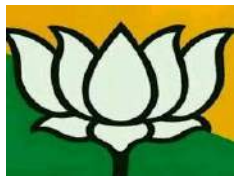# *"Transform India*

With

Narendra Modi"

Collective inputs from over 65,000 Citizens on

"Corruption and Transparency in India"

(Issues, Root Causes and Proposed Solutions)

June 30, 2014

Background

The 65,000+ strong online citizen community - "Transform India with Narendra Modi" has collectively discussed and debated the subject of "Corruption and Transparency in India". The community has collectively identified the Current Issues and Challenges associated with Corruption in Government, Business and Civil Society in India. They have found Root Causes for them and finally identified Solutions which if implemented can help reduce Corruption in India.

Corruption and Transparency Issues

Citizens of India collectively believe that corruption affects most aspects of their daily life. Corruption issues have been categorized into four different types. However, for the purposes of this report, only the two areas related to the Government are being presented.

Citizen to Government Corruption Issues

Citizens of India frequently pay bribes for obtaining various Government services like Ration Card, LPG connection, Vehicle Registration, Property Registration, Driving License, Water Connection, Electrical Connection, Getting Sewers Clean, Income Tax Assessments, Municipality works/permissions, Police FIR, Traffic Police, Passport Verification, Provident Fund collection, Birth/Marriage Death Certificate, Aadhar/ID/Voter card, Railway TC seat assignment, School and College Admission, Hospitals, Courts, Getting Government Jobs and Transfers.

Business to Government Corruption Issues

Businesses in India frequently pay bribes and kickbacks for getting licenses, getting qualified as a Government supplier, securing tender information, winning a contract, collecting dues, supply nexus where the Government and Taxpayer is cheated, corruption in cash and kinds, with individuals officers or everyone in the chain/transaction. Bribes are generally paid for most inspections and certifications like Labour, Quality, Fire, Safety, Weights and Measure, Pollution, etc. as well as to renew most licenses. Bribes are also paid in most tax dealings like VAT, Service Tax,

Custom, Excise, to get a clearance or to file a return.

Corruption Root Causes

General Root Causes

1. Lack of Moral Value education and practice in school and college education
2. Lack of awareness with the common man that Corruption is Bad
3. Celebration of people who have financial wealth rather than the ones who have been of service to society and nation
4. Gap between demand and supply required for most products, services and resources.
5. Slow and time consuming legal processes and judgement in general and in cases of corruption
6. Lack of swift and strong punishments to the ones proven guilty of corruption
7. Lack of an established and adequate electoral funding mechanism
8. Lack of feedback and rating mechanisms

Citizen to Government Corruption Root Causes

1. Excessive amounts of manual paper work and approvals required for most Citizen Services.
2. Lack of awareness and transparency about Government processes and Citizen Rights
3. Missing mechanism for processing of most citizen emergency requirements
4. Lack of time bound delivery and penalty mechanisms in Government to Citizen Services
5. Lack of performance orientation and accountability for results in Government departments
6. Lack of effective Vigilance Department and Ombudsmen for redressal of governance issues
7. Lack of Transparency in the Government Recruiting and Employee Transfer process

A Citizen – Government Engagement Initiative

8. Lack of willingness of many citizens to wait for their turn and follow the process
9. No customer service orientation given to Government employees

Business to Government Corruption Root Causes

1. Negative and biased outlook of most Government Employees towards Business.
2. Lack of transparent tendering process for Government projects
3. Complex and ineffective taxation system that gives undue authority and discretion to Government
4. Lack of stringent and timely action against businesses and individuals engaged in corruption including cancellation of all business licenses.
5. Manual processes for most steps of the Business to Government transactions
6. Government Delivery of Services out of sync with pace of Business Needs
7. Several Government touch points for businesses at both Central Government and State
8. Government with no single point of contact for execution or grievances
9. Discretion based decision making in various State and Central Government departments
10. Funds allocated to Government agencies without objective deliverables and a clear delivery and sustainment plan
11. Lack of understanding, ongoing training and commitment to ethics both for Businesses and Government

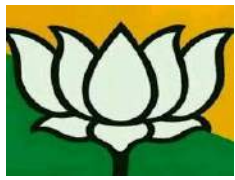# Solutions to Corruption

General Solutions

1. Fast track processing of all corruption related cases
2. Strong and timely punishments to the ones proven guilty of corruption
3. Development of an effective and adequate electoral funding mechanism
4. Implementation of an easy to access feedback and rating mechanisms for Government Offices, Officers, Elected Representatives and Businesses.

