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**STANDING COMMITTEE ON
INFORMATION TECHNOLOGY
(2009-2010)**

FIFTEENTH LOK SABHA

MINISTRY OF COMMUNICATIONS & INFORMATION TECHNOLOGY

(DEPARTMENT OF INFORMATION TECHNOLOGY)

**DEMANDS FOR GRANTS
(2010-2011)**

SEVENTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

April, 2010/Chaitra, 1932 (Saka)

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(DEPARTMENT OF INFORMATION TECHNOLOGY)

**DEMANDS FOR GRANTS
(2010-2011)**

Presented to Lok Sabha on 21 April, 2010

Laid in Rajya Sabha on 22 April, 2010



LOK SABHA SECRETARIAT

NEW DELHI

April, 2010/Chaitra, 1932 (Saka)

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*Not included in the cyclostyled copy of the Report.

ABBREVIATIONS

BPO	-	Business Process Outsourcing
BSNL	-	Bharat Sanchar Nigam Limited
CAT	-	Cyber Appellate Tribunal
C-DAC	-	Centre for Development of Advanced Computing
CERT-In	-	Indian Computer Emergency Response Team
CSC	-	Common Service Centres
DOEACC	-	Department of Electronics Accreditation of Computer Courses
ERNET	-	Education and Research Network
GST	-	Goods and Service Tax
IEBR	-	Internal and Extra Budgetary Resource
IIT	-	Indian Institute of Technology
ITeS	-	Information Technology enabled Services
MLA	-	Media Lab Asia
MMPs	-	Mission Mode Projects
MOU	-	Memorandum of Understanding
NASSCOM	-	National Association of Software and Services Companies
NeGP	-	National e-Governance Plan
NIC	-	National Informatics Centre
NKN	-	National Knowledge Network
NSDG	-	National Service Delivery Gateway
PPP	-	Public Private Partnership
PRSG	-	Project Review
RFPs	-	Requests for Proposals
SAMEER	-	Society for Applied Microwave Electronics Engineering
SDC	-	State Data Centre
SEZ	-	Special Economic Zone
SIPS	-	Special Incentive Package Scheme
STQC	-	Standardisation, Testing and Quality Certification
STPI	-	Software Technology Park of India
SWAN	-	State Wide Area Network
TDIP	-	Technology Development of Indian Languages
UCs	-	Utilisation Certificates
ZBB	-	Zero Based Budgeting

**COMPOSITION OF THE
STANDING COMMITTEE ON INFORMATION TECHNOLOGY (2009-2010)**

Shri Rao Inderjit Singh - Chairman

Lok Sabha

2. Shri Rajendra Agrawal
3. Shri Nikhil Kumar Choudhary
4. Shri Milind Deora
- * 5. Shri Charles Dias
6. Shri Rajen Gohain
7. Smt. Darshana Jardosh
8. Shri Mithilesh Kumar
- ** 9. Shri Sadashivrao Dadoba Mandlik
10. Shri Inder Singh Namdhari
11. Shri Abdul Rahman
12. Shri Prem Das Rai
- # 13. Shri Tufani Saroj
14. Shri Tathagata Satpathy
15. Shri Adhalrao Patil Shivaji
16. Dr. Bhol Singh
17. Shri Dhananjay Singh
18. Shri Sushil Kumar Singh
19. Shri C. Sivasami
20. Smt. M. Vijaya Shanthi
21. Shri Dharmendra Yadav

Rajya Sabha

22. Prof. Alka Balram Kshatriya
- @ 23. Vacant
24. Shri Jesudas Seelam
25. Shri Ravi Shankar Prasad
26. Shri Prabhat Jha
27. Shri P. Rajeeve
28. Shri Shriram Pal
29. Shri N.R. Govindarajar
30. Shri M.P. Achuthan
31. Shri Rajkumar Dhoot

SECRETARIAT

1. Shri T.K. Mukherjee - Joint Secretary
2. Smt. Sudesh Luthra - Director

** Nominated to Committee w.e.f. 10th September, 2009.

Nominated to Committee w.e.f. 13th October, 2009.

* Nominated to Committee w.e.f. 19th November, 2009.

@ Consequent upon retirement of Shri Dharampal Sabharwal from Rajya Sabha w.e.f. 9th April, 2010.

INTRODUCTION

I, the Chairman, Standing Committee on Information Technology (2009-10) having been authorized by the Committee to submit the Report on their behalf, present this Seventh Report on Demands for Grants (2010-11) of the Ministry of Communications and Information Technology (Department of Information Technology).

2. The Standing Committee of Information Technology (2009-10) was constituted on 31 August, 2009. One of the functions of the Standing Committee, as laid down in Rule 331E of the Rules of Procedure and Conduct of Business in Lok Sabha is to consider Demands for Grants of the concerned Ministry/Department and to make a Report on the same to the House.

3. The Committee considered the Demands for Grants pertaining to the Ministry of Communications and Information Technology (Department of Information Technology) for the current year i.e. 2010-11 which were laid on the Table of the House on 8th March, 2010. The Committee took oral evidence of the representatives of the Department of Information Technology on 26th March, 2010.

4. The Report was considered and adopted by the Committee at their sitting held on 13 April, 2010.

5. The Committee wish to express their thanks to the officers of the Department of Information Technology for appearing before the Committee and furnishing the information, that the Committee desired in connection with the examination of the Demands for Grants.

6. For facility of reference and convenience Recommendations/Observations of the Committee have been printed in bold letters in Part-II of the Report.

**New Delhi
19 April, 2010
29 Chaitra, 1932 (Saka)**

**RAO INDERJIT SINGH
Chairman
Standing Committee on
Information Technology**

PART – I

REPORT

Introductory

The Department of Information Technology (DIT), in the Ministry of Communications and Information Technology, are *inter-alia* responsible for formulation, implementation and review of the national policies in the field of Information Technology. All policy matters relating to silicon facility, computer based information technology and processing including hardware and software, standardisation of procedures besides matters relating to international bodies, promotion of knowledge based enterprises, internet, e-commerce and information technology education and development of electronics and coordination amongst their various users are also addressed by the Department.

2. Department of Information Technology are implementing various schemes and programmes for technological development in the field of information technology and for creating critical infrastructure for the development of information technology in the Country. Some of the major Schemes/Projects/Programmes carried out by the Department are (i) IT for Masses (Gender, SC/ST) (ii) e-Governance (iii) Cyber Security (including CERT-In, IT Act, CCA) (iv) Promotion of Electronics/IT Hardware Manufacturing (v) Manpower Development.

3. To make the technology robust and state-of-the-art, the Department obtains collaboration of the academia and the private/public sector besides being assisted by two Attached Offices viz. STQC and NIC, four Statutory Organisations and seven Autonomous Societies besides three section 25 companies.

4. A lot of Government funding is being provided to enable the Department of Information Technology (DIT) to discharge the various responsibilities. During the year 2010-11, Demands for Grants are for Rs. 2707 crore which include Rs. 2546 crore as Revenue Outlay and Rs. 161 crore as Capital Outlay. The Demand No. 15 pertaining to the Department of Information Technology (DIT) for the year 2010-11 was laid in Lok Sabha on 8 March, 2010.

5. The Committee in this report have *inter-alia* analysed the position of Outlay and the expenditure, particularly, the performance of the Plan schemes in the context of examination of Demands for Grants (2010-11).

Over-all analysis of the budgetary allocation of the Department of Information Technology

6. The details of Revenue as well as Capital expenditure under the Plan and Non Plan sections are a under:

Demand No.15

(Rs.in crore)

	Plan	Non-Plan	Total
Revenue	2499.00	47.00	2546.00
Capital	161.00	--	161.00
Total	2660.00	47.00	2707.00

7. The Plan Outlay for the year 2010-11 at BE stage is for Rs. 2660 crore against the projections of Rs. 5817.47 crore. Apart from the Outlay of Rs. 2660 crore, the Department have also shown a sum of Rs. 406.66 crore as IEBR to be generated by the societies/offices under them through their R&D programmes/activities. Thus, the total Outlay of the Department for the Plan activities during 2010-11 comes to Rs. 3066.61 crore.

8. The detailed Scheme/Project wise position of proposed GBS, BE, RE and Actual Expenditure during each of the year of the Eleventh Plan viz. 2007-08, 2008-09, 2009-10 and 2010-11 under Plan Schemes has been indicated at Appendix-I. The overall positions of proposed Outlays, the allocations at BE stage and RE stage and the Actuals during the first three years of the Eleventh Plan and proposed Outlay and BE during the fourth year (2010-11) of Eleventh Plan are as under:

(Rs. in crore)

Year	Allocation Proposed	Amount at BE stage	Amount at RE stage	Actual expenditure	Percentage of utilisation of Outlays w.r.t. RE
2007-08	2092.08	1500.00	1400.00	1252.06	89.43
2008-09	2500.00	1680.00	1450.00	1516.72	104.60

2009-10	3120.50	2530.00	1700.00	890.97 upto December, 2009)	52.41
2010-11	5817.47	2660.00	--	--	--

9. When asked about the reasons for reduction of Rs. 830 crore at RE stage i.e. almost one third of the Outlay provided during the year 2009-10, the Department has informed as under:-

“The main reasons for the reduction are on account of (i) e-Governance Programme with budget provision of Rs.900 crore and (ii) National Knowledge Network (NKN) Programme with budget provision of Rs.600 crore. The budget provision of e-Governance and NKN put together is approximately 60% of the total budget provision for 2009-10. Implementation of e-Governance programme is dependent mainly upon State-level Implementing Agencies. So far as NKN is concerned, the Cabinet Committee on Infrastructure (CCI) approved the project in principle in January, 2010 and formal approval of CCI is awaited.”

10. With regard to the reasons for under spending during the year 2009-10, the Department has stated as under:-

“Release of Rs.101.82 crore on account of Supplementary Demands for Grants and Rs.240.00 crore in respect of revised budget provision for NKN will be made once the approval/re-appropriation and exemption from 15% ceiling is received from the Ministry of Finance.”

