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**STANDING COMMITTEE ON
INFORMATION TECHNOLOGY
(2013-14)**

FIFTEENTH LOK SABHA

**MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY
(DEPARTMENT OF ELECTRONICS AND INFORMATION TECHNOLOGY)**

**[Action Taken by the Government on the Recommendations/Observations of the Committee contained in their
Forty-fourth Report (Fifteenth Lok Sabha) on 'Demands for Grants (2013-14)']**

FORTY EIGHTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

December, 2013/Agrahayana, 1935 (Saka)

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*Presented to Lok Sabha on 17.12.2013
Laid in Rajya Sabha on 17.12.2013*



**LOK SABHA SECRETARIAT
NEW DELHI**

December, 2013/Agrahayana, 1935 (Saka)

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COMPOSITION OF THE STANDING COMMITTEE ON INFORMATION TECHNOLOGY
(2013-14)

Shri Rao Inderjit Singh - Chairman

Lok Sabha

2. Shri Rajendra Agrawal
3. Shri Raj Babbar
4. Shri Nikhil Kumar Choudhary
5. Shri Khagen Das
6. Shri A. Ganeshamurthi
7. Shri Rajen Gohain
8. Smt. Darshana Jardosh
9. Shri Baidya Nath Prasad Mahato
10. Shri Sadashivrao D. Mandlik
11. Dr. Thokchom Meinya
12. Shri Tapas Paul
13. Dr. (Prof.) Prasanna Kumar Patasani
14. Shri Abdul Rahman
15. Shri Radhe Mohan Singh (Ghazipur)
16. Smt. Seema Upadhyay
17. Vacant
18. Vacant
19. Vacant
20. Vacant
21. Vacant

Rajya Sabha

22. Shri Joy Abraham
23. Shri Mohammed Adeeb
24. Shri Javed Akhtar
25. Shri Salim Ansari
26. Shri B.K. Hariprasad
27. Shri Basawaraj Patil
28. Dr. Kunwar Deep Singh
29. Shri Sachin Ramesh Tendulkar
30. Dr. C.P. Thakur
31. Vacant

Secretariat

1. Shri Brahm Dutt - Joint Secretary
2. Shri N. C. Gupta - Director
3. Dr. Sagarika Dash - Deputy Secretary
4. Mrs. Rinky Singh - Executive Assistant

INTRODUCTION

I, the Chairman, Standing Committee on Information Technology (2013-14) having been authorized by the Committee to submit the Report on their behalf, present this Forty-eighth Report on Action Taken by the Government on the Recommendations/Observations of the Committee contained in their Forty-fourth Report (Fifteenth Lok Sabha) on 'Demands for Grants (2013-14)' of the Department of Electronics and Information Technology (Ministry of Communications and Information Technology).

2. The Forty-fourth Report was presented to Lok Sabha/laid on the Table of Rajya Sabha on 30th April, 2013. The Department of Electronics and Information Technology furnished their Action Taken Notes on the Recommendations/Observations contained in the Forty-fourth Report on 24th July, 2013.

3. The Report was considered and adopted by the Committee at their sitting held on 6th November, 2013.

4. For facility of reference and convenience, Recommendations/Observations of the Committee have been printed in bold in Chapter-I of the Report.

5. An analysis of Action Taken by the Government on the Recommendations/Observations contained in the Forty-fourth Report of the Committee is given at Annexure-II.

New Delhi
13 December, 2013
22 Agrahayana, 1935 (Saka)

RAO INDERJIT SINGH,
Chairman,
Standing Committee on
Information Technology

CHAPTER I

REPORT

This Report of the Standing Committee on Information Technology deals with the action taken by the Government on the Recommendations/Observations of the Committee contained in their Forty-fourth Report (Fifteenth Lok Sabha) on 'Demands for Grants (2013-14)' relating to the Ministry of Communications and Information Technology (Department of Electronics and Information Technology).

2. The Forty-fourth Report was presented to Lok Sabha/laid in Rajya Sabha on the 30 April, 2013. It contained 24 Recommendations/Observations.

