Union Ministry of Information Technology was created. The first among the all to use ICT was the tax administration departments at the Union and State levels. They used ICT to have better reporting systems, preventing leakages and faster processing of returns. Following which many departments of the union and state governments began adopting e-governance initiatives. In 2006, the Government of India formally launched the National e-Governance Plan (NeGP), which included National Optical Fibre Network. The current Government is focussing upon Digital India.

Stages of e-Governance

With respect to India, e-Governance proceeded through the following phases:

Computerisation

This first phase was characterized by the use of computers in a large number of Government offices.

Networking

In this phase, few government organizations got connected through a hub which facilitated sharing of information and flow of data between different government entities.

On-line presence

In this phase, the government entities began to maintain websites containing information about the organizational structure, contact details, reports and publications, objectives and vision statements.

On-line interactivity

Online interactivity began between government entities and the citizens, civil society organizations etc. It also minimized the scope of personal interface with government entities by providing downloadable Forms, Instructions, Acts, Rules etc.

Types of Interactions in e-Governance

G2G (Government to Government)

This kind of interaction and flow of information and services are within the sphere of government and can be both horizontal (between different government agencies) and vertical (between national,

provincial and local government agencies as well as between different levels within the same organization)

G2C (Government to Citizens)

This kind of interaction is between the government and citizens. It helps in efficient delivery of a large range of public services and also increases the quality of services. The citizens enjoy the choice of when, how and from where to interact with the government. Its purpose is to promote citizen-friendly approach and expand the availability and accessibility of public services.

G2B (Government to Business)

This kind of interaction is between the government and the business community. Here, e-Governance tools are used to aid the providers of goods and services. The primary objective is to decrease red tapes, save time and reduce operational bottlenecks. The G2B initiatives can be transactional, promotional and facilitative such as in licensing, permits, procurement and revenue collection, trade, tourism and investment.

G2E (Government to Employees)

This kind of interaction is between the government and the employees as the Government is by far the biggest employer. This interaction is a two-way process aimed at increasing the satisfaction levels of employees.

Key Initiatives

Some of the significant e-governance initiatives launched by the Central and State governments are:

Government to citizen (G2C) initiatives

- Passport e-seva kendras
- IRCTC online booking
- Online filing of taxes
- Computerisation of Land Records (Department of Land Resources, Government of India)
- Bhoomi Project in Karnataka (Online Delivery of Land Records)
- *Gyandoot* initiative of Madhya Pradesh (Intranet-based Government to Citizen (G2C) service delivery initiative)
- *Lokvani* Project in Uttar Pradesh (public-private partnership project at Sitapur District in Uttar Pradesh to provide a single window, self sustainable e-Governance solution for handling grievances, land record maintenance etc.)
- *Project FRIENDS* in Kerala (Fast, Reliable, Instant, Efficient Network for the Disbursement of Services is a Single Window Facility to pay taxes and other financial dues to the State Government)
- *e-Mitra* Project in Rajasthan (The two major components of this programme are 'back office

processing' and 'service counters')

- *eSeva* project of Andhra Pradesh (provides 'Government to Citizen' and 'e-Business to Citizen' services)
- Revenue Administration through Computerized Energy (RACE) Billing Project, Bihar
- Common Entrance Test (CET) for admission to professional colleges

Government to Business (G2B) Initiatives

- *e-Procurement Project* in Andhra Pradesh to reduce the time and cost of doing business for both vendors and government.
- *e-Procurement project* in Gujarat to establish transparency in procurement process, shortening of procurement cycle, availing of competitive price among others.
- *MCA 21* (Mission Mode Project under the NeGP launched in September 2006. It aims to provide easy and secure online access to all registry related services provided by the Union Ministry of Corporate Affairs to corporates and other stakeholders)

Government to Government (G2G) Initiatives

- *Khajane Project* in Karnataka (comprehensive online treasury computerization project of the Government of Karnataka)

- *SmartGov project* of Andhra Pradesh to streamline operations, enhance efficiency through workflow automation and knowledge management in the Andhra Pradesh Secretariat.

5.2: Digital India

The Digital India Programme of the NDA Government is a repackaged and consolidated version of the hitherto called <u>National e-governance plan</u> with an equally nice-sounding label. It seeks to deliver all government services electronically. It not only envisages giving boost to information technology but also envisages achieving import-export balance in electronics.

Overview

The DI initiative was envisaged by the Department of Electronics and Information Technology (Deity), and will be implemented in phases that will culminate in 2018-19. The initiative is being implemented as an umbrella programme which shall include all departments and ministries within its scope. However, the implementation shall be monitored and overseen by a Digital India Advisory group that will be headed by the Ministry of Communications.