5. Mandatory Moral Values education in school curriculums
6. Mandatory inclusion of Anti-Corruption as a subject in all college curriculums
7. Social Awareness programs against Corruption and Bribery for Citizens

Citizen to Government Corruption Solutions

1. Setting up of a National Corruption Hotline enabling citizens to report corruption online and via phone call
2. Setting up an effective grievance redressal mechanism for corruption cases
3. Elimination of human interface with electronic interface for every possible Government-Citizen transaction
4. Elimination of cash transactions at Government Departments
5. Target and Performance oriented objectives and reviews for all Government Employees with a pre-defined incentive plan
6. Time Bound Delivery targets for Government Departments with predefined penalties for inaction/delays affecting the Department and Individual responsible
7. Establish Key Performance Indicators for all Government departments and publishing them daily/weekly is made a mandatory requirement.
8. Institute awards at departmental and individual levels recognizing results
9. Institute National Level Integrity awards
10. Training of front line Government Employees on Customer Service
11. Outsourced Process Awareness desk and self-serve kiosks for citizens at every Government office
12. Outsourced computerization of old Government records
13. Prohibition of entry for agents/middle from all Government offices (Similar to visas for some countries)
14. Annual Declaration of total assets held for all Government employees
15. Implementation of an electronic and documentation oriented recruitment process for all Government jobs.
16. Creation of an online citizen community/circle for every constituency, every ministry and every Government department.

A Citizen – Government Engagement Initiative

Business to Government Corruption Solutions

1. Setting up of a Business Corruption Hotline enabling businesses to report corruption online and via phone call
2. Setting up an effective grievance redressal mechanism for businesses for any corruption or violation of ethics cases
3. Implementation of a time bound electronic qualification, quotation, tendering, ordering and payment mechanism for all Government procurements
4. Removal of all Ministerial and Bureaucratic discretionary powers from the supplier selection process
5. Elimination of cash transactions at Government Departments
6. All public sector enterprises of India to have a Board comprising of at least 2 accomplished private sector professionals as independent Directors
7. All public sector enterprises to sign a national integrity pact with independent monitors and board level reporting of all corruption cases.
8. All public sector and Government officials to provide an undertaking of no personal direct or indirect associations with companies they are transacting Government business
9. All Government employees to exchange information with businesses using Government email ids. No email exchange permissible via personal emails.
10. Prohibition of all agents in Business to Government transactions
11. Detailed documentation requirement for listed companies on un-receipted cash and miscellaneous expenses
12. Mandatory requirement for all listed corporates to have an Ethics and Compliance function with direct reporting to the Board of Directors

Summary

The 65,000+ citizen community strongly believes that if the above recommended solutions are implemented by the Government, they will drastically reduce corruption and improve transparency and accountability in India. It is requested that the PMO and associated ministries take immediate action on this important National Priority.

More details at: https://www.localcircles.com/a/index/core?thoughtleadership

Appendix

Some of the Citizen Posts and Comments:

1. Bribe in RTO to get vehicle registered. Even the most honest people have paid it by hiring and agent – **Mohit Jain**

2. Each department/office make fool of people, because people don't know the procedures and they are not aware of their rights/laws, and rules pertaining to that office – **Hitesh Gupta**

3. Corruption, as is known, is an open secret in India Public Life. It is everywhere, where there is role of any Public body be it police, municipality, govt. hospitals or even courts. I, myself have first-hand experience of corruption many a times whenever I have had a chance to deal with Govt. officials. You are supposed to pay for the legitimate works of yours and yes, almost every, it seems, public servant considers it as his birth right – **Ajay Kumar Jain**

4. Total overhauling of the police administration is long overdue. Its high time we set up a new Police Commission, review the pay structure, the entire recruitment process and especially the education criteria. Also, people from different walks of life should be made part of police recruitment and vigilance committee in every state. Unless the police is corruption free the society as a whole cannot be expected to be clean – **Tanmay Chatterjee**

