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(500-700words, docx file)

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“When nature is channeled according to the principles of Dharma, we have culture and civilization.”

- Pt Deen Dayal Upadhyay

MANN KI BAAT - JAN KI BAAT

Part 33, 25th June, 2017

KEY HIGHLIGHTS

- A very inspiring incident happened at Mubarakpur village of Bijnor in Uttar Pradesh. During this Ramzan, the villagers decided to get together and construct toilets. Now, to construct these household toilets, the government gives financial assistance, under which, they were provided a sum of 17 lakh rupees. But these muslim brothers and sisters, returned this money to the government, saying, they would construct these toilets with their own labour and their own money; and that this sum of 17 lakh rupees be used for providing other facilities in the village. And the most important of it all is that they have freed Mubarakpur of the scourge of open defecation.
- Another wonderful incident happened in Vizianagaram District of Andhra Pradesh. The district administration there undertook a huge task with people's participation. A hundred hour non-stop campaign was conducted. The objective was to construct 10,000 household toilets in 71 gram panchayats in those hundred hours. The administration and people together did construct 10,000 toilets in hundred hours successfully and 71 Villages became ODF.
- 1975 - 25th June - it was a dark night that no devotee of democracy can ever forget. No Indian can ever forget. The country had virtually become a prison. The voice of the opposition had been smothered. Several prominent leaders including Jai Prakash Narayan and Atal ji had been jailed.
- 21st June 2017 - Yoga has permeated the entire world. Yoga has created a world record again this time also. In Ahmedabad, Gujarat, around 55 thousand people performed Yoga together and created a new world record.
- When I was in Gujarat, I had set this tradition of welcoming, by not giving bouquets, but books or handkerchiefs instead. And that too, a 'Khadi' handkerchief, so that it promotes 'Khadi'.



- ISRO launched 30 Nano satellites with the 'Cartosat-2 Series Satellite.' Besides India, these satellites are of France, Germany, Italy, Japan, Britain and America, and nearly 14 such countries. And with India's Nano Satellite Mission, we will get a lot of help in the field of agriculture, farming, and dealing with natural disasters.
- On the 19th of June, our Mars Mission completed one thousand days. This entire mission was planned and had a life expectancy of 6 months. But even after a thousand days, our Mangalyaan Mission is at work.

INDIA FIGHTS BACK PARALLEL ECONOMY



Recalling the economically shady picture of India pre-2014, featuring large hue and cry around black money, corruption and retarding economic growth. As the country fought Global Recession, the parallel economy tamed by corruption, illicit money and unaccounted wealth, prospered. General Elections 2014 were fought around these issues, and Bharatiya Janta Party under the leadership of Shri Narendra Modi promising 'sabka saath sabka vikas' registered an unprecedented democratic victory.

On May 26, 2017, the NDA Government celebrates its third anniversary, showcasing several achievements and reforms undertaken. The biggest initiative of the government, may not be so popular amongst the common citizenry is actually a fight-back package against parallel economy.

What is Parallel Economy?

'Parallel economy' is the wider concept, of which 'black money' is a component and includes all the unaccounted wealth of the country. Parallel economy has political, commercial, legal, industrial, social and ethnic aspects. There are legitimate and illegitimate sectors under parallel economy, the objectives of both, certainly confront one-another (Sarkar, 2010). Talking about the estimates of parallel economy, so far six reports been given between 1953-54 to 1987-88 only. Yes, the last one being published in 1992, and none after that. Taking the scope of parallel economy defined by the widely acclaimed, NIPFP's 'Aspects of Black Economy in

India'(1985), it is learnt that other than incomes generated through illegal activities like smuggling, black market transactions, bribes, extortion money, etc, there are unaccounted incomes generated like factor incomes through under reporting of output/sales in production of goods and services, capital receipts like in real estate sector through underreporting the value, incomes generated in export-import through underpricing, overpricing respectively, etc. is black income (Dutt, Mahajan, 2014), which forms a large part of parallel economy. All this contributes to huge tax-evasion in the country and unaccounted wealth, which pampers corruption, demonstration effect in consumer market, causes accumulation of savings in black liquidity, money laundering, and the worse - terrorism, drug menace, extremism. In 1988, the estimate of such economy was around 50% of the then GNP (Gupta, 1992). With the multi-dimensional expansion in economic activities in India, especially after 1991 reforms, this estimate must have surpassed Mt Everest in past two and a half decades.

NDA's ailment cure package

In order to unearth this unaccounted wealth, several initiatives have been taken so far - in the direction of checking tax evasion (particularly, in indirect taxes), demonetization (1946, 1978, 2016), voluntary income disclosure schemes, issuing govt bonds for unaccounted money (1981), etc. Taking any one of these measures in singularity to trap the flow of parallel economy will not yield effective results; rather a comprehensive policy package will hit the bull's eye.

The NDA government under the leadership of PM Narendra Modi in past 3years has expressed its commitment to catch the bull by its horn, right from setting up the Special Investigation Team to nab down undisclosed wealth stashed abroad in 2014. The government took series of initiatives to unearth and restrain parallel economy- (P.S. Read more about each initiative.)