Objectives

The Digital India (DI) initiative aims to bring digital empowerment to India and aid in its transition to becoming a knowledge economy. The programme aims to do so through a combination of building digital infrastructure, providing digital services, implementing e-governance in an

accessible manner and using technology as a driver of change and growth. Thus, the objectives are:

- Transform so far agrarian Indian economy to a knowledge-centric economy
- Plug the widening digital divide in Indian society
- Give India equal footing with the developed world in terms of development with the aid of latest technology.

Salient Features

Umbrella programme which includes the hitherto National Optical Fiber Network (NOFN) to connect 2,50,000 gram Panchayats by providing internet connectivity to all citizens.

- To be completed in phased manner by 2019.
- To be monitored by a Digital India committee comprised of several ministers.
- Contemplates creation of massive infrastructure to provide high-speed internet at the gram level, e-availability of major government services like health, education, security, justice, financial inclusion etc. thereby digitally empowering citizens.
- Will also ensure public answerability via a unique ID, e-Pramaan based on standard government applications and fully online delivery of services.
- Has capacity to create huge number of jobs.
- If implemented well, will be a great boost for the electronics industry in India and expectedly will see a fall in imports of electronics.

Nature and Scope

DI aims to encourage the participation of individuals in digital activities through promotion of digital usage through mobile phones etc and also beefing up of infrastructure. High speed internet will be made available at the Gram Panchayat level. Individuals will maintain a digital identity right from birth. A public cloud will be created with private space that could be shared. Emphasis will also be placed on making cyber space secure for Indians.

All departments and ministries will work together to provide single window access to all individuals. Government services can be availed either through mobile phones or through the internet. All processes will be simplified, making digital access easier. Citizen entitlements will be made available on the cloud. Also, efforts will be undertaken to make financial transactions of a sizeable amount electronic and cashless.

Another major aim of the DI is to educate people and increase awareness about digital processes. To further this aim, the government will promote universal digital literacy and make all digital resources universally accessible to the people. Also, to make digital resources and services accessible to all people, it will be made available in all Indian languages.

Scope of DI

The DI programme covers a wide range of areas:-

- **Broadband Services**– It provides for incremental coverage of broadband services in gram panchayats over a span of three years at a cost of Rs. 32,000 crore under the guidance of Department of Telecommunications (DoT). It also provides for building up of a national information infrastructure with the guidance of Deity.

- **Mobile connectivity**– Another important objective is to provide universal access to mobiles, improve mobile connectivity and increase mobile network penetration at a cost of 16,000 crores and under the DoT's purview.

- **Public Internet Access**– DI also aims to establish service centres in rural areas through a National Rural Internet Mission and in post offices thus ensuring easy public access to internet and other digital services.

- **E-governance**– The government aims to simplify procedures and reduce bureaucratic hurdles by using IT for a variety of purposes such as maintaining electronic databases, registering grievances against public officials etc.

- **E-kranti**– This provides for **electronic delivery of services** such as education, healthcare, dispensing justice, educating farmers, forming plans, increasing financial inclusion etc. DI will continue in the footsteps of the National e-governance Plan with respect to implementation of these.

- **Access to information**– Use technology to proactively engage with citizens through social media, emails, messages etc. Also, build portals that provide people easy access to relevant information

- **Manufacturing of electronics**– DI aims to bring down India's electronics imports to zero by 2020 through adopting a variety of measures aimed at boosting domestic manufacturing

- **IT Jobs**– Creation of skilled workforce in the area of IT. Improve capacity-building and provide training so that a suitable workforce is built. The DI programme envisages 1.7 crore direct and 8.5 crore indirect opportunities.

- **Early harvest programmes**– Envisions converting all government greetings into e-greetings. Development of an IT platform for mass messaging and biometric attendance for all government employees is also being developed.

- **National Knowledge Network (NKN)** : The scheme has been initiated for establishing the National Knowledge Network with multiple gigabit bandwidth to connect Knowledge Institutions across the country

- Also includes connecting citizens by social network called MyGov, envisages as Net-Zero Electronics Import Target by 2020 and setting up of an *Electronic development fund*.

Thrust Areas in Digital India

→ Broadband highways
→ Total mobile connectivity
→ Public Internet Access Programme
→ E-Governance,
→ E-Kranti
→ Boost to electronics firms,
→ Employment
→ Early harvest programmes
→ MyGov
→ Net-Zero Electronics Import Target by 2020
→ Electronic development fund

Critical Note

The backbone of this programme will be "National Optical Fiber Network", which was started in 2011 and set out the vision to connect 250000 gram Panchayats in 27 months at the cost of Rs. 20,000 Crore. Its target was subsequently scaled down to less than half (1.10 lakh Panchayats) due to miserable implementation and then the targets as well as the plan lost into oblivion.