11. When asked about the efforts made by the Department to get the allocation as agreed to by the Planning Commission during the Eleventh Plan period, the Department in a written note has submitted as under:

“Department of Information Technology had reviewed all the schemes/projects keeping in view the priorities and objectives outlined in the Eleventh Five Year Plan, with a view to optimally use the available resources in the most judicious and economically efficient manner. It made all attempts to ensure that the basic sectoral priorities and thrust areas are properly addressed and provided with adequate funds. Zero based budgeting (ZBB) has been resorted to by DIT for rationalizing Plan proposals. This is to prevent a mismatch between the requirement of funds and the Plan allocations and ensure that Plan expenditure is matched by desired physical achievements. The Department has made consistent efforts to ensure sufficient allocation of resources for its Plan schemes”

12. Further when enquired how far the different projects/activities of the Department have suffered due to the inadequate allocation provided to the Department, the Committee have been informed that the priority activities were addressed with the reduced allocation. Efforts were consistently made for allocation of adequate resources.

Pendency of Utilisation Certificates and Unspent Balances

13. The information with regard to the numbers of UCs due/not due and the amount involved as made available to the Committee during the course of examination of Demands for Grants is as under:-

<i>Year</i>	<i>No. of UCs Due</i>	<i>Amount (Rs. in crore)</i>
2001-02	2	0.11
2002-03	43	46.50
2003-04	41	20.73
2004-05	40	96.76
2005-06	81	130.70
2006-07	87	142.69
2007-08	238	283.37
Total	532	720.86

<i>Year</i>	<i>No. of UCs Not Due</i>	<i>Unspent Balance (Rs. in crore)</i>
2008-09	272	339.44
2009-10 (up to 22.03.2010)	339	484.92
Total	611	824.36
Grand Total	1143	1545.22

14. When the Department was asked to clarify what they mean by stating that the UCs as not due, the Department clarified as under:-

“As per provisions under Rule 212(1) of the General Financial Rules (GFRs) 2005, the utilization certificates in the prescribed proforma GFR 19(A) is required to be submitted within 12 months of the closure of the financial year by the institution or the organization concerned. In view of this the UCs due as on 1.4.2009 would be against the amount released as grant-in-aid up to 31.3.2008, i.e. up to the financial year

2007-08. The amount so arrived at after adjusting the amount for which the UCs has been received may be treated as unspent balance on a particular date.”

15. In the statement given by the Department against most of the agencies the status of Utilization Certificates has been given as ‘Not Received’. The Committee during the examination of Demands for Grants of the previous year had observed that there may be some agencies which may have been given one time grant and they did not give the Utilisation Certificates and not demanded further allocation.

16. With the aforesaid status the Committee during the course of examination of Demands for Grants have observed that the Implementing Agencies not furnishing Utilisation Certificates and also not demanding further installments would defeat the very purpose of the Scheme. In this connection, the Department commented as under:-

“DIT appreciates the concern shown by the Standing Committee that the status of not furnishing UC and not demanding further installments defeat the very purpose of the scheme. However, a programme “Grant-in-Aid Utilization Monitoring System” has been developed by NIC to identify the implementing agencies who have not furnished UCs. Based on the updated position, concerned Programme Divisions are following with the grantee institutions.”

17. When enquired about the mechanism available with the Department to see that the allocation made is utilized by the respective implementing agency for the desired purpose, the Department responded as under:-

“Each project being implemented by DIT is reviewed by a Project Review and Steering Group (PRSG) constituted for the purpose. PRSG monitors implementation of the project and advises release of next installment of grants-in-aid for the concerned project. The meetings of the Group are normally held at implementing agency site and physical and financial progress of the project is reviewed to ensure that the allocation made is utilized by the respective implementing agency for the desired purposes.”

The proposed IEBR for the Eleventh Plan as a whole provided by the Department are as under:

(Rs. in crore)

Schemes	Eleventh Plan	2007-08		2008-09		2009-10		2010-11
	Approved	Approved	Actuals	Approved	Actuals	Approved	Actuals*	Approved
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>	<i>9</i>
SAMEER	84.50	14.00	22.05	15.00	37.84	15.00	29.38	24.00
Technology Development Council	17.00	2.50	-	1.50	-	1.50	-	-
Components & Material Dev. Programme	30.20	-	-	5.60	5.28	5.60	25.49	11.10
C-DAC	1555.00	175.00	96.55	145.00	183.42	145.00	100.07	200.00
Media Lab Asia	150.00	-	-	20.00	1.12	20.00	6.28	20.00
STPI/EHTP	16.49	2.70	-	-	-	-	-	-
ERNET		-	-	25.00	46.19	25.00	16.08	72.00
DOEACC	372.37	54.59	58.67	60.04	58.97	60.04	52.78	79.51
Grand Total	2225.56	248.79	177.27	272.14	332.82	272.14	230.08	406.61

* As on January 31, 2010

18. The various schemes/projects of the Department are broadly for R&D Programmes, Infrastructure Development and Human Resource Development. The details of the Outlay position under these three sectors are as follows:-

Research & Development (R&D)

Year	Proposed GBS	BE	RE	Actual	(Rs. in crore)
					Percent of utilisation
2007-08	410.92	238.00	249.00	241.02	96.80
2008-09	599.26	245.22	275.22	274.61	99.78
2009-10	759.73	292.22	372.02	369.93	99

2010-11	643.41	522.00	--	--	--
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Infrastructure Development

Year	Proposed GBS	BE	RE	Actual	(Rs. in crore)
					Percent of utilisation
2007-08	1120.16	884.70	763.55	627.75	82
2008-09	1174.34	875.89	655.89	657.94	100.31
2009-10	1157.10	1008.83	437.03	369.93	99
2010-11	1427.80	1179.00	--	--	--

Human Resource Development (HRD)

Year	Proposed GBS	BE	RE	Actual	(Rs. in crore)
					Percent of utilisation
2007-08	122.00	44.50	51.65	50.48	97.73
2008-09	151.40	45.55	45.55	44.88	98.53
2009-10	127.67	48.55	70.55	67.05	95
2010-11	128.26	124.00	--	--	--

Budgetary Outlay earmarked for North-Eastern Areas

19. The details of schemes being implemented for the development of the North-Eastern Region along with funds allocated and Actual expenditure for each scheme since the years 2007-08 to 2010-11 are given below:

Sl. No.	Scheme / Programme	2007-08			2008-09			2009-10			2010-11
		BE	RE	Actual	BE	RE	Actual	BE	RE	Actual	BE
1	National Informatic Centre (NIC)	35.00	35.00	35.00	40.00	40.00	46.40	61.00	61.00	61.00	72.00
2	Technology Development Council Projects	3.00	1.00	1.00	3.00	3.00	3.64	3.00	3.00	0.91	8.00
3	Centre for Dev. of Advanced Computing (C-DAC)	5.00	5.00	5.00	9.00	9.00	8.49	9.00	14.00	14.00	20.00
4	STQC Programme	5.00	5.00	5.00	5.00	5.85	5.28	7.00	7.00	7.00	9.00

5	Manpower Development	10.00	17.15	17.15	10.00	10.00	9.93	10.00	18.00	18.00	25.00
6	Convergence, Comm. & Strategic Electronics	2.00	2.00	2.00	2.00	2.00	1.58	2.00	2.00	2.00	3.00

7	Electronics Governance	81.00	60.35	50.45	81.00	58.00	41.49	90.00	30.00	30.00	103.00
8	Technology Development for Indian Language	2.00	1.00	1.00	1.00	0.80	0.80	1.00	1.00	1.00	4.00
9	Cyber Security (incl. CERT-In, IT Act)	4.00	2.00	2.00	4.00	4.00	4.11	4.00	4.00	4.00	4.00
10	Software Technology Parks India and EHTP	0.00	1.50	1.50	0.00	0.00	0.00	0.00	0.00	0.00	
11	Media Lab Asia	1.00	0.00	0.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
12	IT for Masses (Gender, SC/ST)	2.00	10.00	8.92	2.00	2.00	3.74	2.00	2.00	2.00	2.00
13	National Knowledge Network (NKN)	0.00	0.00	0.00	9.00	6.00	0.00	60.00	24.00	24.00	10.00
14	Electronics in Health & Bio-Informatics	0.00	0.00	0.00	1.00	1.87	1.87	1.00	1.00	1.00	2.00
15	DOEACC	0.00	0.00	0.00	0.00	0.00	0.00	2.00	2.00	2.00	3.00
	TOTAL	150.00	140.00	129.02	168.00	143.52	128.33	253.00	170.00	167.91	266.00

Human Resource Development in North Eastern Region

20. One of the activities as indicated in the Outcome Budget under Human Resource Development is conducting DOEACC 'O' & 'A' level courses in North Eastern Region. With regard to the number of SC/ST/OBC/Weaker sections of the societies and the unemployed youth being benefited by the programme, the Department has furnished the following information:-

1.	Total number of candidates registered in 'O' & 'A' level through out the country	7,27,833
2.	Total candidates registered in 'O' & 'A' level during 2008-09 throughout the country	59,407
3.	Total candidates registered in 'O' & 'A' level during 2009-10 throughout the country (as on date)	47,040
North East Region		
4.	Total number of candidates registered in 'O' & 'A' level from NE Region	19,844
5.	Total candidates registered in 'O' & 'A' level from NE Region during 2008-09	2215
6.	Total candidates registered in 'O' & 'A' level from NE Region during 2009-10 (as on date)	1980

21. In the above context, the Department were asked to provide reasons for the decrease in the number of registration of candidates for 'O' & 'A' level courses in the

North-East Region, during the year 2009-10. To this, the Department replied that the shortfall in the registration of DOEACC at 'O' & 'A' Level Courses in the Financial Year 2009-10 is mainly due to general recession in the IT Industry; and subsequent lack of attraction for IT courses in general during the said year.

New Programme

Skill Development in IT

22. The Department have proposed a new scheme "Skill Development in IT" for the year 2010-11 with a budgetary allocation of Rs. 1.00 crore having an objective in line with the National Policy on Skill Development in order to create a pool of one crore trained persons by the year 2022. The objectives of the Programme are as under:

- Evolving Project proposals and seeking approval.
- Augmentation of existing training capacities of DOEACC and C-DAC Centres.
- Updating existing courses and design of new course curriculum.
- Initiating actions for setting up of new centres by DOEACC & CDAC.

23. When asked to elaborate about the preparation being done by the Department with regard to the new Scheme, the Committee have been informed as under:-

"The National Skill Development Policy has set a target of skilling 500 million persons by 2022. DIT has been given a target of skilling 10 million persons by 2022 in the domain of IECT. The Department had worked out a road map for expansion of the capacities of the DIT's organizations viz. DOEACC Society and C-DAC; and submitted the same to the Planning Commission. The Planning Commission has examined the proposal and has accorded 'In Principle' approval for the same. Actions have been initiated to workout detailed project report covering various implementation aspects, inputs required, etc, to seek the approval of competent authority. It is proposed to obtain necessary approvals within the financial year 2010-11 and initiate implementation of the scheme through DOEACC Society and C-DAC."