5. Corruption is due to built in provision in the laws and rules that are either ambiguous or with so many convoluted provisions and complicated language, undecipherable drafting so that the officials can confuse and trap the citizen, made by those who are responsible for implementation in their own greedy self-interest, illiterate citizen who doesn't want to understand his duties and rights, legal system that is unreliable / delays / enjoy low credibility for professionalism and hence citizens prefer to settle issues by paying officials off, irresponsible citizens, our value systems of not coming together to fight this cancer, low credibility of bureaucracy for speedy action, politicians who join the loot or support those who indulge in it, low literacy, our culture of over accommodation, our lack of national pride – **Subramanian KV**

6. Corruption at lower levels is where it pinches the common man. Distt. Courts and Registrars where property transactions are registered are the core centers where corruption should be checked. I think using technology and on line simple procedures should be done, like e stamping etc. A lot depends on the individual too. If you willingly give money to hasten up a process, for instance a driving licence, or any other document, you end up contributing to corrupt practices as a common man. Most persons do this and blame the system. Mindset needs to be changed along with innovative and friendly on line IT technology to lesson corruption, but at the end of the day how many Indians have access to internet and have computers. But a start can be considered a step in right direction – **M. J. Dhar**

7. Corruption is everywhere, I have noticed in RTA (for licence,NOC), Municipality(for permissions),Govt Hospitals etc. I think the preventive action is to have CC Cameras in every Government office – **Sridhar Reddy**

A Citizen – Government Engagement Initiative

8. Certain disincentives should be brought to curb corrupt elements especially in direct public dealing departments. Law relating to sanctions for prosecution of accused public servants needs to be reworked and confiscation of all ill-gotten wealth and its further use in nation building needs to be given proper legal shape – *Amit Kamboj*

9. Everyone knows the root cause of corruption. It is only due to lack of accountability and fear of punishment by the law.
   We can find the answer by comparing say, recruitment in a private company and public sector company. The former looks for merit and the later for recommendation and reservations. I feel reservations should not be extended by one generation. This also provides opportunity for other person who is unable to compete on merit terms. How far we are justified in extending reservation to kids of highly educated and influential parents – *Cherla Murthy*

10. Our traders do most of their transaction without paying tax. Is that not a form of corruption? Then because they don't pay VAT, they pay VAT officer bribes so he lets them go. It is a vicious cycle – *Nirmala Chauhan*

11. state-funded construction activities in states, such as road building, were dominated by construction mafias, which are groupings of corrupt public works officials, materials suppliers, politicians and construction contractors – *Manish Shandilya*

12. You will be surprised to know that in my locality corruption begins at the level of school only. You know teachers even in private schools ask student to join their coaching institute if they want good marks in school exam – *Harshvardhan Kumar*

13. No transparency in Govt bodies. A common man has to pay bribes to get basic necessities. Eg: Ration card, Passport, RTO, water connection, Land approvals, EB connection, Gas connection and more – *Divvya Palaniappan*

14. I am running a SME unit and have to visit various Govt. dept for renewals and clearances. Even if the papers are in order and everything is well in time; officers in each and every Govt Dept of Maharashtra such as MIDC, MPCB , MSEDCL etc demand HEFTY amount of money openly across the table and it is not possible to get even the smallest work done without paying them. Moreover there is a culture of working through AGENTS and they do not like a Entrepreneur who comes himself for follow up. These dept are harassment points ; and in the last 4-5 years they have made mockery of law and have become worst then the most corrupt states like UP and Bihar – *Dilip Gandhi*

15. Marriage registration office people take bribe to issue certificate and Birth certificate – *Venkata Suresh*

16. On a daily basis, the one area where we face most of the corruption cases is the traffic police. Time and again they stop us to squeeze money – *Aditi Mukherjee*

17. During issuing Occupancy Certificates for buildings, there is no proper check on Number of Statutory Car Parking stalls needed to be provided by the Group Residential Housing construction by the promoters/builders. The peace of living is totally spoiled. This leads to Social issues, environmental issues, traffic issues and the lifetime hard earned money of the people is taken away by the greedy builders – *Ravi Ananth*

A Citizen – Government Engagement Initiative

18. Formulate compulsory, interactive, engaging, moral education curriculum for all levels (schools, colleges, higher education) – *Harikrishnan Tulsidas*

19. Create a local circle for every Government Department like MCD, Income Tax, Jal Board, every Ministry and every local constituency in India – *Sneha Goyal*