What went wrong with the above programme? Chiefly it was lack of coordination. This programme was approved by the Union Cabinet, and its implementation committee had names such as Sam Pitroda and Nandan Nilekani. But it failed.

Apart from lack of coordination, the other reasons to why NOFN failed included:

- Neither hardware requirements nor software requirements were appropriately thought of.
- Corruption and cartels at work, so procurement tenders did not happen in time.
- No revenue model for the project to sustain
- India did not have capability to manufacture the inputs
- Issues in getting land and other resources from states

The new project is not only bigger in approach than NOFN but also five times bigger in its budget. The new government has set a deadline of just 4 years; so it seems almost unrealistic that targets will be achieved within the time limit. If the project is implemented well it has the ability and energy to transform Indian way of life and doing public business as it will synchronize and synergize all digital

initiatives for a better and more connected India. Not only IT/ITeS, telecom, electronics manufacturing sectors would be benefited from Digital India, but there will be a positive impact on other industry sectors as well, like Power Sector and Banking and Financial Services. But the challenges are daunting and they are indeed in its proper and time bound implementation.

5.3: Digital India: Challenges & Solutions

Digital infrastructure is as much important as physical infrastructure. It helps increase the productivity in the economy. It will enable a growth with lesser risk of asset bubbles and demand-driven inflation. Building digital infrastructure is less capital intensive as compared to the other like road and energy, but the enhanced productivity helps generate increased output.

What are the benefits?

- Productivity gains from such areas as online education, transaction and logistics. Health care, tourism could be improved through online transaction relating to accommodation, transport etc.
- It would improve the governance model. Bringing the direct benefit transfer schemes to reality. Leakages in the govt schemes would be checked.
- Better connectivity to the rural and far flung areas with lesser population. Connecting the village Panchayats through the national optical fibre network (NOFN) by high speed internet would shrink the country.

Impediments in the path

The restrictions like Department of telecom (DoT) opposition to the 3G roaming deprive the economy form the benefit of the gains from roaming. The consistent shielding of and inability to revive the sick PSU's like BSNL and MTNL. Hamstrung decision making, a 'not to touch' approach because of recent 2G spectrum scandals.

Soaring prices of spectrum which is equated with the investment in the networks and spectrum. And their subdivision among numerous distributors resulting in the sub-optimal performance. Last mile access to end-user will need to be built through wireless access using the radio spectrum because laying fibre costs too much. Also our approach to spectrum allocation is such that it is simply unavailable.

What can be done?

Permitting the spectrum sharing between the primary users (defence and defence related services) and authorized secondary users. Just in a way the physical infrastructure like roads are shared. In this manner current holder retain their rights, while allowing their utilization of otherwise idle spectrum. More traffic would generate high earning and generate high revenue share and tax

collection.

A multistakeholder collaborative participation to draft end-to-end strategy and problem solving approach in formulating and executing policies, regulations and processes. The transition to open access shared network available on payment to all the licensed operators. This has to be worked out by negotiations between participants based on technology, economics, business interest and pragmatism.

Simultaneously trials must be based conducted with new technologies with wireless broadbands utilizing unused spectrum reserved through the TV broadcasts.

Our trials validate solutions for rural broadband to be workable. And for making the digital India- a reality, intensive and innovative efforts like this is to be implemented.

5.4: Digital Locker : DigiLocker

A digital locker is another feather in the hat of Digital India, which strives to bring internet connectivity to the doorstep of every Indian. It is an initiative of Department of Electronics and Information Technology, Government of India. It will enable the user to save one's important documents electronically thereby ensuring security from theft or loss and also exemption from physical use of documents. This is a huge step by Government of India to reduce the use of paper and enhance the environment. It can be accessed at www.digitallocker.gov.in

Purpose of Digital Locker

The initiative is a commendable way to store and send documents in a secure way. The government has designed a foolproof mechanism to ensure security by linking the access to digital lockers to Aadhaar number. The minimum requirement to sign up for DigiLocker is thus to have one's phone number registered with Aadhaar. As one signs up, one is asked for Aadhaar number, post which a One-Time Password (OTP) is generated and sent to the registered mobile number and email id. This OTP has a lifetime of 30 minutes only. One has to enter the OTP within the stipulated time under 'Validate OTP' button to complete the login procedure. The login has been deliberately routed via mobile number/email to ensure a second level of verification.