3. Action Taken Notes in respect of all the Recommendations/Observations contained in the Report have been received from the Department of Electronics and Information Technology and are categorized as under:-

(i)	Recommendations/Observations which have been accepted by the Government Rec. Sl. Nos.:- 1, 3, 4, 5, 6, 7, 8, 10, 12, 14, 17, 18, 21, 23 and 24	Total	15
		Chapter	II
(ii)	Recommendations/Observations which the Committee do not desire to pursue in view of the replies of the Government Rec. Sl. No.: Nil	Total	Nil
		Chapter	III
(iii)	Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee and require reiteration Rec. Sl. Nos.:- 2, 9, 13 and 22	Total	04
		Chapter	IV
(iv)	Recommendations/Observations in respect of which the reply of the Government are of interim in nature Rec. Sl. Nos.:- 11, 15, 16, 19 and 20	Total	05
		Chapter	V

4. The Committee trust that utmost importance would be given to implementation of the Recommendations/Observations accepted by the Government. The Committee further desire that Action Taken Notes on the Recommendations/Observations contained in Chapter-I and final action taken replies to the Recommendations/ Observations contained in Chapter-V of this Report should be furnished to them at an early date.

5. The Committee will now deal with action taken by the Government on some of their recommendations.

A. Overall Analysis of DeitY Budget (Twelfth Plan and Financial Year 2013-14

(Recommendation Sl. No. 2)

6. The Committee had recommended as under:-

"The Committee note that during Eleventh Plan (2007-12) against the proposed outlay of Rs. 21,835.89 crore, the Department was allocated a sum of Rs. 11,370 crore whereas the actual expenditure was to the tune of Rs. 9,481.04 crore (i.e. 83.38 per cent of the fund allocated). The Committee are astonished to see that for the whole of Twelfth Five year Plan the Department had proposed an Outlay to the tune of Rs. 81,378.45 crore which is almost ten times more than the sum utilized during Eleventh Plan. However, the approved GBS for this period is Rs. 36,078.00 crore. For the first year of Twelfth Plan (i.e. 2012-13) the Department had proposed a demand of Rs. 10,491.33 crore against which Rs. 3,000 crore was approved at BE stage and Rs. 2,000 crore was allocated at RE stage. The Committee note with great concern that the Department could utilize only 61.77 per cent of the BE allocation and 17.66 per cent of the outlay proposed by the Department. The Committee further note that for the second year of the Plan (2013-14), the Department has sought an allocation of Rs. 6,927.84 crore against which Rs. 3,000 crore has been allocated by the Planning Commission. The aforesaid scenario clearly indicates that the projections made by the Department are far from realistic and the Department's programmes lacked credibility or not found feasible otherwise why the Planning Commission would curtail the Department's projections drastically. The Committee also note that the Department is caught in a vicious circle of poor implementation of the schemes - non-utilization of fund - non submission of UCs—lesser allocation of fund.

While acknowledging that there is substantial enhancement in the Twelfth Plan outlay, the Secretary during the course of evidence stated that this is to give a fillip to the electronic manufacturing sector and manpower development in IT sector. The Committee's analysis of Department's budget shows that indeed these two important sectors are lagging behind in their scheduled targets. The Department has, however, assured that this year the Schemes will see a breakthrough and with that they would ensure effective utilization and might even need more funds.

On the initiatives/measures for better implementation of various schemes/programmes, the Department has assured the Committee that it

would review all the Schemes/Programmes keeping in view the priorities and objectives which will be defined in the coming years of the Twelfth Plan with a view for optimal and judicious utilization of funds. Considering the vision of the Government for e-Development of the country and the fact that IT is touching all spheres of life rapidly, the Committee are of the considered opinion that the Department has to rise to the occasion and meet the growing needs of IT Sector. While deploring the way the schemes under DeitY have been lagging behind their targets and the way considerable mismatch between budgetary allocation and actual utilization has become a common feature in the budgetary exercise of the Department, the Committee exhort the Department to take necessary steps for more near realistic projections. The Committee desire that the Department should also monitor implementation of its schemes/programmes efficiently so as to meet both the physical and financial targets. The Department should take the desired action on the suggested lines and inform the Committee accordingly."