1. **The Undisclosed Foreign Income and Assets (Imposition of Tax) Act, 2015:** A comprehensive new law to specifically deal with black money stashed away abroad and taxing

them at flat 30% rate. Around Rs16,000 crore worth were disclosed in first 20months of which 635 declarations worth Rs4160 crore was illegal wealth[v]. The Act also provides 90% tax on consistent non-disclosure of foreign wealth.

2. **Gold Monetization Scheme 2015 :** This primarily aims at reducing gold hoarding culture in the country, and mobilising the gold stock into productive use, ultimately reducing gold import burden. In process of mobilising gold stock, the scheme doesn't become an immunity for black money hoarders in form of gold, as tax is levied on deposit of gold more than 500gms held out of unaccounted income.
3. **The Real Estate (Regulation and Development) Act, 2016 :** The enactment seeks formalization and transparency in the real estate dealings, curbing unaccounted income generation in the market.
4. **Benami Transactions (Prohibition) (Amendment) Act, 2016 :** This amendment restricts black money investments by widening the scope of benami transactions, curbing flow of black money. Show cause notices for provisional attachment of benami properties have been issued in 140 cases involving properties of the value of about Rs. 200 crore
5. **Demonetization 2016 -** The bitter pill. Rs500, 1000 denomination currency notes cease to be a legal tender w.e.f November 8, 2016 - replaced by new Rs500 and Rs2000 currency notes.
6. **Income Disclosure Scheme :** Of all provisions brought to restrict black money conversion, the government also gave opportunity to comply norms and disclose unaccounted wealth to people. Similar to Income Declaration call made after Black Money Act enactment, after demonetization, Pradhan Gareeb Kalyan Yojana was putforth. Overall, it is reported that around Rs70,000 crore unaccounted and undisclosed wealth has been declared till April 2017 under all such initiatives undertaken.

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TOWARDS CLEAN ECONOMY

Reviving the economy

These several initiatives to unearth unaccounted wealth and control hoarding of black money in other forms, deeply impact the economic activity in the country. Therefore, in order to revive and keep the world's fastest growing economy moving the government took several actions.

- **Goods and Services Tax** – The multiplicity and complexity of the indirect tax system invites massive indirect tax evasion. NDA government with the motto of 'one nation one tax' pushed for Goods and Services Tax and the framework has been passed by the Parliament. GST will be applicable in India w.e.f July 1, 2017 making the Indian tax structure more rationalist and transparent.
- **Hitting Economic Terror** – Indian Statistical Institute report (2016) says 15-20% of every Rs10lakh notes in circulation in India are fake, and Rs70 crore fake currency is infused into the system every year. The report clearly mentioned that Rs1000 banknote constituted 50% of total value of fake notes. The money mainly pumped in by ISI-Pakistan, flows from Nepal, and Bangladesh too. This (FICN) currency has been funding terrorism in the country. Such funds were also used in economically nurturing extremism across the red-corridor belt. Demonetization 2016 adversely affected the FICN network.
- **Remonetizing** – It is said, demonetization is not a solid step to restrain the parallel economy, as there is no guarantee that the new legal tender pumped in the economy won't be counterfeited. However, it must be noted that because this time the volume of currency demonetized in India is huge, it would widely trap the wealth in parallel economy. India Ratings and Research estimate say that by demonetizing the govt has destroyed 12% of the black money. Demonetization moves towards 'Remonetization in India, with NDA pushing towards

creating a less-cash economy, i.e. reducing the volume of paper currency in the economy and emphasizing digital transactions. The government promoted the use of Unified Payment Interface (UPI) and launched BHIM (Bharat Interface for Money) App. Post demonetization with government keenly promoting digital transactions, volume of Rupay debit card usage on both Point of sale and eCommerce platform jumped from 5.2 million in 2014-15 to 140million in 2016-17, and 0.8 million to 62million in 2016-17, respectively. Similarly, mobile banking in terms of volume of transactions grew more than 40 times in last 3-years (2013-14 to 2016-17). Even, digital payments shot up more than 3times in terms of volume of transactions between 2013-14 to 2016-17.

- **Operation Clean Money** – Post demonetization it is reported that around 91 lac new Tax payers have been added to the system. In addition to all the measures taken to nab tax-evaders, the government also launched Operation Clean Money in May, 2017, which is an online portal to assist honest tax-payers and systematically scrutinize evasion tendencies of tax-payers in high, medium and low categorised.

- **Digital Governance** – With an eye on tax-evasion, unaccounted and undisclosed wealth in the country, the government in its fight against parallel economy also acts against systemic leakages. The financial inclusion drive annexed with JAM trinity not only aims at financial empowerment of the person last mile, but also put forwards a system directly delivering social security benefits to them, weeding out pilferage and corruption.

The success of PAHAL DBTL is the most remarkable achievement in this regards. Similarly, the benefits of financial mainstreaming have been clubbed with digital governance to curtail leakages, and 1.6crore fake/ghost beneficiaries out of PDS system and more than a crore fake/ghost beneficiaries from NREGA were weeded out.