Advantages of Digital Locker

Digital Locker will have an initial storage of 10MB which in the first phase. It is expected to be stretched to 1 GB in its next version. This will allow one to upload a good number of documents in an online repository. These documents can also be shared electronically with the concerned authorities. An e-sign facility will also be activated to enable and validate digital signatures on critical documents. This will further add to the authenticity quotient and eliminate the usage of fake documents. The minimised used of paper and physical space will considerably reduce overhead

charges of the government and critical files/documents will now be accessed with enhanced ease. The risk of document leak or any kind of physical damage is also eliminated. Moreover, the user will be able to browse through his information anytime, anywhere. Digital lockers will also have a properly structured and a standardised document format (XML format) which will enable easy uploading and sharing of documents to various departments. The sharing will be possible only with registered agencies or departments. A list of agencies which issue e-documents and a list of agencies which have accessed them will be provided.

Uploading the documents

Government of India has worked hard to provide ease of use. The documents can be uploaded very conveniently under respective sections namely-'My Profile' and 'My Certificates'. One can select which document to upload in a drop-down list and fill in the requisite details. The files can be uploaded from the computer only in a few supported formats.

It is thus a laudable step by Government of India for making Digital India become a reality and empower the citizens. It is inviting feedback from users since the launch of beta version till April 2015. The official authenticity of e-documents will considerably reduce chances of fraud and bring India closer to the developed nations.

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5.5: National e-Governance Plan (NeGP) 2.0 : E-Kranti

The National e-Governance Plan (NeGP) was formulated by the Department of Electronics and Information Technology (DeitY) and Department of Administrative Reforms & Public Grievances (DAR&PG) to reduce government costs and allow citizen access to government services through Common Service Centres (CSC). It began with 27 Mission Mode Projecs and ten components on 2006.

The current version E-Kranti is envisaged by the Department of Electronics and Information Technology (DeitY) as an important pillar of the *Digital India programme.* Its vision is to *transform E-Governance for Transforming Governance* and mission is to *ensure delivery of all government services electronically to citizens through integrated and interoperable systems, and also ensuring efficiency, transparency, and reliability of such services at affordable prices.*

In summary, the objective of E-kranti is to redefine NeGP to bring about transformational and outcome oriented e-Governance initiatives and to promote optimum usage of core Information & Communication Technology (ICT) and rapid replication and integration of eGov applications. Further, it also aims to enhance the portfolio of citizen centric services.

5.6: Section 66 of IT Act

Following up to the UN resolution on Electronic Commerce, India had passed the IT Act, 2000

in May 2000. This act was substantially amended through the Information Technology (Amendment) Act 2008. The Section 66A of the IT Act penalized 'sending false and offensive messages through communication services'. Objective of this section was to prevent grossly offensive material from circulating freely on the internet. However, its provisions were so vague that they were liable to be misused. The section sought to punish individuals with imprisonment for the following offences:

- sending any information which is grossly offensive or has a menacing character;
- sending information known to be false for causing annoyance, anger, inconvenience etc;
- persistently making use of a computer or a communication device to cause annoyance or inconvenience.

These provisions were vague and unclear and thus, the section was challenged in Supreme Court on account of violation of Article 14, 19 (1)(a) and Article 21 of the Constitution. Clause 2 of the Article 19 restricts this freedom in the interest of sovereignty and integrity of India, security of the state, friendly relations with foreign states, public order, decency and morality and to prevent contempt of court. Provisions in the Section 66A restrict the freedom of speech without clearly falling under any of the exceptions mentioned in Article 19.

To pacify the public, the government gave assurance that the section would be applied in a reasonable manner and that arrests will not be made without the permission of an official not below the rank of Inspector General of Police. But this assurance did nothing and there were frequent incidents of arrests of individuals for small offenses. Finally, the Supreme Court held this section unconstitutional.

5.7: Rural India and e-governance

India is a nation of villages with 72% of the population residing in 638,387 villages as per the Census 2011 data. In rural areas, people are often deprived of getting benefit from the integrated development programmes. The use of e-governance initiatives in rural areas needs selection of appropriate technologies which are dependable, maintainable and cost effective.

Rural e-governance initiatives

Computerized Rural Information System Project (CRISP)

It helps District Rural Development Agency (DRDA) to monitor the poverty alleviation programmes through computer based information system.

State Wide Network Area Project (SWAN)

It provides high speed connectivity connecting offices at block level for faster access to Government services.