7. The Department of Electronics and Information Technology in the action taken note has stated as under:-

"The observations of the Committee have been noted. The Department's proposal to Planning Commission during Twelfth Five Year Plan was based on the recommendations made by the Working Group on Information Technology for the Twelfth Plan constituted by the Planning Commission. The approvals for the Policies took time. As the Policy framework is in place, department is now focusing on actual implementation. The Department is in the process of submitting the new EFC/SFC proposal for the Twelfth Plan to the Planning Commission for its approval to give a fillip to the electronic manufacturing sector, manpower development in IT and also other schemes."

8. While deploring the way the schemes under DeitY have been lagging behind their targets and the way mismatch between budgetary allocation and actual utilization is becoming a common feature in the budgetary exercise of the Department, the Committee had recommended the Department to take steps for realistic projections. However, the Department in their action taken reply, instead of spelling out the measures taken to make their projections more realistic in future, has tried to put the entire onus on the Working Group on IT for the Twelfth Plan. The Committee are not at all convinced by the submission of the Department that approvals for policies took time and they are in the process of submitting new EFC/SFC proposal for Twelfth Plan to the Planning Commission. The Committee are of the opinion that the Department should have proactively engaged in getting clearances for their policies much before the start of the budgetary exercise as the priority areas of the Department such as prominence to the hardware sector, electronic manufacturing sector etc. were already clear, thus leaving no scope for losing crucial time. The schemes are already running into the fifth month of the budget and if the Department is still in the process of submitting

EFC/ SFC proposals, the Committee wonder as to how it is going to utilize the funds under various schemes during the rest of the current financial year. The Committee express their displeasure over the sad state of affairs with regard to approvals and caution the Department to be more careful particularly when approvals for crucial schemes are to be undertaken well in advance. Considering the Department's past record of repetitive mismatch between budgetary allocation and actual utilization of funds under various schemes followed by missing of targets under various schemes for several years, the Committee would like to reiterate their concern and recommend the Department to take urgent necessary steps to avoid any further delay in seeking approvals for various schemes under DeitY. Needless to emphasize the Department should expedite the process of in-house approval for all its schemes, strictly monitor the actual implementation of the policies/schemes so as to meet both the physical and financial targets and avoid time and cost over run for the projects/Schemes.

B. Outstanding Utilisation Certificates (UCs)

(Recommendation Sl. No. 5)

9. The Committee had recommended as under:-

"The Committee are happy to note that with Department's continuous efforts the number of UCs, which was 892 (amounting to Rs. 1509.66 crore) as on 1st April, 2012, has reduced to 281 (amounting to Rs. 460.86 crore). However, with addition of 300 UCs on 1st April, 2013 the total number of UCs have gone up to 581 (amounting to Rs. 937.41 crore). The Committee observe that the Department of Expenditure has issued a Circular that Grants-in-Aid should not be released to any autonomous body or NGO or any other organization (other than State Governments) if it has not submitted all utilization certificates due. With this restriction, the situation of pending UCs would become all the more alarming. As per information furnished to the Committee three agencies viz. ICCC-ICCC; NCHSE, Bhopal and CII-Bhopal, who were sanctioned fund in 2002 have still not furnished single UCs since then. The Committee find it strange that the Department is silent on the action taken against these three agencies and no deadline has been fixed nor any concrete action taken for removing pendency of UCs.

Though the Department have expressed their happiness about their efforts in liquidation of pending UCs, the Committee feel that the efforts made so far in this direction are not enough especially in view of the fact that because of non-submission of UCs several major/significant schemes of DeitY are lagging behind their financial and physical targets. The Committee, therefore, strongly recommend the Department to intensify their efforts and give standing instructions to each group coordinator/programme division to comply with the Ministry of Finance's OM dated 14th November, 2012 so as to get the Utilisation Certificates well in time and to ensure that such huge pendency of UCs do not occur in

future. The Committee would like the Department to review and monitor the position on monthly basis with a view to take necessary corrective measures.

Reply of the Government

10. The Department of Electronics and Information Technology in the action taken note has stated as under:-

“The concerns of the Committee regarding liquidation of pending utilization certificates (UCs) have been taken seriously by the Department and concerted efforts are being made to ensure that huge pendency of UCs do not occur in future. The action taken by the Department include: All concerned Group Coordinators/Programme Divisions have been informed about the concerns of the Committee and requested to take immediate steps for liquidation of pending UCs.

