

One nation one software

Transforming property registration to unlock economic growth the way the NGDRS has done holds promise for similar cooperation in other areas

ILLUSTRATION: BINAY SINHA



From the first principles of economics, the “subsidiarity principle” asserts that every task of the state should be done at the lowest possible level of government. By this reasoning, mosquito control should be done at the city, while securities markets regulation should be at the Union. The Constitution of India is imbued with a federal vision. There is vast heterogeneity within the country, and each place is best-equipped to find its own solution to local issues. At the same time, as one nation, a certain degree of uniformity assists economic modernisation, helps connect into globalisation, and harnesses economies of scale.

Computer technologists have a sophisticated approach to think about mechanisms for interconnection and interoperability for heterogeneous systems. They propose that once systems evolve in a bottom-up fashion —solutions to felt needs in cities and states—it would be possible to develop APIs (Application Programming Interfaces) and data standards through which greater interoperation is obtained. This is a good way through which we can have our federal cake (i.e. local policy formulation that addresses local problems) and eat it too (i.e. economies of scale from standardised and uniform systems all over the country).

The “Union List” of the 7th Schedule of the Indian Constitution defines the area of work for the Union government. In some of these subjects, while the Union has the legal powers, collaboration with the states is essential for getting work done. Examples of this are the Bangalore airport expansion and modernisation project and railway projects like the Konkan railway project.

The next level is the “Concurrent List”, where the Constitution gives primacy to the Union. Even though the Union has the ultimate legislative competence on a problem like land acquisition, collaboration and negotiation with the state governments are wise.

Finally, we get to the “State List”, where legislative powers lie with the state governments, and the role for the Union is only one of giving advice and money. Starting from the Planning Commission, the Union tried to carve out a role for itself in these areas by linking resource flows to states in exchange for acceptance of the policy views of the Union, e.g. as in the Sarva Shiksha Abhiyan.

A field of remarkable importance, and remarkable complexities in this federal vision of the Constitution, is land. Land is the most important asset class in all countries. Better economic efficiency in the use of land will yield big gains in GDP. The present institutions governing land ownership and contracting in India do not work well. Disputes relating to land ownership account for nearly two-thirds of pending legal cases in India.

Land records in the state involve records of rights, sale/transfer deeds, and spatial records. The information with the government suffers from data quality issues, a backlog of contested claims, and lack of integration/consistency across multiple departments of local government.

In the Constitution, the tasks of land record management, land rights, relations of landlord and tenant, and collecting rents is the prerogative of individual states. Many states including Karnataka and Andhra Pradesh have done noteworthy work in improving these institutions. In the Union government, the (Digital India) Land Record Modernisation Programme (DI-LRMP) was launched in 2008, with a view to augmenting resourcing into computerising land records, integrating registration with the land records maintenance system, and integrating textual and spatial data.

There is a tricky mix of a state subject (land) with a concurrent subject (registering property deeds) in the implementation of this. A piece of Union legislation —The Registration Act, 1908—is the primary one on the subject of registering documents. As this

is on the Concurrent List, there are many state-specific amendments to this Act. Progress on institution building in this field requires solutions that address local conditions (e.g. land market institutions in Kerala will diverge from those in UP), and navigating these complexities of the Constitutional landscape.

An important milestone in this field is the National Generic Document Registration System (NGDRS), launched in 2016 under the umbrella of DI-LRMP. This project walks the fine line of action by the Union government in what is a decentralised problem. The NGDRS is a generic, scalable, and flexible software that links all the stakeholders in the registration process with a design that allows states to configure the software to local needs/requirements. Reflecting sound practices of “cooperative federalism”, the NGDRS was developed in-house by the Union government with the active involvement of states.

The NGDRS can link land records databases to financial institutions, revenue offices, income tax, the Unique Identification Authority of India, etc., thus bringing a new level of transparency to land holdings. It facilitates swift registration and delivery of documents. It has many features to accommodate state-specific requirements, including a database of properties that are restricted for transfer, like tribal land, government land and mortgaged land. It has already been rolled out in 12 states, including many opposition-ruled ones.

These are important developments in the field of land. Policymakers at the city and state levels, and the Union government, need to continue to think and innovate in this difficult field, combining local solutions to unique local conditions, connecting databases and transactions into coherent systems that can be accessed by national and global firms, and protecting and enshrining the power and importance of local government while harnessing scale economies. This will require a community of researchers and policymakers, who achieve deep roots in one location at a time, and talk with each other.

As with other areas in India where the digital age has appeared, visibility of data about individuals in the hands of the state presents unique challenges. Alongside the objective of achieving frictionless transactions and reducing disputes, this field needs to draw on the larger body of knowledge on data privacy, which has emerged in India and elsewhere, so as to establish checks and balances which limit the harms that arise from state legibility. The land policy research community and the data privacy policy community need to come together to take this to the next higher level.

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