E-Choupal

It is an e-government initiative formulated by the International Business Division of Indian Tobacco Company (ITC-IBD) to sell agricultural products, home appliances and consumer goods. It protects farmers from the abuse of the agents.

LokMitra

It was developed by the National Informatics Centre (NIC) in Himachal Pradesh to provide easy access to remote places to redress complaints.

N-Logue

N-Logue communications Pvt. Ltd., is providing telecom and intrenet services in small towns and rural areas of India.

Kisan Call Centres

These respond to the queries raised by the farmers instantly in the local language. It was launched by the Department of Agriculture & Cooperation, Ministry of Agriculture in 2002.

Gyandoot

It is an community-owned information kiosks established in the poverty-stricken, tribal dominated rural areas of Madhya Pradesh.

Akashganga

It makes use of ICT to facilitate rural milk producers by integrating all operations of the cooperative society right from milk procurement to accounting.

5.8: Digital signatures

A digital signature is basically a way to ensure that an electronic document is authentic. By authentic we mean to say that the receiver knows who has created this document and it has not been altered in any way since that person created it.

A Digital Signature Provides

Authentication of Sender
- WHO sent the message?

Data Integrity
- WHAT were the contents of the message?

Time-Stamp
- WHEN was the message sent?

Nonrepudiation
- BLOCKS FALSE DENIAL of the sending of the message, and the contents of the message.

There are certain types of encryptions which are used to ensure the authentication. The authentication is done via a password, a Checksum, a Cyclic Redundancy Check (CRC) which is similar to Checksum but little advanced, Private key encryption, which means that the computer has a secret key (code) that it can use to encrypt a packet of information before it is sent over the network to the other computer, a Public key encryption, which is given by a sender's computer to any computer that wants to communicate securely with it. The key is based on a hash value. In simple language, the digital signature is an _authentication of an electronic record_ by tying it uniquely to a key _only a sender knows_. This implies that the sender must _not be able to deny sending a message that he sent_ (This is called Nonrepudiation) Thus, digital signatures can be used to:

1. To tie an electronic message to the sender's identity
2. For non repudiation of communication by a sender
3. To prove that a message was sent by the sender in a court of law

How it works?

Digital signatures rely on a secret, either a secret passphrase, or, more commonly, a secret file. Anyone (without needing to know the secret) can check that two documents were signed by the same secret, and thus presumably by the same person, and that neither document has been changed since it was signed. A digital signature is a seemingly random pattern of characters, which typically looks something like this: — this is a signed document —   James A. Donald

6 Y e G p s Z R + n O T h / c G w v I T n S R 3 T d z c l V p R 0 + p r 3 Y Y Q d k G
W Z p b V q s J A y y v 5 l I J F e 1 x A n T g N c P u Y u h M E A S C N 8 2 V

42n66jGGAXQ6R2kNeMUedQsobPjpV9UNZzALxAC1q Those seemingly random characters depend both on the secret, and on the document being signed. Thus any small change in the document after it was signed will cause the document to fail to match the signature. Thus if I add a full stop, the signed document looks like this. — this is a signed document. –digsig James A. Donald 6 Y e G p s Z R + n O T h / c G w v I T n S R 3 T d z c l V p R 0 + p r 3 Y Y Q d k G C s M Y R G 9 6 9 X Q 7 C J h k p H m P c i g u 8 y G + Y h F G W 1 + Q r g t C 4f5YXFqLPhvouhqn1OHNTWpDNc4UsqRjw4xnGJMT8 The second and third lines depend on the document, and so look completely different, but the program can tell that the two documents have matching signatures.

Difference between the Physical Signature and Digital Signature

- A conventional signature is included in the document; it is part of the document. But when we sign a document digitally, we send the signature as a separate document.
- For a conventional signature, when the recipient receives a document, he/ she compares the signature on the document with the signature on file. For a digital signature, the recipient receives the message and the signature. The recipient needs to apply a verification technique to the combination of the message and the signature to verify the authenticity.
- For a conventional signature, there is normally a one-to-many relationship between a signature and documents. For a digital signature, there is a one-to-one relationship between a signature and a message.
- In conventional signature, a copy of the signed document can be distinguished from the original one on file. In digital signature, there is no such distinction unless there is a factor of time on the document.
- Please note that a digital signature does not provide confidentially / privacy. If there is a need for privacy, another layer of encryption / decryption must be applied.