The concerned Group Coordinators have also been requested specifically to take necessary action in respect of ICCC-ICCC, CII-Bhopal and NCHSE-Bhopal. Meetings have been held with concerned GCs to request them to take action against these defaulting agencies as per provisions of GFR 212(1) which stipulates that if UC is not received from the grantee within the prescribed time, the Ministry or Department will be at liberty to blacklist such Institution or Organisation from any future grant, subsidy or other type of financial support from the Government.

Programme Divisions have requested the implementing agencies for submission of all the pending UCs without which no further grant would be released by this Department.

A meeting with Chief Secretaries/IT Secretaries of States has been organized by the Electronic Governance Group (which has maximum number of pending UCs) to request them to give direction to the implementing agencies for submission of UCs urgently.

The pending UCs status is being monitored on regular basis in the monthly review meetings of Secretary with all the Group Coordinators.

As a result of the vigorous efforts taken by DeitY, the number of pending UCs as on 01.04.2013 have been reduced by 33% within a period of three months. The status of pending UCs as on 01.07.2013 is as under:

	Number of Pending UCs	Amount Rs. in crore)
As on 01.04.2013	581	937.41
As on 01.07.2013	397	630.85
Liquidation during the period April to June, 2013	184	306.56
Liquidation percentage	32%	33%

Besides the above, an amount of Rs. 265.01 crore have been liquidated for which UCs are not due (grants released during the FY 2012-13). Hence, the total amount liquidated during the above period is Rs. 571.57 crore (Rs. 306.56 crore + Rs. 265.01 crore).”

[Department of Electronics and Information Technology O.M. No. 2(1)/2013-Budget (Vol. II) dated 24th July, 2013]

11. The Committee note that the Department is making concerted efforts for liquidation of pending utilization certificates (UCs) and as a result of vigorous efforts made by DeitY, the number of pending UCs as on 01.04.2013 have been reduced by 33% within a period of three months bringing it down to 397 amounting to Rs. 630.85 crore as on 1st July, 2013. While appreciating the efforts made in the direction, the Committee recommend the Department to continue their endeavor in the right earnest so as to further bring down the number of pending UCs.

C. Issue of power and connectivity for various components of NeGP viz. SWAN, SDC, CSC

(Recommendation Sl. No. 9)

12. The Committee had recommended as under:-

“The Committee had found it disquieting that though the Department had set a target of 1000 locations by March 2013 to implement the proposal of establishing solar power in North Eastern States and hilly States (with a total cost of Rs. 320 crore) so far they have received agreement from only 3 States viz. Tripura, Manipur and Assam. While expressing their unhappiness over such a dismal situation related to a major initiative, the Committee had recommended the Department to act immediately to address all the issues related to power shortage and impediments coming in the way in implementing the proposal of establishing solar power in coordination with Ministry of New and Renewable Energy (MNRE). The Committee had also endorsed the Department’s suggestion for use of laptops by CSCs operators as it can provide power backup for 6 to 8 hours after power breakdown. The Committee further recommended the Department to resolve the connectivity issue on priority by coordinating with BSNL/DoT. Action may be taken on each of above observation and Committee apprised accordingly.”

13. The Department of Electronics and Information Technology in the action taken note has stated as under:-

“The Department of Electronics and Information Technology in the action taken note has stated that they are focusing on the issue of the connectivity for SWAN and CSC scheme and regular meetings of the BSNL Working group are being held to address the connectivity related issues.”

14. While observing that the issue of power and connectivity continued to be major impediments in way of implementation of NeGP, the Committee had recommended the Department to resolve the issues by coordinating with BSNL/DoT. The Department’s course of action in this regard that regular meetings of the BSNL working group are being held to address the connectivity related issues appears to be an endless process without any

conclusive outcome. The action taken reply of the Department is also silent on their coordination with the Ministry of New and Renewable Energy (MNRE) in the establishment of solar power. While greater coordination and synergy between all the concerned Ministries/ Departments/ agencies are required to resolve the impediments, the Committee are of the firm view that holding routine meetings with DoT/ BSNL without concrete initiatives/ action on the ground and time specific targets/ agenda, will not improve the situation. This is also amply clear from the fact that in spite of the need for urgent action in the area of solar power on the part of State Governments, the Department could manage getting response from only three States for their proposal. The Committee find it very disturbing that even after lapse of more than 7 years since NeGP was initiated on 18 May, 2006, the issue of the connectivity for various components of NeGP viz. SWAN, CSC, SDC etc. has not been addressed till date. The Committee, while reiterating their concern once again recommend the Department to identify, sort out and address all the issues related to power shortage and impediments coming in the way of implementation of proposals for solar power at the earliest.