Mission Clean Indian Economy

In the backdrop of all initiatives listed above, it can be said that NDA government is action-oriented, bold and decisive to fight back the parallel economy. In the history of economic reforms in independent India, no government has been so committed in destroying the parallel economy, which has been debilitating the Indian economy since long.

The series of reforms undertaken by the NDA government are indeed a bitter pill which will kill the cancerous elements of parallel economy. But of course, it isn't the last nail in the coffin, as there would be series of more reforms required to support the cause at various levels. Particularly, opening the economy to the digital world, in the backdrop of poor digital literacy, infrastructure, sub-standard digital security and absence of regulations makes the economy vulnerable to a new form of parallel economy.

The reforms and revival package intend to change the transaction habits of country – the spending culture in other words. And change always comes with resistance to change, which is often exaggerated by political beliefs. The short-term inconveniences overshadow the long-term benefits of policy decisions in this course. Only timely action against such hoaxes, stringent measures to nab the opportunists (hoarders, etc), strong laws and regulations and spreading know-how and awareness around remonetization, is the strong point of action for the entire state-machinery. And the government is attempting the same in its revival initiatives.

Author: Khyati Srivastava (PPRC)

MGNREGA REFORMS—RESOLVING AGRI DISTRESS



India has primarily been an agrarian economy, with over 58% of rural households dependent on agriculture as their principal means of livelihood, largely contributing to the nation's wealth. However, the country has seen a steady decline in the proportion of national income coming from the primary sector. Thereby, overlaying a rapid decline in farmers' income and adversely impacting the standard of living in rural India. This has resulted in wide-scale migration from rural to urban areas in search for wage-employment, diversion of agricultural land for non-agricultural purposes, and rise in farmer suicides. Over 3.18 lac farmers have committed suicide in past 21 years in India (NCRB, 2016).

According to Economic Survey 2016-17, average household farm income in 17 states of India is Rs1666 monthly only, implies most farmer households living below poverty line or slightly above. The major factors behind declining farm incomes is abundance of agricultural problems faced by Indian farmers including poor productivity, irrigation facilities, absolute dependence on erratic monsoons, drought, obsolete farming techniques, and lack of modern know-how. In order to improve farmer's income, it is important to resolve these agricultural distresses, besides securing rural livelihood and infrastructure development in general. Sustainable Rural development has been on the top cards of the NDA II under the leadership of PM Modi.

Overcoming Agriculture hurdles

Presently, the government has strategically shifted its focus on leveraging MGNREGA's potential in effectively addressing agrarian crises and farmer distress. Key measures undertaken over

the last two years, reflects this very policy stance. A statistical analysis of trends over last five years - 2012-13 to 2016-17, evidences this very policy shift. The government has been laying impetus on works having a direct bearing on agricultural productivity including Drought Proofing, Flood Control, Micro Irrigation, Provision of Irrigation, Water Conservation and Renovation of Traditional Water Resources. Zone wise, the figures for works taken up under the mentioned categories have shown an upward trend

The shift in focus gains even more significance owing to the recent drought years. Revealing focused efforts to alleviate drought effects, a significant rise particularly in areas where more of such intervention was required to overcome distress due to recent drought years - 2014-15, 2015-16 can be observed. The government notified 8-states as drought affected under MGNREGA namely Uttar Pradesh, Uttarakhand, Madhya Pradesh, Rajasthan, Kerala, Karnataka, Andhra Pradesh and Tamil Nadu in 2016-17.

To address farmer distress in these widely drought ridden states, the government has offered 50 days of extra work under the scheme for FY 2017-18 in the 8-notified drought affected states. Moreover, Rs 24,000 crore of expenditure has been specifically allotted to these states for FY2017-18, of which maximum fund utilization will be done on water related works. This indicates the focused efforts to resolve agricultural distress in these states.

Convergence for Agriculture

Productivity

Considering government's broad policy approach towards raising agricultural productivity, an increasing impetus on convergence works is observed. 'Convergence'- has been a catchword underlying the present government's strategy of ensuring optimum quality and sustainability of the assets created under the livelihood generation scheme and involves merging of schemes at several levels of execution and planning.

There is a considerable rise in convergence work taken up from 4% in 2012-13 to 18% in 2016-17. Over the past two years, a significant rise in convergence works taken up in Eastern and Central Zone states has been noticed.

The figures reveal a focused approach towards the scheme marked by wide-scale convergence of developmental works making it a more sustainable public works programme.

Over the last two years, a lot of works resolving agri-distress, land development, agri-allied works have been converged with MGNREGS, such as for drought proofing, flood control, water conservation, etc. Likewise, the rural development ministry under the present government has largely worked upon converging Natural Resource Management (NRM) related works under MGNREGA along with Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) and Integrated Watershed Management Program (IWMP). Such efforts are taken for the first time since the inception of the world's largest public works programme.



Capacity Building

Project-LIFE under MGNREGA was mooted by the current government, to develop skills among the workers and their families. Under the scheme, workers are afforded skilling opportunities under three heads-

- Skilling for wages category,
- Skills of entrepreneurship ,
- Skill upgradation opportunity, includes Backyard poultry, Integrated Land Development under MGNREGA, improving soil fertility, pest management, vermicomposting, etc.