Digital Signature Certificates (DSC)

Digital Signature Certificates (DSC) are the digital equivalent of physical or paper certificates such as drivers' licenses, passports or membership cards. Certificates serve as proof of identity of an individual for a certain purpose; for example, a driver's license identifies someone who can legally drive in a particular country. Likewise, a digital certificate can be presented electronically to prove a person's identity, to access information or services on the Internet or to sign certain documents digitally. A licensed Certifying Authority (CA) issues the digital signature. In India, a Certifying Authority (CA) means a person who has been granted a license to issue a digital signature certificate under Section 24 of the Indian IT-Act 2000.

Types of Digital Signatures

There are basically 3 types of Digital Signature Certificates viz. Class-1, Class-2 & Class-3 having increased level of level of security from 1 to 3. The MCA21 program, which has been launched for easy and secure access to MCA services in a manner that best suits the businesses and citizens, the class 2 and class 3 digital certificates are needed. In Class 2, identity of a person is verified against a trusted, pre-verified database. In Class 3, which is the highest level, the person needs to present himself or herself in front of a Registration Authority (RA) and prove his/ her identity. DSC of Class 2 and Class 3 category issued by a licensed Certifying Authority (CA) needs to be obtained for efiling on the MCA Portal. Please note that there is a cost of getting digital signatures. Then, in India, the Digital Signatures are legally admissible in a Court of Law, as provided under the provisions of IT Act 2000.

5.9: E-governance: Other Notes

e-records

e-records are 'born digital' records which includes emails, databases, images, word-processed documents, intranets, websites etc. Electronic records helps in ensuring effective and efficient business environment.

e-office Mission Mode Project

e-office is one among the 44 mission mode projects (MMP) under the National e-Governance Plan (NeGP). The project aims to improve efficiency, productivity, quality, resource management, and increase transparency by replacing the old manual process with an electronic file system.

e-districts

e-Districts provides a platform for Government-to-Consumer or G2C interactions. It was envisaged to provide integrated and seamless delivery of citizen services by district administration through automation of workflow, backend computerization and data digitization across participating departments. e-district is one among the 44 mission mode projects (MMP) under the National e-Governance Plan (NeGP).

Key objectives:

- To promote efficient delivery of services.
- Improving capacity building for field functionaries
- Improving access to efficient, reliable, transparent and accountable Services
- Reducing service time & costs for the Government and Citizens
- Enhancing perception & image of the Government

National e-District Service Tracker

National e-District Service Tracker is a mobile App which will enable the citizens to interact with

the e-District Application by using hand held devices like mobile and tablets.

E-Courts

e-courts is a mission mode project to transform justice delivery by ICT enablement of courts. The project was conceptualized based on the action plan, *"National Policy and Action Plan for Implementation of information and communication technology (ICT) in the Indian Judiciary – 2005"*. The project aims to provide efficient, time-bound citizen centric services delivery and automate all the processes involved to provide transparency of information access to the stakeholders. The projects also aims to make the justice delivery system affordable, accessible and cost effective.

E-Governance Initiatives Of Other Countries

- **Singapore One:** It is an e-governance initiative of Singapore government to offer very comprehensive services to its citizens. The initiative keeps track of a person right from his birth and continues tracking his/her graduation degree, employment, marriage, housing loans, passport, business etc.
- South Korea has also initiated a number of e-Governance initiatives and boasts of having one of the best connectivity in the world.
- UK is an example of having excellent e-Governance system on whose processes Indian processes are based on. However, Indian processes have remained antiquated.

Criticism of e-governance initiatives

E-governance initiatives are criticized on the basis of following.

- No person to person interaction.
- Concerns on transparency as the system is maintained by the government itself. It can add/delete/manipulate data and paint a different picture to the public.
- Not all citizens are tech savvy to avail of these services. It brings up the issue of lack of equality in public access of services.
- There exists a lack of privacy due to the hyper surveillance activities of the governments.

Topic 6. Citizens Charter and Other Institutions

Citizen's charter is a document representing the systematic effort taken by public agencies/organizations to focus on the commitment made by them towards their citizens/clients in fulfilling their needs.

Six principles of citizens charter

- Published standards
- Openness and information
- Choice and consultation

- Courtesy and helpfulness
- Grievance redressal
- Value for money

Citizen's Charter helps to solve the problems faced by the citizens, day in and day out, while dealing with public agencies and organizations. The Citizen's charter also includes the expectations of the Organizations/public agencies from the citizen/client for fulfilling the commitments made by them. Citizens' Charters are based on the premise that the Citizen is "King" and government organizations exist to serve the citizens. The formulation of citizen's charter in India first commenced in 1996. - Since then, Scheme of Citizens' Charters was reviewed several times and ultimately led to the finalization of Quality Management System Standard – *IS 15700: 2005* and also to the new assessment-improvement model *'Sevottam'*.