D. National Informatics Centre (NIC)

(Recommendation Sl. No. 12)

15. The Committee had recommended as under:-

“Taking cognizance of the acute shortage of manpower in NIC, the Committee in their Thirty-fourth Report on Demands for Grants (2012-13) had recommended the Department to take up the issue with concerned Ministries/Departments for getting requisite approvals for increasing the manpower of NIC. The Committee note that as a follow-up action the NIC is taking necessary action for conversion of temporary 239 posts (by Ministry of Finance) to permanent posts for eligible officers. NIC has also initiated a professional study on the requirement of additional manpower (based on the Committee constituted under the Chairmanship of Shri Nandan Nilekani). The Committee are unhappy to note that even after a considerable lapse of time no tangible progress has been made on the issue of increasing the manpower of NIC and lack of adequate manpower is affecting the day-to-day functioning of the organization. Keeping in view the crucial role of NIC in the implementation of various National/State level ICT enabled initiatives on behalf of the Government, the Committee strongly recommend that all the issues with regard to providing additional manpower for NIC should be resolved within a specified time frame.”

16. The Department of Electronics and Information Technology in the action taken note has stated as under:-

"The proposal for regularization of 265 posts of Scientific Officer/Engineer-SB created for National Data Centre has been approved by Department of Expenditure as per instructions issued vide D/o Expenditure O.M. dated 24th March, 1976. As per this O.M, 90% of temporary posts that the Ministry considers necessary for work of a permanent nature, can be converted into permanent ones. Accordingly, D/o Expenditure has agreed for conversion of 90% of these 265 posts, i.e. total of 239, into permanent posts.

Besides this, two other proposals for creating 144 posts and 355 posts for (i) End-to-End computerization of Targeted Public Distribution System (TPDS) Operations and (ii) Enhancing manpower for cyber security respectively are being processed."

17. Keeping in view the crucial role of NIC in the implementation of various National/State level ICT enabled initiatives, the Committee had recommended that all issues with regard to providing additional manpower for NIC should be resolved within a specified timeframe. The Government has now informed that 239 posts have been converted into permanent. Additionally, two other proposals for creation of 144 posts and 355 posts are being processed. The Committee have also been apprised that a Committee under Chairmanship of Shri Nandan Nilekani is studying manpower needs of NIC. The Committee would like the Department to impress upon and sensitize the Nilekani Committee of the seriousness of the issue and the need for expediting the Report for its early implementations so as to ensure that NIC's capacity is raised to required level.

E. National Knowledge Network

(Recommendation Sl. No. 13)

18. The Committee had recommended as under:-

"The Committee note that inspite of full utilization of allocated funds under National Knowledge Network Scheme, there has been gross mismatch between the proposed and allocated GBS for this scheme since inception. The Committee note that their earlier recommendation made in Thirty-fourth Report with regard to certainty of allocations at BE stage itself and ending ad-hocism in allocation has not yielded any result. The Committee are perturbed to note that due to inadequate funds, out of targeted 600 additional institutions, connectivity could be provided to only 307 institutions as on 31st March, 2013. The Committee are also unhappy to note that though the Department had projected 1500 institutions to be connected under NKN yet upto March, 2013 only 988 institutions are

connected and of these only 287 are in Tier III and IV cities. Apart from inadequacy of fund, the implementation of scheme is also suffering because some of the educational institutions do not have internal networks (LAN's) to operationalise NKN connectivity. In addition to these existing hindrances, the Committee are concerned to note that during 2012-13 the Department could not utilize the fund under the Scheme because of the restriction imposed by the Ministry of Finance's Circular dated 14th November, 2012.