Similarly, GoI has initiated Start-Up Village Entrepreneurship Programme (SVEP) to support 1.82 lacs entrepreneurs from villages in next four years. Training farmers in handling technologies would result in higher yields and incomes, leading to development of rural livelihoods.

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SYSTEMIC REFORMS UNDER MGNREGA - ELIMINATING LEAKAGES

Financial Streamlining under MGNREGA

Direct Benefit Transfer (DBT) program was launched for enabling direct transfer of entitlements like scholarships, pensions, wages, etc. to beneficiaries across the country. The DBT platform, combined with the biometric-based Unique ID program Aadhaar, effectively combats financial leakages through middlemen and also eliminates the possibility of duplicity and inconsistencies in records. The system brings in more efficiency, accountability and transparency in the process of benefit disbursal.

If we consider the following graphical representation, it can be established that there has been a considerable rise in %age workers with Bank (or Post Office) Accounts under MGNREGA, across India. Owing to benefits of the revived financial inclusion drive started by the Hon'ble Prime Minister of India in 2014, the ambit of banking and Aadhaar based payment systems under the scheme has improved and is helping in eliminating corruption. This is a positive development towards greater transparency as it would ensure that the payments reach the rightful beneficiaries.

A. Electronic Fund Transfer System

In a bid to streamline flow of funds, the government had directed the states to mandatorily adopt the existing framework of electronic fund management system (e-FMS) from April 1, 2017. The mechanism would enable transfer of funds from the centre through an online system and enable efficient flow of funds down till the Gram Panchayat level.

This would also deal with diversion of funds and wages - be electronically transferred from a single e-FMS account directly into workers account linked to an Aadhaar number. The interlinking works against inconsistencies and redundancies in the MGNREGA database and makes way for more transparent transfer of wages.

B. Aadhar Based Payments

As of now, around 4.25 crore workers have been enabled for Aadhaar Based Payment System (ABPS). Further, there has been a significant rise in the no. of workers who adopted Aadhaar based payment system. In 2012-13 it was

18%, which significantly shot up to 39% in 2016-17.

Leakages occur when the benefits do not reach the intended recipients due to corruption, pilferage or other causes. Direct transfer of benefits effectively eliminates the middlemen and reaches out the target-group of the social welfare programme.

Impact Assessment

A governance reform, aimed at performance management seeks to monitor the tangible impact created by the works done under NREGA. The impact assessment framework implemented from 2015-16 records expected outcomes and actual outcomes of works undertaken, the guidelines also provided to apply the outcome framework for spill over works. The practice is aimed at improving the quality and productivity of assets created and to also create an accountability structure.

The monitoring under this framework is done in 2-ways, realization of actual outcomes as against expected ones and work category wise analysis of outcomes. For instance in case of drought proofing related works such as afforestation, belt vegetation, the area to be covered in hectares is designated. In case of other Agri related works such as micro-irrigation, flood control, area to be protected/benefited or irrigated is set out at the time of commencement of the task.

As per reports, the ministry claims that implementation of the works would ensure

that more than 30 lakh hectares of rain fed agricultural lands will have water conservation works, while there would be assured irrigation in over 9 lakh hectares and afforestation in 6 lakh hectares. Such practices enable tracking the actual outcomes, improve the productivity and ensure need-based activities. The practice makes the system more accountable and ushers in transparency.

Tech based Monitoring

The MoU between Rural Development Ministry and ISRO, Department of Space stands testimony to ushering in of a new era in monitoring and evaluation of governmental schemes. Various assets created under MGNREGA in each Gram Panchayat would be Geo-tagged to facilitate online recording and monitoring of assets to check leakages and for effective mapping of terrain for future developmental works. The initiative was implemented in FY 2016-17, and so far, nearly 65 Lakh assets have been geo-tagged and made available in the public domain.

The objective of GeoMGNREGA is to create a Geographical Information System (GIS) solution to visualize, analyze and explore the data of assets created under the MGNREGA. It essentially enables to view the assets created under MGNREGA across India on a map. GeoMGNREGA leverages 'Bhuvan', the software platform developed by National Remote Sensing Centre (NRSC) of ISRO for this purpose.