Citizen's expectations

- Reliability (consistency in performance)
- Responsiveness (timely service)
- Credibility (having customer interest at heart)
- Empathy (attention to customer's needs)
- Courtesy and care (physical evidence of willingness to serve)

Elements of a good charter

- Focus on customer requirements
- Simple language
- Service standards
- Effective remedies
- Training
- Delegation
- Feedback mechanism
- Close monitoring
- Periodic review

Evolution of the concept of citizen's charter

International scenario

The concept of Citizen's Charter was first implemented in the United Kingdom in 1991. It was first implemented by the Conservative Government of John Major as a national programme with an aim to improve the quality of public services enjoyed by the people of the country. The programme was again relaunched by the Labour Government under Tony Blair with a rechristened name of *"Services First"* in 1998. The initiative earned considerable interest around the world and many countries came

up with similar programmes.

Country	Name of the initiative	Year
Belgium	Public Service Users' Charter	1992
France	Service Charter	1992
Spain	The Quality Observatory	1992
Malaysia	Client Charter	1993
Portugal	The Quality Charter in Public Services	1993
Jamaica	Citizen's Charter	1994
Canada	Service Standards Initiative	1995
India	Citizen's Charter	1997
Australia	Service Charter	1997

Indian Scenario

Over the years, the advancement achieved in literacy rate coupled with a robust economic development made Indian citizens increasingly aware of their rights and made them to expect the administration to respond to their demands. To cater to the rising ambitions, an "*Action Plan for Effective and Responsive Government*" was adopted both at the Centre and State levels at a Conference of Chief Ministers of various States and Union Territories held on 24 May, 1997 in New Delhi. The following decisions were taken at the conference:

- It was decided that the Central and State Governments would formulate Citizen's Charters beginning with those sectors having a large public interface like Railways, Telecom, Public Distribution Systems, Posts etc.
- It was decided to include in the Charter among others the avenues of standards of service, reasonable time limits for service delivery, grievance redressal mechanisms and a provision for independent scrutiny with the involvement of citizen and consumer groups.
- It was decided that the public accountability should be interpreted in a broader sense to include public satisfaction and responsive delivery of public services.

To frame the charters, the Central and State Governments were advised to constitute a task force with representations from various stake holders like users, senior management and the cutting edge staff etc. The *Department of Administrative Reforms and Public Grievances* (DARPG) took the initiative

of coordinating, formulating and operationalizing Citizen's Charters. It issued the guidelines and a list of do's and don'ts to be followed by the various government departments/organisations to bring out focused and effective charters. The Charters were expected to include the following elements.

Components of citizen's charter

- Vision and Mission statements
- Details of clients
- Details of business transacted by the organization
- Details of services provided to each client group
- Details of grievance redressal mechanism and how to access it
- Expectations form the clients

Roughly, the adaptation of UK model, the additional component of 'expectations form the clients' was added to the Indian version of Citizen's Charter. Apart from that involvement of citizen groups, consumer organizations and other stakeholders was highly emphasized. Also, regular monitoring, review and evaluation of charters were enjoined.

As of February 2008, 115 Citizen's Charters had been formulated by the Central Government Ministries/Departments/Organisations and 650 Charters by various agencies of State Governments & Administrations of Union Territories.

Website

A comprehensive website on Citizen's Charters in Government of India (www.goicharters.nic.in) was developed and launched by the Department of Administrative Reforms and Public Grievances in 2002. This website contains the Citizen's Charters of various Ministries/Departments/Organizations.

The citizen's charter on successful implementation was expected to have the following features:

- Improved service delivery
- Greater responsiveness of officials towards the public
- Greater public satisfaction with the services offered.

Problems faced in implementing the citizen's charter

Despite all efforts, the following problems emanated from the implementation of citizen's charter and a very little evidence showed that there was an improvement in public service:

- The mismatch in aligning public service delivery with citizen's expectations.
- The organizations looked at the exercise of formulating Citizen's Charter as a direction from above. It became one of the routine activities and lacked focus.
- The employees responsible for implementing the charter were lacking training and orientation.

- Sometimes, the initiative got hampered due to the transfer/reshuffle of concerned officers responsible for the implementation of citizen's charter.
- Awareness campaign to sensitize the citizens/clients was not adequate.
- In some cases, unrealistic standards/norms of service which were either too lax or too tight were set. It created very unfavourable impression on the clients.
- There was no continuous improvement and assessment of performance.
- There was no benchmarking of quality of service delivery and grading them on performance.