The Committee take serious note of the response of the Ministry of Finance regarding supplementary Grants wherein they have stated that it would not be possible to give such a huge additionality during middle of the Financial Year and DeitY may identify likely savings within the grant for giving additional funds to NKN. In their earlier reports, the Committee have been disapproving the ad-hocism of the Government in allocating fund to such an important programme and consistently been recommending for adequate allocations at the BE stage itself. In view of lesser allocation of funds under the Scheme, the Committee feel that the Department has not been able to convince and put forward their case before the Planning Commission and the Ministry of Finance backed by perfect plans and pleas for allocation of funds at BE stage only. The Committee once again like the Department to impress upon the Planning Commission and the Ministry of Finance the need for more allocation of funds under this flagship scheme. The concern of the Committee should also be placed before the Ministry of Finance/Planning Commission regarding adequate and timely allocation of funds for the Scheme. The Committee also recommend the Department to fix specific percentage of the number of connectivity to institutions in tier III and IV cities in rural and backward areas where the sharing of knowledge resources is more required. The Committee may be apprised about the action taken in this regard."

19. The Department of Electronics and Information Technology in the action taken note have stated as under:-

" (i) Dr. R. Chidambaram, Principal Scientific Advisor (PSA) to Government of India and Shri Kapil Sibal, Minister of Communications and IT have addressed letters (dated 10th April 2013 and 18th April 2013 respectively) to Shri P. Chidambaram, Finance Minister with the request to make available funds to the tune of Rs. 1240 cr in the FY 2013-14 for NKN. PSA in his letter has also requested the Finance Minister to consider special dispensation for NKN (which is multi-department and multi-institution project) to ensure timely availability of funds for smooth implementation of NKN. DeitY has been following up the matter with Ministry of Finance.

(ii) Following discussion at the 13th meeting of High Level Committee (HLC) to establish NKN held on 19.11.2012, the following may kindly be noted, which was in response to the query "whether the NKN institutes are distributed across all districts as per the mandate of inclusiveness in the 12th plan":

"... out of 640 districts about 550 districts level NKN PoP would be setup.... NKN would reach all districts once there are such institutions demanding NKN connectivity..."

Creation of LAN at institution level has not been envisaged under the NKN."

20. Taking a serious note of ad-hocism of the Government in allocating funds to the flagship programme of National Knowledge Network (NKN) and the response of Ministry of Finance regarding grant of additionality of funds at

the supplementary budget stage, the Committee had recommended the Department to take up the matter of grant of adequate fund at the BE stage itself with the Planning Commission and the Ministry of Finance. From the reply of the Department, the Committee note that the Ministry has taken up the matter with Planning Commission and the Ministry of Finance regarding availability of additional funds for smooth implementation of National Knowledge Network programme. The Committee desire that Department should vigorously pursue the matter with Planning Commission and Ministry of Finance for allocation of more funds for NKN programme so that the past trend of repetitive ad-hocism being witnessed under NKN come to an end and the Department gets adequate funds for NKN in 2013-14 and assured funds at BE stage during the next Financial Year. The Committee observe that with regard to hindrances being faced by NKN, the Department itself had stated that some of the educational institutions do not have internal networks (LAN) to operationalise NKN connectivity. Now in the action taken note the Department has furnished a vague reply that creation of LAN at institution level has not been envisaged under NKN. The Committee would like the Department to clarify as to how they propose to achieve the target of connecting 1500 institutions in the absence of availability of LAN institutional circles.

F. E-INDUSTRY (ELECTRONIC HARDWARE)

Promotion of electronic /IT Hardware Manufacturing

(Recommendation Sl. No. 18)

21. The Committee had recommended as under:-

“The Committee note that out of reported global electronics hardware production of USD 1750 billion Indian electronics hardware production is only 1.3 per cent. It is estimated that demand of electronics products and systems in India would grow to USD 400 billion by 2020 at Compound Annual Growth Rate (CAGR) of 22 per cent, however, the demand of about USD 100 billion would be possible to be met by 2020. Recognizing that sustained growth in IT/Telecom sector is hugely dependant on the indigenous electronic hardware manufacturing and the challenge posed by the growing security concerns, the Committee have been recommending the Department to attach priority to this sector since beginning of the Eleventh Plan. The Committee note that, inspite of their observation made in Fifty-eighth Report (Fourteenth Lok Sabha) on Demands for Grants (2008-09) that IT/Software production has been increasing and the electronic hardware sector is lagging, it is only after a lapse of 5 years the Department has now accepted that for a decade they had been focusing on the software side and hardware/electronic side was not being given any prominence.