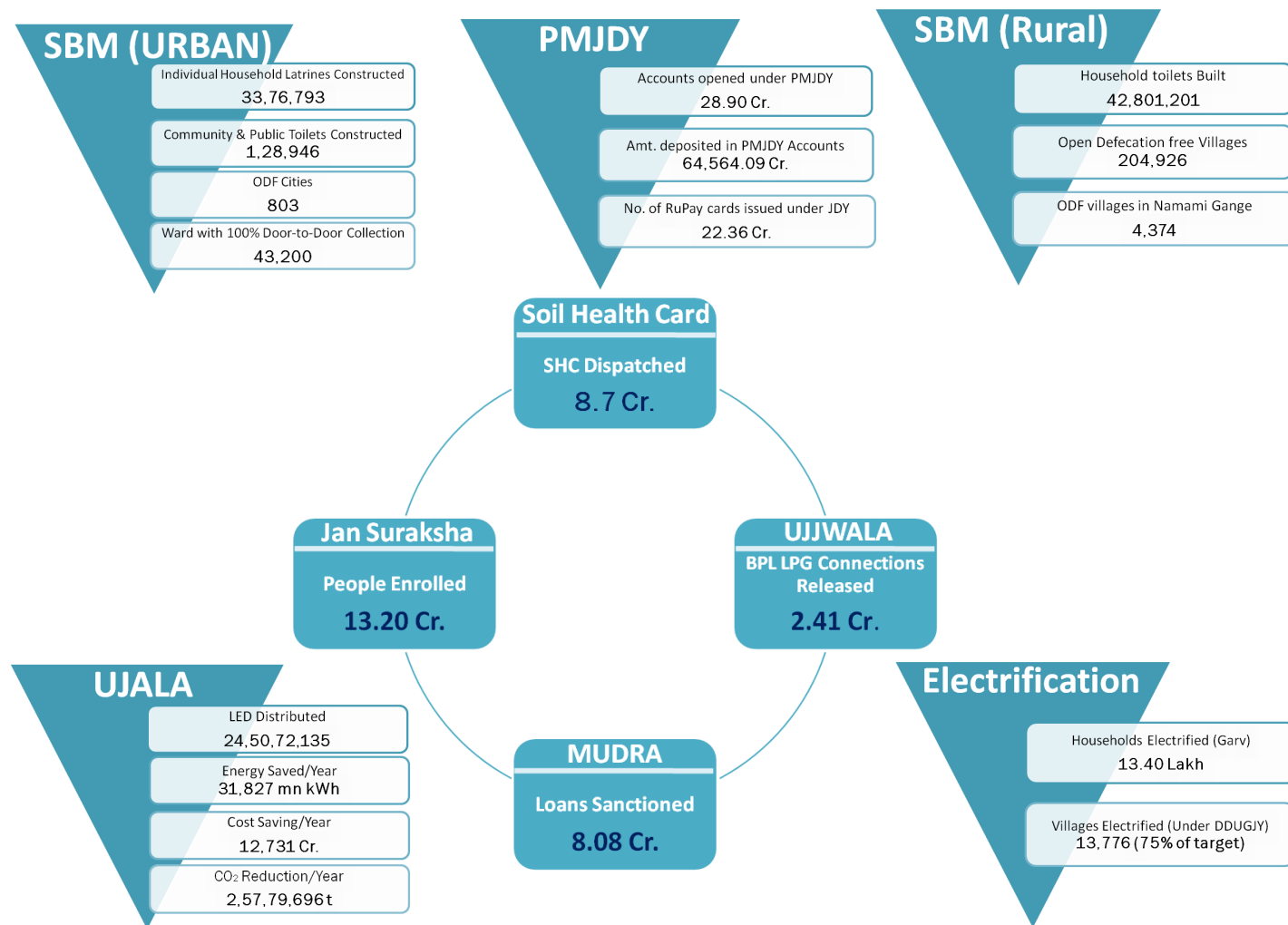
It can be said that the philosophy of the government translating itself into efforts towards improving agricultural productivity through improved farmer skills is leading to enriched resource employment. Ensuring the agrarian economy of better irrigation facilities, mitigating damage due to flood and drought, access to modern agriculture skills to the farmers and more need-based agri-related infrastructure through the public works programme, shall certainly replicate into better farm productivity. Thereby, leading to growth in farm incomes and boosting farmers' income in India. The systemic reforms shall certainly help the marginal farmers.

Author: Research Team, PPRC



PERFORMANCE DASHBOARD

*Data as on 30th June, 2017



ECONOMIC FACT SHEET

CPI Inflation (May) 2.18%	WPI Inflation (May) 2.17%	Index of Industrial Production (May) 3.1%	Current Account to GDP ratio (April) 1.6%
Trade Deficit (May) \$13.8 Billion	GDP 2016-17 annual growth rate 6.1%	Repo Rate (2017) 6.25%	Bank Rate (2017) 6.5%
SLR (2017) 20.5%	CRR (2017) 4%	Forex Reserves (June) 3,82,530 mn \$	USD/Rs (30 June 2017) 64.63 rs./\$
Brent Crude (30 June 2017) 47.42 \$/bbl	MCX Gold (Rs/10gms) (30 June 2017) 29,000	Nifty(30 June 2017) 9,504.1	Sensex (30 June 2017) 30,857.52

GOODS AND SERVICES TAX— THE GAME CHANGING REFORM

With multiplicity of taxes, there had been a long need to streamline and simplify the complex indirect-tax regime and introduction of reforms in tax structure of the country.

Background

The history of GST in India can be traced from the Centre's adoption of VAT with a selected group of commodities in 1986, which was called MODVAT. The number of commodities was increased gradually in form of CENVAT in 2002-03. The States started implementing VAT starting April 1, 2005. The present indirect tax structure in India rests upon a three-tier system distributed between the Centre, State and Local bodies. The Seventh Schedule (Article 246) of the Indian Constitution distributes legislative powers (including taxation) between the Parliament and State Legislation. With the 73rd and 74th Constitutional amendment, provisions have been made to levy taxes by the Panchayat and the Municipalities respectively. An indirect tax is collected by an intermediary (like a retail store) from the person who bears the ultimate economic burden of the tax (such as the customer). An indirect tax is one that can be shifted by the taxpayer to someone else. Some of the important indirect taxes imposed in India include customs duty, central excise duty, service tax, sales tax, value-added tax (VAT), and Securities Transaction Tax (STT).