Sevottam

A certification scheme called Sevottam was launched to address some of the shortcomings of the citizen's charter. It provides for the award of the Sevottam symbol of excellence to public service organizations that implements and complies a set of management system requirements. It offers a systematic way to identify weaknesses in specific areas and correct them through systemic changes and process re-engineering.

Obtaining a Sevottam symbol of excellence requires the following:

- Successful implementation of Citizen's Charters
- Service Delivery Preparedness and achievement of Results
- Sound Public Grievance Redress Mechanism.

With the adoption of Sevottam scheme, India earned the pride of becoming the _first_ country in the world to publish a requirement standard for quality management of public service delivery. Citizen's charter is a major compliance criterion for being considered for Sevottam. The other standards include customer focus; internal and external communication requirements; documentation requirements; mechanism to implement, monitor, measure and improve delivery etc.

Quality Management System Standard – IS 15700: 2005

Based on the objectives of Sevottam, the Bureau of Indian Standards (BIS) developed a new quality management system standard- IS 15700:2005. The draft standard was prepared by a panel of 15 experts from 11 organizations including government departments, industry associations, public sector undertakings, DARPG, Tata Consultancy Services, Quality Council of India, Bureau of International Standards etc.

Measures for effective implementation of citizen's charter

- An effective awareness campaigns amongst all the stakeholders has to be designed and delivered innovatively and effectively.
- The mere issuance of citizen's charter will not alter the mindset of people and staff overnight. So, regular sensitization programmes and persistent efforts are required to effect attitudinal changes.

- The charters should be subjected to both internal and external monitoring, evaluation and review in all the organizations for effecting improvements.
- The charter should also be provided with a necessary statutory backing by passing an appropriate legislation as the Citizen's Charter Bill, 2011 got lapsed with the dissolution of Lok Sabha.

Recommendations of 2nd ARC

The following are the recommendations of ARC for making Citizen's Charters more effective:

- One size does not fit all.
- Citizen's Charter should be prepared for each independent unit under the overall umbrella of the organization's charter.
- Wide consultation which include civil society in the process.
- Firm commitments to be made.
- Internal process and structure should be reformed to meet the commitments given in the Charter.
- Redress mechanism is case of default vii. Periodic evaluation of Citizen's Charters.
- Benchmark using end-user feedback.
- Hold officers accountable for results.

The ARC Seven Step Model for Citizen Centricity

- Define all services which you provide and identify your clients
- Set standards and norms for each service
- Develop capability to meet the set standards
- Perform to achieve the standards
- Monitor performance against the set standards.
- Evaluate the impact through an independent mechanism
- Continuous improvement based on monitoring and evaluation of results

Significance of Citizen's Charter

- It will make government more accountable, responsive and effective. It will enable citizens to demand accountability.
- Government services and programmes will become more sustainable and effective.
- Poor and marginalized will be able to access services equitably which will improve their lives. They will be able to influence public policy and service delivery.
- Citizens are no longer considered as mere beneficiaries. Citizens will be seen as equal stake holders in the development projects.

- Robust institutional mechanisms for the proper implementation of laws and delivery of goods and laws.
- Effective redressal of grievances.
- Corruption and red tapism will decrease.

Firstly, it enables citizens to demand accountability and helps to make government more responsive, efficient and effective. *Secondly,* it helps to make government programmes and services more effective and sustainable. *Thirdly,* it enables the poor and marginalized to influence public policy and service delivery to improve their lives. *Fourthly,* it helps to promote healthy, grassroots democracy.

With this, citizens are no longer considered mere beneficiaries of the fruits of technical expertise and knowhow from externally guided development programmes. Instead, they are seen as equal stake holders in the development process. In fact, popular participation as a democratic right that should be promoted in all development projects, has increasingly come to be accepted as an objective and not just as a means to development.

Citizens Charter Bill, 2011

The *Right of Citizens for Time Bound Delivery of Goods and Services and Redressal of their Grievances Bill, 2011* or simply Citizens Charter Bill was tabled in the Lok Sabha in 2011. The bill aimed to provide every citizen the right to time-bound delivery of goods and services and to confer them with a grievance redressal mechanism. The bill had provisions for making publishing of citizen's charter mandatory for all the public authority. However, the bill got lapsed due to the dissolution of 15th Lok Sabha.

Information and Facilitation Counters (IFCs)

IFCs have been set up by selected Central Government organisations to provide information to citizens about their programmes/schemes, rules and procedures etc. It acts as a nodal point for grievance redressal. It is considered as a *physical manifestation* of Citizen's Charter.