24. During the course of oral evidence, the various pertinent issues viz. connectivity and the trained manpower to impart skill development in IT under the aforesaid Scheme were raised. To this the representative during the course of oral evidence submitted as under:-

“Just by giving a computer box is just a beginning and it requires various peripherals, that is, connectivity and the trained incentivized manpower who will utilize this entire set of computer, the network connectivity and also the quality education modules which will ride on that computer. In our view, it is only the common services centre which can effectively serve this objective. Yes, I do concede what the hon. Member said, currently there are 71000 and our young boys and girls may not walk two kilometers to get a common service centre. But by 2012, there is going to be a common service centre at every Panchayat where there is connectivity here is latest computer, there is good quality software on education which is going to reside in each gram Panchayat. Just by giving old computers in our limited experience, I do not think it is going to serve the objective.”

25. When asked about the status of computer literacy in the country, the Department has informed that the literacy aspects fall under the purview of the Ministry of Human Resource Development. The Department of Information Technology does not maintain any data on computer literates.

26. Further, on the issue of volume of e-waste generated in the Country, the Department has shown ignorance of the data in this regard. The Department in the written note while elaborating on their role in e-waste management and creating awareness on the subject has stated that the role of DIT in the e-waste management has been essentially:

- to support relevant R&D projects to come out with possible technological solutions to manage e-waste.
- to support awareness creation through workshops/seminars in this field.

Promotion of Electronics/IT Hardware Manufacturing

27. The Committee during the course of examination of Demands for Grants have been informed that during the year 2009-10, Electronics and IT exports are estimated to be Rs. 266330 crore as compared to Rs. 247420 crore in 2008-09 showing a growth of 7.6 per cent. The domestic demand in this regard is around USD 45 billion whereas production is around USD 20 billion.

28. The total allocation for promotion of Electronics/IT Hardware manufacturing during Eleventh Plan is Rs. 1100 crore. However, the actual expenditure is 1.67 crore till date and the allocation for the year 2010-11 is just Rs. 2.5 crore which amounts to only 1 per cent of the proposed allocation i.e. Rs. 250 crore. When asked about the

comments of the Department on the aforesaid scenario, the Department has stated that the allocation of Rs.1100 crore for the Eleventh Plan was made particularly for meeting the capital subsidy requirement under Special Incentive Package Scheme (SIPS). This allocation was based on the conditions prevailing at the beginning of the Plan period, anticipating that there would be significant interest in SIPS. However, due to the subsequent global economic slowdown, many of the potential investors deferred their investment decisions. Under SIPS, the capital subsidy is to be disbursed only after investment above a threshold limit is made. As such, progress under the scheme is linked to project implementation by private entrepreneurs.

29. The Department has further stated that initially the allocation of Rs. 250 crore for 2010-11 was proposed anticipating that some of the SIPS applicants might approach DIT for disbursement of incentives, after fulfilling necessary conditions. However, the allocation has been kept at a token amount of Rs. 2.5 crore, as it was felt that none of the SIPS applicants may be able to fulfill the condition of threshold investment to claim the incentives even during the year 2010-11. The Department has further added that during the year 2009-10, none of the SIPS applicant could fulfill the condition of threshold investment. Hence, there had been a marginal allocation of Outlay/expenditure during the year 2009-10 for the Promotion of Electronics and IT Hardware manufacturing.

30. With regard to the Indian Electronics Manufacturing scenario, the Department during evidence stated that the domestic demand for Hardware Manufacturing would increase to 400 billion dollars by 2020, however, the production with the existing state of affairs would be of about 100 billion dollar, and the deficit would have to be made up from the imports.

31. When asked to provide the comparative data of Electronics IT/ Hardware manufacturing, Computer manufacture, sale of Personal computers/desktop/laptops during each year of the Eleventh Plan, the Department provided the following information:-

Year	Production (in Rs. Crore)		Sale of PCs (Nos)			
	HW	Computer #	Desktop (Nos.)	Desktop (Value, Rs. Cr.)	Laptop (Nos.)	Laptop (Value Rs. Cr.)
2007-08	84,410	15,870	5,522,167	10,216	1,822,139	7,289
2008-09	97,260	13,490	5,279,648	10,325	1,516,459	5,886
2009-10	1,09,940	14,430	5,400,000*	9,750*	1,900,000*	6,080*

*** Projections # Computer and computer peripherals**

32. Considering the strategic significance Hardware Manufacturing Sector holds in economic growth of the country and to address the problem of Hardware manufacturing industry in a comprehensive manner, a Task Force was set up by the Department in August, 2009 which submitted its Report on 11 December, 2009. The Department has stated that an analysis of the recommendations made by the Task Force indicates that some of these recommendations relate directly to the Department of Information Technology (DIT), while a substantial number of these recommendations pertain to other Ministries/Departments. DIT has formulated its views in respect of the recommendations pertaining to DIT. With respect to the recommendations pertaining to other Ministries/Departments, the views of the concerned Ministries/Departments are being obtained.

Impact of global slowdown on the software industry in IT Sector

33. As per the Annual Report 2009-10, the production and growth trend of the Indian electronics and IT-ITes industry since 2004-05 are as follows:-

Year	Production (Rs. crore)	Growth (in percentage)
2004-05	152,420	28.9
2005-06	190,300	24.9
2006-07	244,000	28.3
2007-08	295,820	21.2
2008-09	372,450	25.9
2009-10*	411,220	10.4
* Estimated		

34. As indicated in the Annual Report, the performance of Electronics and IT industry in 2009-10 has shown sustained growth. However, the growth rate in 2009-10 is lower than 2008-09 due to the adverse impact of severe global recession on Software and Services exports which dominates the Industry profile and constitutes about 57 per cent of its revenue aggregate. Notwithstanding this, the fundamentals of the IT BPO Industry continue to inspire confidence in Investors as indicated in net increase in employment in the sector. The Industry has responded remarkably well to the global downturn.

35. When asked about the steps being initiated by the Department to meet the challenge for the industry due to global recession, the following information has been made available:-

“In order to meet the challenges for the IT industry due to the global economic slowdown, the Income Tax exemptions under section 10A/10B of the Income Tax Act for STP units have been extended by one more year i.e upto 31.3.2011. The Department of Information Technology had set up a Task Force in August 2009 to suggest measures to stimulate the growth of IT & ITES and Electronics Hardware Manufacturing Industry in the country in the backdrop of significant challenges faced by the IT industry owing to the global economic crisis. It has submitted its report in December 2009. To facilitate examination and implementation of the recommendations of the Task Force on a fast track basis, a Committee of Secretaries (COS) under the chairmanship of Cabinet Secretary has been constituted.”

National e-Governance Plan

36. During the year 2009-10, Rs. 900 crore were allocated at BE stage. The amount was reduced to Rs. 330 crore i.e. a little more than 1/3rd of the allocation at RE stage. With regard to the status of utilisation, the Department has informed that as on 22nd March, 2010, Outlay to the tune of Rs. 309 crore has been released. During the year 2010-11, the allocation is Rs. 1030 crore i.e. an increase of only Rs. 130 crore as compared to BE of the previous year.

37. When asked about the reasons for reduction of allocation at RE stage during the year 2009-10, the Department has stated that it is on account of reduced requirement of funds due to non-compliance of the conditions /requirements by State Governments for release of funds and non-initiation of e-District and e-Bharat projects.

38. At another place in the written note, the Department has stated that State Government, which are implementing the e-Infrastructure projects like SWAN, SDC, CSC, State Portals and SSDG have sufficient funds.

39. The detailed examination of the status of utilisation by the implementing agencies has revealed that the Utilisation Certificates for the substantial amount are pending from various States/UTs.

40. The Committee during the course of examination of Demands for Grants of previous year had observed that there is a continuous shifting of deadlines in case of each of the component of e-Governance viz. MMP, SWAN, SDC, CSCs etc. When asked to update about the status of each of the components of National e-Governance Programme, the Department provided the following information:

“Status of MMPs

(i) **Central MMPs:** All projects have crossed the stage of Conceptualization and have moved to Design, Development and Implementation stage. Out of 9 Central MMPs, schemes for all MMPs other than that for the **Immigration** MMP have been approved. However, the EFC note for the Immigration MMP has been prepared and has been circulated to various stakeholders for their comments. The department has requested for a date for holding the EFC meeting.

(ii) **Integrated MMPs:** All project schemes, except **e-Procurement**, have been approved. Progress of e-Procurement MMP was discussed in Apex Committee Meeting held on 23rd November 2009. It was suggested that e-Procurement is one area which is clearly amenable to private sector participation, rather than taking recourse to public investment. It was decided that Department of Commerce would give a revised plan and timelines at an early date, keeping in view the suggested change in its Implementation Model. The matter is being pursued vigorously with the department of Commerce and as per the information received from the department of commerce the financial proposal to fund some of the e-procurement projects of the State Governments and Line Ministries of the Govt. of India on first come first served basis, could not be approved by the SFC headed by the Secretary DoC. The project is now being revised. The Jt Secretary DoC has been advised to make provision in the budget after taking necessary approval from the competent authority.

(iii) **State MMPs:** Schemes for six out of the eleven state MMPs have been approved. Status of other five MMPs is as follows. EFC Schemes for Panchayati Raj MMP and Agriculture MMP have been prepared. EFC has approved the scheme for Treasuries MMP in the month of March. The EFC note for national roll out of e-District is under preparation. A Revised DPR for Employment Exchange MMP is being prepared.

Status of Infrastructure Components

(iv) **CSC:** During the month of February 2010, 10241 more CSCs were rolled out taking the total tally of CSCs rollout to 71,078 covering twenty-eight States. Online monitoring tool has been installed in 30,302 CSCs.

(v) **SWAN:** Implementation of SWAN has been completed in 19 States/UTs and 5 States are in an advanced stage of completion i.e. more than 75% nodes are complete. Implementation in all the States is likely to be completed by end of August, 2010.

(vi) **SDC:** The bid process has been completed in 11 states out of which award of contract for SDC implementation has been issued by 9 States to the selected bidders. In addition, the bid process has been initiated in 5 States. In the remaining States, the RFP is under various stages of preparation, finalization or approval. Implementation of SDC is expected to be complete in 12 States by Dec. 2010.”

