

Redactive Pricing

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Why is it in the news?

- This term has been used in the by the CAG in its report on Rafale (in the context of pricing of Rafale jets)

What is Redactive Pricing?

- Redaction is the selection or adaption by 'obscuring or removing sensitive information' from a document prior to publication.
- Under the redactive pricing method, CAG withheld full commercial details and blackened the figures on the procurement deal on security concerns cited by the Ministry of Defence.

Some concerns

- In a recent article in the Hindu by K.P.Shashidharan, former DG, CAG questioned this aspect of redacted pricing in Rafale deal and alleged that CAG has failed to perform its constitutional duty.

What is the mandate of CAG?

- Audit all receipts and expenditures of the three-tier governments in India → Submit the report to Executive→ President lays it to the parliament→ PAC will examine it

What has happened now?

- Parliament is constitutionally privileged to know what the executive had done and how and under what conditions procurement was decided.
- The CAG's audit is expected to highlight value for money in purchase decisions. But the audit report submitted by the CAG to the President under Article 151 of the Constitution suppressed relevant information.

- Acceptance of ministry insistence to blackened the price citing security concerns by CAG is a matter of concern
- The acceptance by CAG can be examined only by the Supreme Court in the light of the constitutional provisions on the CAG's duties and parliamentary privileges and prerogatives