Why GST?

1. Challenges in the Central/State VAT system: GST is an attempt to get rid of weaknesses in the VAT structure. A lot of taxes like additional customs duties and surcharges are still outside the ambit of the CENVAT. Similarly, at the state level, few indirect taxes like entertainment tax and luxury tax are not in the ambit of the VAT. Further, in the State level VAT system the CENVAT load remains to be included in the value of goods to be taxed under the State VAT, which adds to another 'tax-on-tax' effect.
2. Interstate Sales CST: Central Sales Tax is levied on interstate sales and is an important source of revenue for states. However, this is not too favourable for the businesses as they make goods in one state but on distribution to other states, they end up paying state specific taxes. Ideally, they should be taxed only once. This burden of CST should be phased out.
3. Including services in the VAT setup: Presently, services are taxed selectively, and only by the Centre. With the integrated VAT system/GST, services will be taxed at the state level and harmonised with goods.
4. Global Standard: GST has become a preferred global standard. All OECD countries, except the US, follow this taxation structure. If India aims to attract more businesses, bringing this fundamental change in its taxation system is crucial.

Impact of GST—

"Cheapest to Collect, Broadest Base, Lowest Evasion"

1. It is estimated that GST can boost India's GDP by 1-2 per cent. Implementation of a comprehensive GST across goods and services is expected, ceteris paribus, to increase India's GDP somewhere within a range of 0.9 per cent to 1.7% .
2. GST will convert the country into unified market. A unified



GST is economically efficient for multinational companies, as it simplifies the tax structure by replacing most indirect taxes with one tax.

3. GST is expected to provide the benefits of simplification of tax regime, broadening of tax base, elimination of tax cascades, enhancing export competitiveness, ensuring greater regional equity and improvement in transparency. In addition, evasion will be very difficult, and reasonable rates of tax will yield more revenues leading to lower consumer prices and higher consumption, and so on.
4. Battling Tax Evasion: The GST is effective because it is self-enforcing and fundamental. It will help in reducing tax evasion as a tax compliant trader will want its suppliers to be compliant as well—traders at multiple levels will insist for a receipt for their purchases and this can lead to the formation of stable chains of tax compliance. This will lead to an improvement in the tax collection efficiency.
5. Increase in States Tax Revenue: There is great disparity among the states of India in terms of the revenue they accumulate through taxes. Dearth of revenues has resulted in certain states lagging behind in development as they do not have the resources to invest in infrastructure, delivery of basic services, etc
6. GST works like a value added tax, which means that the final consumer will bear only the GST charged by the last dealer in the supply chain, with set-off benefits at the previous stages. By giving credit for taxes paid on inputs at every stage of the supply chain and taxing only the final consumer, it avoids the cascading of taxes, thereby cutting the costs of locally manufactured goods and services. Reduction in the production costs will make exports more competitive.

If the basic principles of GST - neutrality and uniformity - are not compromised, it can be a significant step towards simplifying the tax structure. However, there are certain inherent concerns that come with GST. A higher tax incidence brought by GST is inflationary, and it is a challenge hard to combat. Nevertheless, the advantage GST has over existing indirect regime is that it brings free flow of credits across transactions which decreases the tax cost for businesses . GST is indeed a game changing reform, which would evolve gradually and lead to healthy economic growth through easing business environment in India.

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CYBER CRIME - VICTIM CULPABILITY

The world is fast changing, be it the cultural values, societal norms, the rights and the wrongs. Everything is undergoing a sea change. However the one constant- "crime" has always remained an integral part of the society. We may have broadened or narrowed down its ambit with the changing values, but the core remains the same—every act 'harming' the society at large is 'crime'.

In last 15 years cyber crime has come to spotlight. Individuals, corporate, governments have already felt the heat and have buckled up to face the e-menace. 2012 Norton cybercrime report presents a worrisome scenario, with 556 million of victims per year, 2 of 3 adults have been victims of online crime in their lifetime, with a total economic loss of 110 Billion and an average cost per victim of \$197, the Asian region being the most affected by cybercrime.

Cyber Crime in India

According to the US based internet Crime Control Centre, India ranks fifth in number of cyber crime with almost 50% rise in case every year. Elucidating statistically, in the year 2010 around 29.9 million people fell victim to cybercrime, indirect financial losses amounting to \$4 billion, \$3.6 billion spent in resolving crimes and about 80% adults have been victims of cyber crime (Norton cyber crime report, 2011). So we can clearly see the magnanimity of the situation, our law enforcement agencies need to pull up their sleeves and citizens vigilant to deal with it. With the right laws, awareness and infrastructure in place we can beat the real criminals operating in the virtual world.