41. With regard to the various measures taken by the Department particularly during the year 2009-10 to address the problems being faced in the implementation of each of the components of the programme due to which the deadlines have to be shifted, the Department has informed as under:-

“Meetings of the Apex Committee are held regularly to discuss the issues being faced by various Line Ministries implementing MMPs. Three meetings of Apex Committee were held in the year of 2009-10. Issues related to various MMPs such as Passports, Immigration, e-Procurement, Banking, Insurance etc were discussed and decisions were taken. For instance Passports MMP had an issue regarding setting up of an SPV as various Departments had different views on SPV retaining the transaction charges; the issue was discussed in Apex Committee and has been resolved.

State IT Ministers’ Conference: In the year 2009-10 a conference of State IT Ministers and Secretaries was held for speeding up services. The issues related to various States were discussed.

Conference of Chief Secretaries: In the Conference of Chief Secretaries held on 1st and 2nd Feb 2010, under the chairmanship of Cabinet Secretary, issue of accelerating the implementation of NeGP projects and fast forwarding delivery of public services was deliberated upon.

CIO’s Council: DIT has initiated a process to form a CIO’s council consisting of Mission Leaders of all MMPs along with officers from DIT, NIC, and NISG etc, where obstacles that are delaying the implementation of MMPs would be deliberated and solved on a regular basis.”

E-Governance Societies

42. The Department has informed that guidelines have been issued for setting up of District e-Governance Societies. The basic objective of these societies is to coordinate all components of NeGP. As on February 2010, as per information made available by State Governments, 208 District e-Governance societies have been formed across 12 States.

43. When asked whether any guidelines have been issued with regard to functioning of e-Governance societies in various districts, the Department stated as under:-

“DIT has requested all the Chief Secretaries of the States to setup District e-Governance societies in all the districts with Collector/ DM/ Deputy Commissioner as Chairman and DDO/ CDO/ ADM (Development)

as convener and six other members from different Department as Members. District e-Governance societies coordinate all components of NeGP like CSC scheme, e-District, SWAN, SDC, SSDG and other e-Governance projects. Under e District pilot project, a onetime seed money of Rs.10 lakhs has also been sanctioned for the e-District Pilots being presently undertaken, to setup District e-Governance societies."

Setting up of CSCs in Gram Panchayat premises

44. When asked whether the Department has tried to maintain the data of the CSCs which have been set up in the Panchayat premises, the Department has stated as under:-

"In order to build synergy with Panchayats, Department of Information Technology has issued directions to all States to setup CSCs in the Panchayat premises as far as possible. The States like Gujarat, West Bengal and Jharkhand have issued directions with regard to setting up of CSCs in the Panchayat premises. As per information made available, approximately 76% of CSCs setup are in Panchayat premises."

Connectivity to CSCs

45. On the issue of establishment of CSCs in the country as well as provisioning of broadband connectivity to these CSCs, the Department informed as under:-

"As on February 2010, 71708 CSCs have been rolled out in 28 States/UTs. As on 28th February 2010, a total of 50,201 CSCs have connectivity through Broadband or VSATs. Other CSCs are using datacards, GPRS of various Telecom Service Providers (Airtel, Reliance, Tata Indicom) for connectivity. DIT is supporting BSNL in provisioning of broadband connectivity by making available a budgetary provision of Rs. 880 Crores. Under Wimax Ph-1, 1000 Towers would be deployed by 31st March 2010. Out of 1000 towers, 480 towers are active now covering 4822 CSC locations. BSNL has informed that all 100,000 CSCs would be enabled with broadband connectivity by September 2010."

46. On the issue of use of Common Service Centres and the services being provided by these Centres, the Department furnished the following information:-

"The timelines for facilitating services through CSCs by enabling implementation of State Portal, SSDG, e-Forum Application and Gap Infrastructure in the Outcome Budget has been given as March, 2010. The State Portal, SSDG, eForm Application and Gap Infrastructure Project for facilitating services through CSCs is under progress.

Proposals from 29 States have been approved by DIT and funds have been released to them. 28 States have appointed consultants and a majority of these States are in an advanced stage of preparing the Request for Proposals (RFPs) for selection of Implementation Agencies (IAs)."

Roll out of GST (Goods and Service Tax)

47. Finance Minister in his Budget Speech has stated that to achieve the roll out of GST by April, 2011, the indirect tax administration at the Centre and the States need to revamp their internal work processes based on the use of Information Technology. He also informed about the project ACES – Automation of Central Excise & Service Tax which is already been rolled out throughout the country. When asked to elaborate on the Mission Mode Project for computerization of Commercial Taxes in States along with allocations made for the purpose, the Department has stated that the Commercial Taxes is a State Mission Mode Project to be implemented by individual States. Cabinet has approved the MMP at a total cost of Rs 1133.41 Crore on 18th February 2010 and as per the approval Central support shall be upto 75% of the individual project cost. Ministry of Finance have requested States to prepare and submit state specific Detailed Project Reports (DPRs) for funding by the Ministry. The projects are being screened and the Empowered Committee is considering the individual cases. In the Empowered Committee meeting held on 22nd March 2010, 11 state proposals have been approved for funding. (viz AP, Bihar, Uttrakhand, MP, Kerala, West Bengal, Rajasthan, Tamilnadu, Haryana, Maharashtra and Karnataka).

48. With regard to the steps taken to pursue the remaining States to furnish Detailed Project Reports to the Ministry of Finance, the Department has informed that a meeting is being called in third week of April to appraise reports of other States. Moreover, Project Empowered Committee headed by Revenue Secretary is expected to meet sometime in May 2010 to clear remaining States.

Software Technology Park of India (STPI)

49. This programme is for promotion of exports and provide facility to Indian Small and Medium Organisations for participations in export promotion events in the software and electronics sectors. The BE and RE for setting up of Software

Technology Parks in India for the year 2009-10 were for Rs. 2.51 crore and the Actual expenditure was Rs. 2.45 crore. The allocation for the year 2010-11 is Rs. 2.5 crore.

50. With regard to the targets fixed for setting up of Software Technology Parks in the country during 2010-11, the Department has stated that as per the policy, the State Government has to provide 3 acres of land, 10,000 sq. ft. of built up space and Grant-in-aid of Rs.1 Crore to STPI after a feasibility study report, which is conducted by STPI jointly with the State Government concerned therefore, it is not feasible to set targets for setting up of new STPI Centres.

51. Further, the details of new STPI Centres being set up as provided by the Department are as under:-

S. No.	States	STPI Centres	Status
1	Madhya Pradesh	Gwalior	Construction work was awarded to CPWD
2		Bhopal	Land is allotted but the request is pending with the State Government for providing the developed land.
3	Tripura	Agartala	MoU is not signed and no land allotted
4	Mizoram	Aizawl	MoU is not signed and no land allotted
5	Gujarat	Surat	Centre approved
6	Jharkhand	Jamshedpur	Centre approved but State contribution is not received
7		Dhanbad	Centre approved but State contribution is not received
8	Uttar Pradesh	Varanasi	Centre approved but no land allotted
9		Agra	Centre approved but no land allotted
10	Karnataka	Gulbarga	Centre approved but no State contribution in terms of land and aid is received
11	Goa	Goa	Centre approved but no land allotted
12	Orissa	Berhampur	Centre is ready for the operations.

52. The Department has further added that it is corresponding with the concerned State Government officials and constantly following up for signing of the MoU, providing land the necessary State contribution to facilitate setting up of the new STPI centres.

53. With regard to further extension of tax holiday under section 10A/10B of the Income Tax Act, the Committee have been informed that sunset clause for STPI units has been extended upto 31.3.2011 in the previous budget (2009-2010).

54. The Department has further informed that keeping in view the challenges and threats to Indian IT industry (STP Units) and for the long term continual of India's leadership in the global IT market space, a new "Modified STP scheme" has been proposed so that the IT-ITES sector grows seamlessly and rides on its unparalleled success to build the next wave of growth. SEZ Scheme provides 100% Income Tax exemption on export profits available to SEZ units for 5 years, 50% for next 5 years and 50% of ploughed back profits for 5 years thereafter. Under the "Modified STP Scheme" it has been proposed that new and existing STP units may be provided with the same level of fiscal incentives, for a level playing field, for a period of 15 years period without a sunset clause, based on the date of starting its operation. The proposal has not been included in the Finance Bill 2010. However the Department will continue to pursue implementation of the "Modified STP Scheme".

Cyber Security

55. It has been mentioned in the Outcome Budget that the Information Technology (Amendment) Act, 2008 along with rules in respect of sections 1, 52, 54, 69, 69A-69B were notified on 27.10.09. The draft rules in respect of sections 6A, 70B, 79 and 84A have been prepared after intensive consultation with the industry and the rules in respect of rest of the sections are under preparation. The draft of sections 6A, 70B, 79 and 84A rules is proposed to be hosted on the website for inviting comments from the public. These comments once received will be analyzed and rules finalized for notification. These rules are expected to be notified within the next two and a half months. The work related to preparation of rules in respect of sections 15, 16, 67C and 70A have been initiated and same will be finalized in the next three-four months.

56. The Department when asked to provide a specific target for the finalization of the rules and also the deadline for drafting remaining rules has furnished the following details :-

Rules under sections	Target Date	Remarks
1,52,54,69, 69A, 69B and 70B(1)	Already notified on 27.10.2009	
6A, 70B, 79, 84A	By end June 2010	Rules under sections 6A, 79 and 84A are at advanced stages of preparation. Draft Rules under section 70B was prepared and published on the website for public comments. The rules for section 70B has been finalized based on the comments received. However this rule along with rules for section 70A need to be put up before Cabinet Committee on Security. Draft rules for section 70A are being formulated by NTRO.
15, 16, 67C and 70A	By end August 2010	Draft rules are being prepared and will be put up on website for public comments.

57. Regarding the number of hacking incidents, the representative of the Department during the course of oral evidence stated that so far as defacements of Government websites are concerned, they did not have the exact figure, however the total website defacement this year was 5,000. Further, when asked about the origin of these attacks, the Committee have been informed they normally all serious attack activities originate out side the Country and that is why it is difficult to technically and legally reach out to the perpetrators.

58. The representatives on the issue of Cyber Security further added as under :-

"xxx Cyber Security in India and globally is an increasing concern. There is no doubt at all and there should not be any doubt in anybody's mind that the scale and intensity of the problem is increasing everywhere".