20. The whole education system has to be changed. Whatever is taught in the present system like Algebra is of no use in our lives later. Why not teach the young students about our constitution, Judiciary, moral values etc. – *Shekhar Natesh*

21. corruption can end if all transactions are done thru banks and all big notes are banned – *Mita Vekatraman*

22. All discretionary powers of ministers have to be removed. If proper guidelines and unambiguous policies are in place, why does a minister need discretionary powers to allot plots, gas cylinders, petrol pumps and what not – *Hina Manerikar*

23. We should also look at some channel may be even a circle where people can click photos and upload and report the case. The anti-corruption department or hotline can pick it up and investigate. Fear alone will address 50% of corruption – *Anshu Saxena*

24. Periodic disclosure of assets by all government servants (especially people in higher posts) - This increases the chance of getting caught if they indulge in corrupt practices – *Vijayasarathi C*

25. Let us build strong feedback loops like such a circle and make all bureaurcrats and ministers be accountable for their actions. In fact every department – *Aditya Goyal*

26. The whole education system has to be changed. Whatever is taught in the present system like Algebra is of no use in our lives later. Why not teach the young students about our constitution, Judiciary, moral values etc. – *Shekhar Natesh*

27. Simple solution is strictly submit the and file annual returns of wealth data-by government servants and public representatives. data checked with IT- Their family members data returns also to be filed- next for corporate sector- if strictly following

28. The rules Business class will have profit of 20% . more than that need's further clarification-expenditure also needs to be checked – *Ramachandra Murali*

29. Impose outrageous monetary penalties for offering bribes, e.g. Rs.10,000 for offering Rs. 50. If people offering bribes come across even a single honest officer, they won' t offer bribe next time – *Amit GA*

30. We should also look at some channel may be even a circle where people can click photos and upload and report the case. The anti-corruption department or hotline can pick it up and investigate. Fear alone will address 50% of corruption – *Anshu Saxena.*

31. The root cause lies in our attitude of avoiding responsibility of the self ... and putting it on others. The greater impact occurs when each of us try to justify it – *Suman Chacraborty*

32. E-governance as a solution to avail Govt services. Example: Citizens should be allowed to transact online with the Govt to apply for Water/EB connection, Ration card, Certificates etc. – *Divya Palaniappan*

33. Very first lack of moral values in society is the biggest reason behind corruption – *Premendra Singal*

34. Corruption and being corrupt has become a much accepted way of life, for, the only aim in life for a larger section of population (taught by people and systems around) is to amass wealth and live a luxurious life at any cost – *Vidyanathan Iyer*

35. The root cause of corruption in India is lack of love towards the motherland above all religion,caste and creed. The Indian blood is polluted and the genes has got corrupted due to mix breed of our education system – *Prakash Nair*

36. Lack of knowledge, govt officers on high posts depends on babus/assistants on decisions making. solution....do not post a person on higher decisions making posts based on chaploosi, bhai -bhatijavad....it should be based on knowledge, ability and commitment of the person – *Updesh Verma*

37. As far as possible paper work should be minimized. There should be guides in the government departments – *Naresh Karmali*

38. Build a social security network which can support common needs like marriage, education, old age support etc. It will reduce of corruption at lower end, since most of them are doing it because they are not able to bridge their basic requirements with current income. Social security measures will make them more confident to resist corruption – *Abeed Abdul Kareem*

39. I feel one of the root causes is our Education system. We are often taught how corrupt people can make money either by giving bribe or taking bribe without getting caught – *Sanjay Pandita*

40. Root cause of the Corruption is people want to evade Tax. They pay bribe to secure from legal point of view and to save money – *Pradeep GS*

41. Malpractices by big business houses, help creating tender documents for Government Departments incorporating tender conditions (viz., turnover, past work, etc.) which would not be realistic, mainly to keep at bay the other competitors from the race – *S Muralidharan*

42. If we will stop corruption in high places in Judiciary, Bureaucracy, Government departments then we can solve 25% employment. Ask all government employees to be peoples friendly the way they are attending to MLAs & MPs. Today most of the IAS officers are corrupt and misguiding Ministers for their benefit, Income Tax Officers looting the country, same with IFS and Railway, Port and Airport authorities – *Brajabandhu Behera*