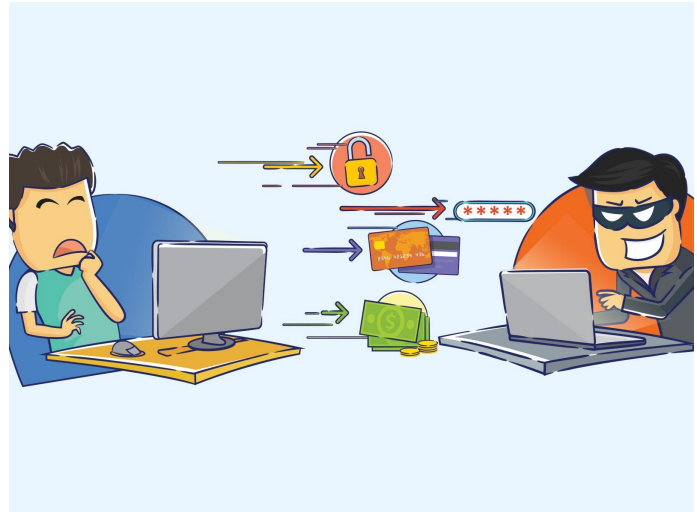
However before we delve any further into the topic we need to understand what is cyber crime and its kinds. In its various forms, cyber crime affects almost every second citizen of the world, financial crimes, sale of illegal articles, pornography, online gambling, intellectual property crime, e-mail spoofing, forgery, cyber defamation, cyber stalking, hacking of computer systems, theft of information contained in the electronic form, e-mail bombing, data didling, salami attacks, logic bombs, Trojan attacks, internet time thefts, web jacking, theft of computer system, physically damaging the computer system are some of the examples of cyber crimes experienced by a normal PC user.

Cyber Security in India

So this naturally brings us to the question, how well equipped are we? Is our legal infrastructure ready to face any cyber threat? There are two main statutes that govern the online criminal liabilities are The Indian Penal Code, 1860 and the Information Technology (IT) Act, 2000. Its objective was to legalize e-commerce and it further amends the Indian Penal code 1860, Indian Evidence Act 1872, the Banker's Book Evidence Act 1891, and the Reserve Bank of India Act 1934. The aim behind this is to make these Acts compatible with the Act of 2000 so that, they may control the affairs of the cyber world in an effective manner (aman). Despite all-encompassing legal acts, the cyber security arena appeared wanting as far as the technological know-how of the personnel was concerned.

Cyber victims in India

With the changing scenario it would not be wrong to say that there are only two types of people, those who have already been victimised by cyber crime and those who soon would be. One common thing, that is largely being ignored is the psychological impact which is huge, be it a case of cyber stalking or a



simple internet financial fraud wherein people get duped by claims of fake lotteries. While in former there is fear of defamation and public ignominy haunts the victim, the latter the victim feels embarrassed as he or she gets ridiculed by people for being carelessly greedy and dim-witted for falling in for it. This is another important aspect of victim's psyche which stood as a major roadblock in combating cyber crime and thwarts all attempts towards enhancing cyber security. Most of the victims have a tendency to blame themselves rather than the criminals and this mainly happens in cases which include financial frauds. This notion is further crystallized when the victim is ridiculed both at the hands of the society and the law enforcement as well. They are generally advised to be more careful in the future.

Cyber Crime Victimization

Cyber crime victimization pattern greatly differs from that of traditional crimes. We need to broaden the definition of a victim; he or she can no longer be defined within the confines of demographics. Children, women and the elderly cannot be tagged as more vulnerable. Susceptibility to crime does not depend on the location of the victim. A person within the safety of four walls of his/her house is equally at risk. Deriving insight from work of Hans Von Hentig on 'victim vulnerability' and 'victim culpability', even in the cyber arena, crime is precipitated by the victim in most of the cases but the vulnerability patterns greatly differ.

One major issue that emerged after communicating with various victims were jurisdictional issues. Internet has no confines, it allows the crossing over the jurisdiction in seconds and the individual may not be aware of the fact of being in an alien jurisdiction. The traditional means of determining jurisdiction in cyberspace have proved to be futile considering the fact that an e-mail sent to someone in the same building will travel around the world, passing through many jurisdictions. Similarly, a defamatory message initiated in one jurisdiction, damaging the reputation of the person staying in other jurisdiction, leads to the jurisdictional issues, that is, as to which jurisdiction and what laws to apply in the case.

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DOING THINGS DIFFERENTLY

A good manager, they say; is not required to do different things but is needed to do the things differently! This is exactly what Prime Minister Modi has been doing all through the last three years. At several occasions in the Parliament, opposition was seen boasting that many schemes were actually initiated during their regime. And it is also true, in many cases. Even the PM has acknowledged this fact at certain occasions. But the moot point is not as to who launched a particular programme. Point is, who made it more result oriented, productive and more capable of achieving the objectives. And when one takes a closer look at the reforms introduced by Modi Govt in the implementation infrastructure of several welfare schemes and programmes, one realises about the thoughtfully conceived value addition ensuring effective implementation and better results!