Cyber Appellate Tribunal

59. As per The Information Technology Act, any person aggrieved by an order made by the Controller of Certifying Authorities or by an Adjudicating Officer under the Act can prefer an appeal before the Cyber Appellate Tribunal (CAT).

60. With regard to the status of number of cases filed and adjudicated by the Tribunal, the Department has provided the following information:

Year	No. of cases filed before Tribunal	No. of cases adjudicated by Tribunal
2007	4	1
2009	8	All pending
2010	Nil	All cases filed in 2009 are pending

61. On the issue of time bound disposal of cases by the Tribunals, the department has stated as under:-

“All steps are made by the Adjudicating Officers and Cyber Appellate Tribunal to expeditiously dispose of cases filed before them. At present, the appeals pending before the Cyber Appellate Tribunal are in respect of cases filed before them since August, 2009. However, most of the cases pending before Adjudicating Officers also are those filed in 2009 except State of Kerala where the number of cases pending before them are since 2006.”

Centre for Development of Advanced Computing (C-DAC)

62. The Government have allocated Rs. 900 crore during Eleventh Plan period for Centre for Development of Advanced Computing (C-DAC), which is a premier R&D organization, carrying out research and development in IT, Electronics and associated areas. For the year 2009-10 the BE was 119.00 crore and RE was Rs. 131.00 crore, however, the Actual expenditure as on 31.12.2009 is Rs. 81.89 crore. The BE for the year 2010-11 is Rs. 183 crore.

63. The Committee in their reports have consistently been drawing the attention of the Department towards attrition rate of manpower in C-DAC. The Committee during the course of examination of Demands for Grants of the previous year had been informed that attrition rate was lower with the implementation of the recommendations of Sixth Pay Commission. Now the Committee have been informed that during the year 2009-10, 29 persons have left C-DAC.

National Knowledge Network (NKN)

64. The Government had decided to establish a National Knowledge Network with scalable multi gigabit capabilities which will connect 1000 nodes covering all universities, research institutions, libraries, laboratories, hospitals and agricultural institutions across the country. This will also act as a backbone for the e-governance. By facilitating the flow of information and knowledge, the network will address the critical issue of access, create a new paradigm of collaboration and enrich the research efforts in the country. The initial phase of the National Knowledge Network was inaugurated by the Hon'ble President of India on 9th April, 2009.

65. During the year 2009-10, Rs. 600 crore were allocated for the National Knowledge Network. The allocation was reduced to Rs. 240 crore at RE stage which was fully utilized. During the year 2010-11, Rs. 100 crore have been allocated against the projections of Rs. 2318 crore. The Committee during the course of deliberations have been informed that Cabinet on 25 March, 2010 has finally approved the project. Under the NKN, 1500 premier institutions would get covered across multiple sectors and it includes 400 universities.

66. The representative during the course of evidence has stated as under:-

"As far as the NKN is concerned, it was approved by the Cabinet yesterday (25 March, 2010) and final phase which is going to be implemented, the execution of which would be completed in two years' time. Under the NKN itself 15.00 premier institutions would get covered across multiple sectors and includes 400 Universities."

PART-II

RECOMMENDATIONS/OBSERVATIONS

The over-all analysis of the Budgetary Allocation of the Department

1. The examination of the Demands for Grants for the year 2010-11 has revealed that the Department has been allocated Rs. 2660 crore at the Budget Estimates stage for the Plan Schemes/Programmes against the projections of Rs. 5817.47 crore which means that the gap between the projections and allocations is to the tune of Rs. 3157 crore. Thus, the Department has been allocated lesser than half of the projected Outlay for the Plan Schemes during the year 2010-11. During the first three years of the Eleventh Plan i.e. 2007-08, 2008-09 and 2009-10, the said gap was to the tune of Rs. 592.08 crore, Rs. 820 crore and Rs. 190.50 crore respectively. The aforesaid position indicates that the gap between the projection and allocation during the year 2010-11 is quite substantial. If the BE allocation for the year 2010-11 is compared to the allocation of the previous year, it is Rs. 130 and Rs. 190 crore more respectively if compared to BE and RE of the previous year. The Committee observe that the Department is implementing important Plan schemes for creating critical infrastructure as well as technological development in the field of the information technology in the country during the Eleventh Plan. Said Schemes include e-Governance in the Country and the National Knowledge Network which when implemented would revolutionize the existing system of governance and teaching in the country. As such the Committee strongly recommend that adequate Outlay should be provided for the Plan Schemes/Programmes of the Department so that these do not suffer for want of resources.

2. While reviewing the performance of the Department during the year 2009-10 in the context of the financial achievement under the Plan Schemes, the Committee find that the Department was allocated Rs. 2530 crore at the BE stage. The allocation was reduced to Rs. 1700 crore at RE stage by imposing the cut of Rs. 830 crore. The Department was not able to utilize even the reduced allocation. The position of Actuals was Rs. 890.97 crore by December, 2009 that is 52.41 per cent of the allocation. While looking at the trends of the utilisation during the first two years of the Eleventh Plan, the data indicates that during the first year of the Plan, the utilisation was 89.43 per cent of the allocation. During 2008-09, the Department achieved 104.60 per cent of the financial achievement. Thus the financial achievement during the year 2009-10 was the worst during the Eleventh Plan. From the aforesaid scenario, the Committee conclude that the Department itself is responsible for the huge cut at RE stage as well as for getting the allocation lesser than the projection. While recommending for the higher Outlay, the Committee strongly recommend that the Department has to ensure the optimum utilisation of Outlay so that it can present its case for the adequate allocation strongly to the Planning Commission/Ministry of Finance. All the desired initiatives should be taken and the Committee informed accordingly.

3. The Committee have consistently been raising their concern over the persistent problem of pendency of the Utilisation Certificates and unspent balances. As per the information provided by the Department 1143 UCs

amounting to Rs. 1545.22 crore are pending from the implementing agencies. As per the clarification given by the Department, in accordance with the provisions made under rule 212(1) of the General Financial Rules, the Utilisation Certificate in the prescribed performa is required to be submitted within 12 months of the closure of the financial year by the institution or the organization concerned. Thus, even if the pendency after 1.4.2009, is not taken into consideration, 804 UCs amounting to Rs. 1060.30 crore which is the substantial amount are due from the implementing agencies. More disturbing is the fact that the substantial number of implementing agencies have been allocated the first installment and have neither submitted the utilization certificate nor demanded the further allocation. The aforesaid practice clearly defeats the purpose of the programme. The Committee strongly recommend that the monitoring of the different programmes should further be strengthened. The provision of the release of the next installment only after the receipt of the utilisation certificate do not address the case where the implementing agency after release of first installment and is least interested in demanding the next installment. Urgent steps should be taken to recover the money from the implementing agencies who have not spent the allocation made by way of the first installment effectively. Besides, the accountability for keeping the money with the implementing agencies without implementing the project should be fixed and the Committee informed accordingly.

4. The Committee find from the information made available to the Committee that besides Plan allocations made out of the Government funding, IEBR is generated by the Societies/Offices under the Department through their R&D activities. In this regard, Rs. 2225.56 crore was the approved IEBR for the Eleventh Plan. IEBR generated during the first three years of the Eleventh Plan as per the data provided by the Department is just Rs. 750.17 crore which is less than one third of the approved IEBR of the Plan period. From the aforesaid position it is apparent that the Societies would not be able to generate the approved IEBR during Eleventh Plan at any cost. The detailed examination of the data for IEBR further indicates that the year wise approved IEBR do not commensurate to the overall IEBR of the Eleventh Plan. During the first three years of the Eleventh Plan, the approved IEBR is only Rs. 793.07 crore. The Committee, therefore, would like the Department to furnish the specific reasons for not projecting the IEBR commensurating to the overall approvals of the Eleventh Plan alongwith the steps initiated by the Department to ensure that the IEBR generated by the Societies reach to the level of the overall approvals for the Eleventh Plan.

5. The Gross Budgetary Support is provided for the different Schemes/Programmes of the Department under the three sectors viz. Research & Development, Infrastructure Development and Human Resource Development. The trend of the allocations made at RE stage to these sectors indicates that under the Infrastructure Development Sector, the Outlays are considerably being reduced at RE stage during each of the three years of the Eleventh Plan. More apparent is the reduction during the year 2009-10. Under the other two sectors, the Outlay have been

slightly increased at RE stage. Under the Infrastructure Sector, the important Schemes/Programmes viz. Electronics Governance, Cyber Security, Promotion of Electronics/IT Hardware Manufacturing are being implemented which are very crucial for the information technology sector. The Committee would like the Department to explain the main reasons for reduction of Outlay at RE stage in the Infrastructure sector, particularly when the other two sectors are not being subjected to the cut at RE stage. The Committee strongly recommend that keeping in view the importance of the Programmes which include NeGP being implemented under the Infrastructure Sector, no cut should be imposed at the RE stage. The concerns of the Committee in this regard should be communicated to the Ministry of Finance, at the same time the Committee also expect the Ministry to ensure effective utilisation of the Outlay provided for the different Programmes/Schemes.

Budgetary Outlay earmarked for North Eastern areas

6. The Committee find from the data made available to the Committee that during each year of the Eleventh Plan, there is shortfall in expenditure as compared to the Outlay made available at RE stage. During the year 2009-10 out of the Outlay of Rs. 170 crore provided at RE stage the expenditure is Rs. 167.91 crore. Under the scheme Technology Development Council, out of the allocation of Rs. 3 crore the expenditure is Rs. 0.91 crore. The Committee would like to be apprised about the reasons for under-spending under the aforesaid programme. Further, the Committee note that under the Scheme Software Technology Park in India and EHTP, the allocation made during the year 2008-09 and 2009-10 is nil. The Committee would like to be apprised about the reasons for nil

allocation under the aforesaid Plan Scheme. The Committee again emphasize that all the steps should be taken by the Department for the effective implementation of various schemes to ensure inclusive growth of the IT sector in the country.

7. DOEACC Society is implementing the joint scheme of DIT and AICTE i.e. DOEACC Scheme for Computer courses at `O`, `A`, `B` and `C` levels. With regard to number of candidates registered for `O` and `A` level courses, the Committee note that in the North East Region, total number of candidates registered in `O` and `A` level is 19844. During the year 2008-09, total candidates registered for the aforesaid level courses were 2215. During the year 2009-10 the number has declined to 1980. If the performance is considered country-wise, the total number of candidates registered in O and A level throughout the country is 727833. During the year 2008-09 total number of candidates registered were 59407 which declined to 47040 during the year 2009-10. The Committee express concern over the declining number of candidates registered in `O` and `A` level courses in the country as a whole and particularly in the case of North East Region. Since SC, ST, OBC and weaker sections of the society and the unemployed youth are being benefited by the programme, the Committee strongly recommend that all the initiatives should be taken so that more and more candidates take benefit of the aforesaid Scheme which would certainly help in addressing the problem of unemployment in the vulnerable sections of the society.

8. The Committee find that the Department have proposed a new Scheme called Skill Development in IT for the year 2010-11. The National

Skill Development Policy has set a target of providing skill development in IT to 500 million persons by 2022. In this regard, DIT has been given a target of skill development of 10 million persons by 2022 in the domain of IECT. As a preparation for the Scheme, the Department has worked out a roadmap for expansion of the capacities of the DIT's organizations viz. DOEACC Societies and C-DAC and submitted the same to the Planning Commission. The Planning Commission too has examined the proposal and accorded in principal approval for the same. As informed by the Department, action has been initiated to work out detailed project report covering various implementation aspects, inputs required etc. to seek an approval of the competent authority. During the year 2010-11, a token provision of Rs. 1 crore has been made for the aforesaid programme. While taking note of the steps being initiated by the Department for the launch of the Scheme, the Committee emphasize that all the preparations should be completed expeditiously so that the programme start in full swing from the year 2010-11 itself. The Department should seek the requisite allocations of Outlay after the Scheme is formally approved so as to implement the Scheme in the year 2010-11.

9. The Committee further note that for the successful implementation of the programme 'Skill Development in IT', there are various issues like connectivity, trained man power to impart skill development in IT as well as the modules for the programme. Since the programme would be implemented by different societies like DOEACC and C-DAC, the Committee strongly recommend that common module should be prepared by the Department in coordination with the other Ministries/Departments involved in imparting skill development in IT as per the National Skill

Development Policy. Besides, the other issues like connectivity and trained man power should also be taken into consideration and the effective steps taken to address the aforesaid issues. The concrete action taken in this regard should be communicated to the Committee.

10. The Committee further note that the success of the aforesaid programme depends upon the interest taken by the students in learning computers. Moreover, to ensure inclusive growth of IT sector, it is desirable that the students from rural areas particularly from the remote and difficult areas take interest in learning computers. Students would take interest only when they possess the computers. The Committee during the deliberations have been informed that Common Service Centres can address the aforesaid problem. The Committee note that Common Service Centres (CSCs) in rural areas are being opened with the objective of providing Government and private services at the doorstep of the citizens. The Committee fail to understand how the students who want to learn computers can take benefit of CSCs when they have the different mandate as stated above. The Department being the nodal Department for IT has to play an important role in this regard. In view of the aforesaid position, the Committee strongly recommend that Government has to think of providing computers at subsidized rates to the children of BPL families. Besides the Department has to pay more attention to make desktops cost effective so that these are within the reach of the poor persons. All the desired initiatives on the suggested line should be taken and the Committee informed accordingly.

11. The Committee are concerned to note that even when the Government propose to launch a full-fledged scheme for skill development in IT, the Department has not bothered to maintain the data with regard to computer literacy in the country. Besides even when the Department has an important role in e-waste management and creating awareness on e-waste, the Department has shown the ignorance of the data with regard to e-waste generated in the country. The Committee note that the Department of Information Technology is the nodal Department with regard to various issues related to information technology. As such the Department should maintain various data indicating the overall scenario of the issues related to IT in the country. The urgent action should be taken to maintain the data with regard to literacy rate in computer as well as e-waste.

Promotion of electronics/IT hardware manufacturing

12. The Committee note that during the year 2009-10, Electronics and IT exports are estimated to be Rs. 266330 crore as compared to Rs. 247420 crore in 2008-09 showing a growth of 7.6 per cent. The domestic demand in this regard is around USD 45 billion whereas production is around USD 20 billion. The Secretary, during the course of deliberations, has informed that as per the projections, the demand would increase to USD 400 billion by 2020 and with the existing state of affairs, the production would reach to USD 100 billion. The analysis of the initiatives taken by the Department for the promotion of Electronics/IT hardware manufacturing during the Eleventh Plan indicates that although an allocation of Rs. 1100 crore was made during Eleventh Plan the Actual expenditure is just Rs. 61.67 crore till date. During the year 2010-11, the allocation has been made for a

meagre amount of Rs. 2.5 crore which amounts to only 1 per cent of the proposed allocation i.e. Rs. 250 crore. The Committee note that the aforesaid allocation was made particularly for meeting the requirements under Special Incentive Package Scheme (SIPS). Under this Scheme, the applicants need to approach DIT for disbursement after meeting the prescribed conditions. As regards the financial performance of the Scheme during the year 2009-10 Rs. 2.30 crore were allocated. The allocation was reduced just to Rs. 0.50 crore which was fully utilized. The aforesaid scenario indicates that not much attention is being given to promotion of Electronics/IT hardware manufacturing even when Rs. 1100 crore were allocated during Eleventh Plan which have remained under-utilized substantially. Keeping in view the fact that the demand for the sector would be to the tune of USD 400 billion and the production would be only USD 100 billion, there is an urgent need to provide adequate attention on hardware manufacturing sector too, in order to have a pioneering and competitive edge in line with the Software Sector. The Committee strongly emphasize that the concrete strategy should be made for promotion of Electronics/IT hardware manufacturing sector.

13. The Committee further note that Task Force was set up by the Department in August, 2009 to address the problem of IT Hardware manufacturing industry in a comprehensive manner, which submitted its report on 11 December, 2009. Even when four months have passed since the report was presented, the Department is still undertaking the analysis of the recommendations. The Committee strongly recommend that the various problems afflicting the IT Hardware manufacturing industry should be identified and the recommendations made by the Task Force in

this regard analyzed and the action taken within the stipulated time frame so as to make the country self sufficient in hardware manufacturing sector. All the initiatives should be taken and the Committee informed accordingly.

14. The Committee find that the data with regard to import/export of hardware/software has been indicated in US dollar in the various Budget documents. The Committee recommend that the aforesaid data should also be indicated in the India Rupee so as to have a clear cut position of these parameters in the Indian currency.

15. The Committee are further concerned to note that the sale of laptops in the country during the year 2008-09 has declined from 18,22,139 to 15,16,459. The productions for the year 2009-10 are for Rs. 19,00,000. The Committee strongly recommend that the detailed analysis with regard to decreasing trend of sale of number of PCs should be done by the Department and the Committee apprised accordingly. Besides, the Committee would also like to be apprised about the position with regard to number of sale of laptops during the year 2009-10.

Impact of global slowdown on the Software industry in IT sector

16. The Committee note that the adverse impact of global recession is now being felt in the Software and Service sectors. The growth in this regard which was 25.9 per cent during 2008-09 has declined to 10.4 per cent in 2009-10. The Committee strongly recommend that all the issues related to slowdown of growth in IT and ITES should be addressed seriously. The Department should examine the recommendations made by the Task Force in this regard expeditiously and immediate action should be

taken to implement the recommendations of the Task Force. The Committee should be kept apprised about the action taken in this regard.

National e-Governance Plan

17. The Committee note that Electronic Governance is one of the important programme of the Department for which substantial part of the allocation for Plan Schemes is being provided. During the year 2009-10, Rs. 900 crore were allocated at BE stage. The amount was reduced to Rs. 330 crore i.e. a little more than 1/3rd of the allocation at RE stage. With regard to the status of utilisation, the Department has informed that as on 22nd March, 2010 Outlay to the tune of Rs. 309 crore has been released for e-Governance Projects. When asked about the reasons for drastic reduction of Outlay at RE Stage the Department on the one hand has stated that it is due to non-compliance of the conditions /requirements by State Governments for release of funds and non-initiation of e-District and e-Bharat projects. On the other hand it has been stated that the State Governments which are implementing the e-Infrastructure projects like SWAN, SDC, CSC, State Portals and SSDG have sufficient funds. Not only that the releases made by the Department are not being meaningfully utilized i.e. substantiated by the fact that the Utilisation Certificates for the substantial amount are still pending from the Implementing Agencies from various States. If the data of 2008-09 in respect of which the UCs have also become due is added, the situation becomes more grim. The aforesaid scenario clearly indicates the unsatisfactory status of one of the most important programmes of the Government. The Committee note that the National e-Governance Plan is the major initiative of the Government for ushering e-Governance and is expected to change the entire concept and system of governance in the country. The Committee while expressing serious concern over the dismal performance of the

programme would like to strongly recommend to analyze the performance critically State/UT wise so as to identify the problems being faced by the States/UTs in implementation of the programme. The Committee exhort the Department to take all the corrective action in this regard expeditiously and inform the Committee accordingly. In this regard, the Committee may also like the Department to consider providing free software regarding e-Governance to the users so as to make it cost effective.

18. The Committee during the course of examination of Demands for Grants of the previous year had noted that e-District and e-Bharat components of NeGP were in trouble. In case of e-District there were problems in implementation of the pilot projects. Besides in case of e-Bharat the Government of India was carrying out dialogue with World Bank for possible programme management and financial support. However, the World Bank advocated a newer look to be adopted inter-alia suggesting termination of the preparation of "e-Bharat" Project. The examination of Demands for Grants (2010-11) has indicated that there is no headway on both the Projects and the projects could not be initiated due to the problems as given above. The Committee note that e-district is an important MMP whose objective is to target certain high volume services delivered at the district level which are not covered by any other MMP and also to undertake backend computerisation of these services through Common Service Centres. Besides, e-Bharat is expected to contribute to improve Government effectiveness, increasing fiscal revenues and reducing public procurement cost etc. Keeping in view the importance of e-District and e-Bharat as stated above, the Committee

strongly recommend that all the issues concerning these two components should be addressed in a stipulated time frame so that the projects are initiated on a full scale basis throughout the Country.