To start with, let's take the example of MGNREGA. After Modi Govt took over, it decidedly focused on convergence of different schemes besides greater thrust on transparency and accountability. After 2015-16, MGNREGA's performance also started looking up in multiple ways. The person-day generation has remained at the highest in the second quarter (45.88 crore) and third quarter (46.10 crore) of 2015-16, than it has been at any point of time in past five years. It is now suitably converged with irrigation schemes and programmes aimed at increasing the levels of water-table. Centre now has well laid down plans to construct 0.5 million farm ponds and dug-wells and 1 million vermi-campost pits every year in the rural areas through MGNREGA.

Also, now there is a marked improvement in the payment mechanism and in the recent past there are far too less complaints about delayed payments of wages. The Mobile Monitoring System, introduced in 2014 is ensuring real-time monitoring of the progress of projects including the attendance of the labour and overall work environment. This has also facilitated more accurate attendance records leaving almost no scope for fudging. Additionally, the Govt has also earmarked separate funds for social audit of the scheme and it involves public scrutiny of the accounts as well. This, understandably has reduced complaints about rampant corruption and pilferage.

Under UPA too, asset creation was given due importance but there was no proper monitoring mechanism in place; in spite of all modern technologies for real time surveillance available. And here comes the importance of purity of purpose. There is every reason to believe that absence of any mechanism for

Value addition has remained Modi Gov's mainstay.

monitoring of asset creation, was almost a deliberate attempt to leave open a window for corruption and unfair practices. Now, with the help of ISRO, over three million assets that are reportedly created through this scheme every year are being geo tagged and their progress monitored.

Same is the case of financial inclusion programmes. Under UPA too, they were accorded a considerably high priority. Traditionally it was confined only to the opening of new bank branches in rural and unbanked areas. However, under Modi Govt. the idea of financial inclusion has been taken way beyond access to banks. Modi Govt was clear about the focused objective of banking the unbanked and reaching out to the unreached. Under Modi Govt, the emphasis was decidedly on opening of bank accounts. It was not for no reason that between 2014 and 16, India has seen a sharp increase in the number of bank accounts. Today, it is estimated that the by the mid of 2017, we have almost 99% households having some or the other bank account, across the length and breadth of the country. This has facilitated corruption-free disbursal of subsidies and benefits as they are now delivered through transfers directly into the bank accounts!

Same is the case with ADHAAR. The single most important contribution of Modi Govt in ADHAAR is more than doubling the figure of citizens enrolled under ADHAAR. Few months back, Nandan Nilkeni had rightly pointed out that Aadhaar has effectively eliminated a lot of fakes, resulting in Rs 50,000 crore savings for the government, more than five times the cost of the programme, describing it as 'a very high return on investment.' However, what is intriguing is the approach of certain sections who are now creating a fear psychosis about ADHAAR. Wantonly ignoring the benefits of this card which has proven to be an enabling and empowering device, they are portraying the same as a measure limiting the citizens. This is politics of paranoia!

Besides, ADHAAR is Govt.'s own way of fighting with the crisis of authenticity. As told by FM Arun Jaitley in the Lok Sabha recently, with ADHAAR becoming mandatory for acquiring PAN card, several cases of persons holding tow PAN cards have come to the fore, thereby unearthing huge, decentralised corruption. Now, with a sound legal foundation, ADHAAR is bound to write a new chapter in the history of Governance in our country.



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It may also be pointed out that Modi Govt has truly written several new chapters in India's Governance history. Refusing to toe the established line and walk on the oft trodden paths is very remarkable about Modi Govt. For example, in a determined move, it not only advanced the calendar of budget presentation but also put a decisive full stop to the irrelevant and obsolete practise of separating the Railway budget from national budget. With this, the Railways will now get rid of the annual dividend they have been paying against the gross budgetary support from the government every year. Informed officials tell that the merger will help the cash-strapped Railways save about Rs 10,000 crore annually.

Advancing the budget date will also have a cascading effect with early clearance and in-time as well as near-total implementation on budget proposals, reducing the proportion of unspent budgetary allocations.

In a way, advancing budget calendar was a logical corollary of the scrapping of Planning Commission and replacing the same by NITI Ayog. After it's formation in early 2015, NITI Ayog is engaged primarily in preparing a Vision Document for India-2030. Again, with the dissolution of planning commission, the practice of Planned and Non-Plan expenditure has come to an end. Instead, what now we have is revenue and capital expenditure and that too linked to performance and outcomes.

This new distinction is more logical, practical and also better to understand. The list of Modi Govt.'s 'doing things differently' is lengthy one. Crop insurance was there earlier as well, but obtaining compensation was cumbersome and procedures heavily dependent upon bureaucratic decision making. But the new comprehensive Crop Insurance has been brought at par with other established insurance products such as vehicle or building insurance. The new crop insurance offers the owner of insured farm complete protection to its standing crop during its entire life cycle. Again, it's true that Neem Coated Urea is not a new invention by Modi Govt. But, determined to break the nexus between suppliers of subsidised Urea and some industry-owners, Modi Govt. decided to go for 100% Neem Coating of Urea, thereby leaving absolutely no room for illicit, backdoor supply of subsidies Urea for industrial use. Govts. come and go. But few try to decisively make an impact by doing the same things, undoubtedly very differently. Modi Govt. has shown this in its first three years raising the bar of Good Governance and taking it to a new high.

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