19. The Committee have consistently been raising concern over the shifting of deadlines of implementation of various components of e-Governance programmes viz. Common Service Centres (CSCs), State Wide Area Network (SWAN), State Data Centres (SDCs) and Mission Mode Projects (MMPs). Under CSC the target was for setting up of 1 lakh CSCs in various States. In spite of shifting the deadlines several times out of the target of 1 lakh CSCs, 71078 CSCs could be rolled out by February, 2010. With regard to SWAN, it has been completed in 19 States/UTs and 5 States are in advance stage of completion. Now the Department has stated that implementation in all the States is likely to be completed by end of August, 2010. In respect of SDCs, the bid process has been completed in 11 States, out of which award of contract has been issued by 9 States to the selected bidders. Further bid process has initiated in 5 States and in the remaining States the RFP is under various stages of preparation/finalization or approval. Now the Government expect that SDC would be complete in 12 States by December, 2010. On the issue of MMPs, Immigration MMP (Central MMP), e-Procurement (Integrated MMP) and 5 State MMPs are still waiting approval/finalization. Taking note of the slow progress of implementation of various components of e-Governance Programme, the Committee strongly recommend that the Department has to work on a Mission Mode to ensure that these components of e-Governance are completed expeditiously. The Department should ensure that the deadlines are not shifted again and again which makes the fixing of deadlines as a

futile exercise. There is an urgent need to have a proper coordination with the State Governments and Line Ministries to identify the basic issues affecting the implementation of various components of NeGP. The concerted action on the suggested lines should be taken and the Committee informed accordingly.

20. The Committee note that the Department has issued guidelines for setting up of District e-Governance Societies. The basic objective of these societies is to coordinate all components of NeGP. As on February 2010, as per information made available by State Governments, 208 District e-Governance societies have been formed across 12 states. The Committee strongly recommend that the Department should pursue with the remaining States for setting up of District e-Governance Society expeditiously and the Committee be kept informed about the progress made in this regard.

21. The Department has informed that in order to build synergy with Panchayats, Department of Information Technology has issued directions to all States to set up CSCs in the Panchayat premises as far as possible. Further, the Committee note that Gujarat, West Bengal and Jharkhand had issued directions with regard to setting up of CSCs in the Panchayat premises. The Department has also informed that approximately 76 per cent of CSCs have been set up in Panchayat premises. The Committee would like to be informed State-wise data of CSC which have been set up in Panchayat premises. Besides, the Department should pursue with the remaining States to issue instructions for setting up of CSCs in the

Panchayat premises. The desired action in the regard should be taken and the Committee informed accordingly.

22. From the information made available by the Department, the Committee note that as on February 2010, 71708 CSCs have been rolled out in 28 States/UTs. As on 28th February 2010, a total of 50,201 CSCs have connectivity through Broadband or VSATs. Other CSCs are using datacards, GPRS of various Telecom Service Providers (Airtel, Reliance, Tata Indicom) for connectivity. The Committee feel that besides setting up CSCs, it is of utmost importance that proper connectivity is provided, so that CSCs are operational. As such, the Committee strongly recommend that all the initiatives should be taken to coordinate with BSNL so that connectivity to all the CSCs is provided within a definite time frame.

23. The Committee note that the timelines for facilitating services through CSCs by enabling implementation of State Portal, SSDG, e-Forum Application and Gap Infrastructure has been given as March, 2010 in the Outcome Budget. With regard to the existing position, the Committee have been apprised that proposals from 29 States have been approved by DIT and funds have been released to them. 28 States have appointed consultants and a majority of these States are in an advanced stage of preparing the Request for Proposals (RFPs) for selection of Implementation Agencies (IAs). The Committee feel that the success of CSCs depend upon the fact that users are actually using the CSCs. Again in the case of facilitating services through CSCs the deadlines of March, 2010 do not seem to be adhered to keeping in view the status as given above. The Committee strongly recommend that all the initiatives should be taken

so that the CSCs become actually functional.

Roll out of Goods and Service Tax (GSTs)

24. The Committee find that Commercial Taxes is a State Mission Mode Project and had to be implemented by individual States. Cabinet has already approved the MMP and the Ministry of Finance has requested the States to prepare and submit State Specific DPRs for funding by the Ministry. So far proposals of only 11 States have been approved for funding. The Committee strongly recommend that the remaining States should be pursued so that 'Computerization of Commercial Taxes' and 'Automation of Central Excise and Service (ACES) Tax' which have already been rolled out throughout the Country is facilitated expeditiously to enable the Government to roll out GST successfully in all the States by the stipulated time line i.e. April, 2011.

Software Technology Park of India (STPI)

25. The Committee note that for setting of Software Technology Park of India in the Country, the State Government has to provide 3 acres of land, 10000 sq. ft. of built up space and Grant-in-aid of Rs. 1 crore to STPI. The status with regard to setting up of STPI as given by the Department indicates that most of the States have not signed MoU and land has not been allotted. In some of the cases, State contribution has not been received. The Committee strongly recommend that the respective State Governments should be pursued so that STPI in these States are set up expeditiously.

26. The Committee note that sunset clause for STPI units has been extended upto 31st March, 2011. The Committee have further been informed that the Department has proposed a new modified STPI Scheme according to which new and existing STP units may be provided with the same level of fiscal incentives, for a level playing field, for a period of 15 years without a sunset clause, based on the date of starting its operation. The Department has further informed that the proposal has not been included in the Finance Bill 2010. The Committee would like the Department to pursue further on the issue so that the 'Modified STP Scheme' is implemented expeditiously.

Cyber Security

27. The Information Technology (Amendment) Act, 2008 was notified on 27th October, 2009. The draft Rules in respect of various Sections of the Act are at the various stages as per the information provided by the Department. The Committee strongly recommend that such Rules should be notified expeditiously so as to deal with the emerging challenges with regard to cyber crimes in the country.

28. The Committee note from the data made available by the Department that the total number of defacement of websites for the year 2009-10 was 5000. The data with regard to web defacement of Government websites was not available with the Department. During the course of the deliberations, the Committee have been informed that all serious attack activities originate outside the country and it becomes difficult technically and legally to reach out to the perpetrators. If the attack and the targets are both inside the country, it is quite easy to track and book a person

under the provisions of Information Technology Act. However, in case of attack originating outside the country, it is difficult to do the same. In this connection, the Committee may like to highlight their recommendation made in the Fiftieth Report (Fourteenth Lok Sabha) on the 'The Information Technology (Amendment) Bill, 2006' as reproduced below:-

"Instead of taking recourse to piecemeal solution of entering into MLATs with one country at a time, the Committee would prefer that India should be a signatory to an omnibus International Convention on the issue so that cyber crimes committed against any country from anywhere are tackled with utmost promptitude and without the technicalities of citizenship, etc. coming into play. The Committee, therefore, strongly feel that India as one of the world leaders in information technology, ought to take initiative in materialising such an International Convention against cyber crimes/cyber terrorism under the auspices of United Nations. Accordingly, they desire that the Department should immediately prepare a roadmap in consultation/coordination with the Ministries of External Affairs, Law and Justice and Home Affairs for a suitable International Convention. The Government may, in the meantime, utilize their diplomatic channels for creating a movement in favour of the Convention in the comity of nations. The Committee are hopeful that such an initiative by the Government of India under the auspices of United Nations will tackle the twin scourge of cyber crimes and cyber terrorism to a substantial extent universally and spare the Government from taking recourse to adhoc approaches/arrangements to counter a perennial problem."

29. Keeping in view the fact that scale and intensity of the problem of cyber attacks from outside the country is increasing, the Committee strongly recommend that the Department should seriously consider the aforesaid recommendation of the Committee which would definitely help in dealing with the problem of hacking by the hackers originating from foreign countries.

Cyber Appellate Tribunal

30. The Committee note that as per the IT Act, any person aggrieved by an order made by the Controller of Certifying Authorities or by an Adjudicating Officer under the Act can appeal before the Cyber Appellate Tribunal (CAT). Further, the Committee note that out of four cases filed before Tribunal, during the year 2007 one is still pending. With regard to the year 2008, the Department has not furnished the information. In respect of the year 2009, all the 8 cases filed before the Tribunal are pending. The Department has further informed that most of the cases pending before adjudicating officers are those filed in 2009 except the State of Kerala where the number of cases are pending since 2006. In this regard, the Committee would like to be apprised about the reasons for long pending cases in respect of the State of Kerala. Besides the Committee would also like to recommend to the Department to consider prescribing the definite time limit for disposal of the cases which would definitely help in expeditious disposal of case by the Tribunal.

Centre for Development of Advanced Computing (C-DAC)

31. The Committee in their reports have consistently been drawing the attention of the Department towards attrition rate of manpower in C-DAC. The Committee during the course of examination of Demands for Grants of the previous year had been informed that attrition rate was lower with the implementation of the recommendations of Sixth Pay Commission. Now the Committee have been informed that during the year 2009-10, 29 persons have left C-DAC. The Committee would like to be apprised about the category of the aforesaid persons who left C-DAC during 2009-10 along with the comparative data of attrition for different category of officials in C-DAC during the last three years so as to have the clear cut position in this regard. The Committee would also like to recommend that the impact of the recommendations of the

Sixth Pay Commission on the attrition rate in C-DAC should be carefully analyzed and the Committee informed accordingly.

National Knowledge Network (NKN)

32. The Committee note that during the year 2009-10, Rs. 600 crore were allocated for the National Knowledge Network. The allocation was reduced to Rs. 240 crore at RE stage which was fully utilized. During the year 2010-11, Rs. 100 crore have been allocated against the projections of Rs. 2318 crore. The Committee during the course of deliberations have been informed that Cabinet on 25 March, 2010 has finally approved the project. Under the NKN, 1500 premier institutions would get covered across multiple sectors and it includes 400 universities. The Committee note that National Knowledge Network is a backbone for the e-Governance. Now when the programme has finally been approved by the Government, all the initiatives should be taken to implement the same expeditiously. Besides all the desired allocation for the year 2010-11 should be made available so that the programmes do not suffer for want of resources. The concerns of the Committee in this regard should be adequately communicated to the Ministry of Finance.

**New Delhi
19 April, 2010
29 Chaitra, 1932 (Saka)**

**RAO INDERJIT SINGH
Chairman
Standing Committee on
Information Technology**

Statement of Eleventh Plan - Department of Information Technology

Sl. No.	Schemes	Proposed 2007-08	BE 2007-08	RE 2007-08	Actual Expn	% Utilization	Proposed 2008-09	BE 2008-09	RE 2008-09	Actual Expn	% Utilization	Proposed 2009-10	BE 2009-10	RE 2009-10	Actual Expn	% Utilization	BE 2010-11
		GBS	GBS	GBS	GBS		GBS	GBS	GBS	GBS		GBS	GBS	GBS	GBS		GBS
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Central Sector Schemes (CS)																	
I. R&D PROGRAMMES																	
1	SAMEER	25.00	22.00	25.00	25.00	100.00	27.00	24.00	27.50	27.50	100.00	42.73	30.00	38.00	38.00	100.00	38.00
2	Microelectronics & Nanotech Dev. Prog.	40.00	29.00	29.00	27.91	96.24	65.00	35.00	35.00	34.71	99.17	200.00	35.00	79.50	79.50	100.00	100.00
3	Technology Development Council (incl. ITRA)	50.59	32.00	35.00	31.48	89.94	75.00	32.00	32.00	31.99	99.97	70.00	32.00	33.80	31.71	93.82	79.00
4	Convergence, Comm & Strategic Electronics	35.00	22.00	25.00	23.83	95.32	35.00	22.00	22.00	21.57	98.05	46.00	22.00	22.00	22.00	100.00	25.00
5	Components & Material Dev. Prog.	15.60	10.00	15.00	14.99	99.93	29.23	10.00	12.50	12.51	100.08	40.00	13.00	18.50	18.50	100.00	25.00
6	C-DAC	127.00	75.00	75.00	75.00	100.00	249.00	91.00	115.00	114.49	99.56	300.00	125.00	142.00	142.00	100.00	180.00
7	Electronics in Health & Telemedicine	27.73	18.00	18.00	18.00	100.00	25.00	13.33	13.33	14.20	106.53	22.00	13.33	13.33	13.33	100.00	16.00
8	Technology Dev. for Indian Languages	30.00	11.00	10.00	9.18	91.80	19.00	8.89	8.89	8.64	97.19	18.00	8.89	11.89	11.89	100.00	35.00
9	IT for Masses (Gender,SC/ST)	10.00	9.00	17.00	15.63	91.94	25.03	8.00	8.00	8.00	100.00	20.00	8.00	8.00	8.00		14.00
10	Media Lab Asia	50.00	10.00	0.00	0.00		50.00	1.00	1.00	1.00	100.00	1.00	5.00	5.00	5.00	100.00	10.00
R&D Sub-Total		410.92	238.00	249.00	241.02		599.26	245.22	275.22	274.61		759.73	292.22	372.02	369.93	99.44	522.00
II. INFRASTRUCTURE DEVELOPMENT																	
11	STQC	65.00	50.00	50.00	51.44	102.88	74.00	42.00	42.00	51.15	121.79	94.00	71.00	71.00	66.00	92.96	85.00
12	STPI & EHTP	12.00	0.50	2.00	1.52	76.00	0.60	0.00	0.00	0.00		0.00	2.51	2.51	2.51	100.00	2.50
13	Digital DNA Park	0.10	0.10	0.10	0.00	0.00	0.01	0.00	0.00	0.00		0.10	0.01	0.01	0.01	100.00	0.00
14	Electronic Governance	957.96	800.00	677.35	551.06	81.36	1053.63	800.00	580.00	576.01	99.31	1021.00	900.00	330.00	330.00	100.00	1030.00
15	Cyber Security (including CERT-In, IT Act)	75.00	33.00	31.00	22.73	73.32	39.10	33.00	33.00	30.61	92.76	40.00	33.00	33.00	29.87	90.52	40.00
16	Controller of Certifying Authorities (CCA)																9.00
17	ERNET	0.10	0.10	0.10	0.00	0.00	5.00	0.09	0.09	0.00	0.00	0.00	0.01	0.01	0.01	100.00	10.00
18	Promotion of Electronics/IT Hardware Mfg.	10.00	1.00	1.00	1.00	100.00	2.00	0.80	0.80	0.17	21.25	2.00	2.30	0.50	0.50	100.00	2.50
Infrastructure Sub-Total		1120.16	884.70	761.55	627.75		1174.34	875.89	655.89	657.94	100.31	1157.10	1008.83	437.03	428.90	98.14	1179.00
III. HUMAN RESOURCE DEVELOPMENT																	
19	DOEACC	22.00	0.50	0.50	0.50	100.00	11.00	0.44	0.44	0.44	100.00	7.00	3.44	3.44	3.44	100.00	10.00
20	Manpower Development (incl. Skill Dev. in IT)	99.00	43.00	50.15	49.98	99.66	139.40	45.00	45.00	44.44	98.76	119.67	45.00	67.00	63.50	94.78	113.00
21	Facilitation of Setting-up of Intergrated Township	1.00	1.00	1.00	0.00	0.00	1.00	0.11	0.11	0.00	0.00	1.00	0.11	0.11	0.11	100.00	1.00
HRD Sub-Total		122.00	44.50	51.65	50.48	97.73	151.40	45.55	45.55	44.88	98.53	127.67	48.55	70.55	67.05	95.04	124.00
IV. OTHERS																	
22	Headquarter (Secretariat & Bldg.)	12.00	12.80	12.80	11.76	91.88	15.00	13.34	13.34	16.40	122.94	32.00	30.40	30.40	30.40	100.00	35.00
23	NIC	427.00	320.00	325.00	321.04	98.78	560.00	400.00	400.00	462.82	115.71	845.00	550.00	550.00	533.00	96.91	700.00
24	National Knowledge Network							100.00	60.00	60.00	100.00	100.00	600.00	240.00	240.00	100.00	100.00
Grand Total A		2092.08	1500.00	1400.00	1252.05	89.43	2500.00	1680.00	1450.00	1516.65	104.60	3021.50	2530.00	1700.00	1669.28	98.19	2660.00

* Expenditure hike in 2008-09 due to 6th Pay Commission

**MINUTES OF THE FIFTEENTH SITTING OF THE
STANDING COMMITTEE ON INFORMATION TECHNOLOGY (2009-2010)**

The Committee sat on Thursday, the 26th March, 2010 from 1500 hours onwards in Committee Room 'C', Parliament House Annexe, New Delhi.

P R E S E N T

Shri Rao Inderjit Singh -- in Chair

MEMBERS

Lok Sabha

2. Shri Rajendra Agrawal
3. Shri Nikhil Kumar Choudhry
4. Shri Charles Dias
5. Smt. Darshana Jardosh
6. Shri Mithilesh Kumar
7. Shri Inder Singh Namdhari
8. Shri Abdul Rahman
9. Shri Prem Das Rai
10. Dr. Bholu Singh
11. Shri C. Sivasami
12. Shri Dharmendra Yadav

Rajya Sabha

13. Prof Alka Balram Kshatriya
14. Shri Dharam Pal Sabharwal
15. Shri Prabhat Jha
16. Shri M.P. Achuthan

SECRETARIAT

1. Shri T.K. Mukherjee -- Joint Secretary
2. Smt. Sudesh Luthra -- Director

WITNESSES

REPRESENTATIVES OF THE DEPARTMENT OF INFORMATION TECHNOLOGY

1. Shri R. Chandrashekhar, Secretary
2. Shri Rakesh Singh, Additional Secretary
3. Shri Rajarshi Bhattacharya, Additional Secretary & Financial Advisor
4. Shri S.R. Rao, Additional Secretary
5. Shri N. Ravi Shanker, Joint Secretary
6. Shri Shankar Aggarwal, Joint Secretary

2. At the outset, the Chairman welcomed the Members to the sitting of the Committee convened to take oral evidence of the representatives of the Department of Information Technology of the Ministry of Communications and Information Technology in connection with the examination of the Demands for Grants (2010-11) of the Department of Information Technology.

[The representatives of the Department were then called in]

3. The Chairman welcomed the representatives of the Department of Information Technology. The representatives of the Department then explained salient features of the Demands for Grants (2010-11) through a power point presentation highlighting briefly the important activities/achievements of the Department, targets set for the Annual Plan 2010-11 and the initiatives being taken by the Department to meet them within time was also brought out in the presentation.

4. The Members sought certain clarifications on various issues relating to the examination of Demands for Grants (2010-11) of the Department and the representatives of the Department of Information Technology responded to the same. Further, the Secretary assured the Committee to furnish written replies on the issues on which information was not readily available.

5. The Chairman thanked the representatives of the Department of Information Technology for appearing before the Committee as well as for furnishing valuable information that the Committee desired to know in connection with the examination of the Demands for Grants (2010-11) of the Department.

[The witnesses then withdrew]

A copy of verbatim proceedings of the sitting has been kept.

The Committee then adjourned.

Confidential

**MINUTES OF THE SEVENTEENTH SITTING OF THE
STANDING COMMITTEE ON INFORMATION TECHNOLOGY (2009-10)**

The Committee sat on Tuesday, the 13th April, 2010 from 1500 hours to 1600 hours in Committee Room '62', First Floor, Parliament House, New Delhi.

P R E S E N T

Shri Rao Inderjit Singh - Chairman

Members

Lok Sabha

2. Shri Rajendra Agrawal
3. Shri Nikhil Kumar Choudhary
4. Shri Charles Dias
5. Smt. Darshana Jardosh
6. Shri Mithilesh Kumar
7. Shri Inder Singh Namdhari
8. Shri Abdul Rahman
9. Shri Tufani Saroj
10. Shri C. Sivasami
11. Shri Dharmendra Yadav

Rajya Sabha

12. Shri Jesudas Seelam
13. Shri Ravi Shankar Prasad
14. Shri Prabhat Jha
15. Shri P. Rajeeve
16. Shri N.R. Govindarajar
17. Shri M.P. Achuthan

S E C R E T A R I A T

1. Shri T. K. Mukherjee, Joint Secretary
2. Smt. Sudesh Luthra, Director

2. At the outset, the Chairman welcomed the Members to the sitting of the Committee.

3. Thereafter, the Committee took up for consideration the Draft Report on Demands for Grants (2010-11) of the Department of Information Technology (Ministry of Communications and Information Technology) and adopted the same with modifications to Para Nos 3, 12, 17 & 27 of Part-II of the Report.

4. The Committee, then, took up for consideration the Draft Report on Demands for Grants (2010-11) of the Department of Telecommunications (Ministry of Communications and Information Technology) and adopted the same with deletion of Para Nos. 93 & 94 of Part-I and modifications to Para Nos 6, 13 & 21 and deletion of Para No. 35 of Part-II of the Report.

5. The Committee, then, authorized the Chairman to finalise the aforesaid draft reports in the light of the factual verifications made by the concerned Ministry/Department and present the same to the House on a date convenient to him.

The Committee, then, adjourned.