The Committee also note that to promote electronics/IT hardware sector in the Country, the Department has not only renamed the Department of Information Technology as the Department of Electronics

and Information Technology (DeitY) but has also coined the slogan 'Electronic India - Billion Needs, Million Chips'. The Committee also note from the Department's submission that substantial increase in Twelfth Plan outlay is to give fillip to the electronic sector.

The Committee, however, note with concern that even after realizing the significance of this sector nothing concrete has been done to implement the initiatives for attracting industrial houses in the country and have indigenous manufacturing of electronic hardware. The Committee note that the Department's approach to boosting this sector has been only in piecemeal. Though a Task Force has been formed which has given 198 recommendations the Department is acting only on 6 key issues that too the action in these areas are not complete. Similarly, under SIP Scheme announced in 2007, even though 26 applications have been received, only 4 are being considered by the Appraisal Committee. The Committee strongly condemn the extremely slow pace of implementation of the recommendations of the Task force and poor performance under SIP Scheme. The Committee expect the Department to clear the pendency of all the approvals on a priority basis so that the country becomes secured and self reliant in the field of electronic hardware and immense potential of intellectuals and workforce in this sector is positively channelized and utilized."

22. The Department of Electronics and Information Technology in the action taken note have stated as under:-

"Apart from the action being taken on the six key issues, the National Policy on Electronics (NPE) 2012 was approved on October 25, 2012 by the Union Cabinet. The vision of the policy is to create a globally competitive electronics design and manufacturing industry to meet the country's needs and serve the international market. The policy has taken into consideration the various recommendations of the Task Force. The policy is expected to create an indigenous manufacturing eco-system for electronics in the country. It will enable India to tap the great economic potential that this knowledge sector offers. Several schemes such as Electronics Manufacturing Clusters (EMC), Modified Special Incentive Package Scheme (M-SIPS) and policy for providing preference to domestically manufactured electronic products, in procurement of those electronic products which have security implications for the country and in Government procurement have been notified. In order to curb inflow of sub-standard and unsafe electronic products by mandating technical and safety standards which conform to international standards, DeitY has also notified the ""Electronic and Information Technology Goods (Requirement for Compulsory Registration) Order, 2012"" on the 3rd October 2012 mandating compulsory Registration of 15 electronics items with the Bureau of Indian Standards based on their compliance to Indian safety Standards under the Compulsory Registration Scheme of the Department of Consumer Affairs. The order has come into effect from 3rd July 2013. The Policy provides a clear road map for the development of electronics sector in the country for the coming decade. The NPE also proposes to facilitate setting up of semiconductor wafer fab facilities and to create and sustain a vibrant research and development and innovation eco-system in the ESDM sector. Another important objective of the policy is to significantly upscale high-end human resource creation to 2500 PhDs annually by 2020 in the sector.

The Policy also envisages various initiatives such as aggressively marketing India as an investment destination; facilitation of FDI in the

ESDM sector; promotion of exports; promotion of manufacturing capacities for sourcing ESDM in strategic and core infrastructure sectors; etc.

The Modified Special Incentive Scheme has already been notified on 27th July, 2012 and published in the official Gazette of India. As per para 6.1 of the notification, an appraisal Committee has been constituted vide order dated 30-10-2012. As per para 6.2 of the notification, the guidelines for operationalising the scheme have been announced on 07-11-2012 after consultation with Ministry of Finance, Department of Commerce and Department of Industrial Policy and Promotion. As per para 5.1 of the MSIPS guidelines, Nodal officer has been appointed vide order dated 27-11-2012. As per para 3.10 and 4.7 of the MSIPS guidelines, the application fee has been notified vide order dated 31.12.2012. An EOI has been floated for engagement of an agency to act as Programme Management Unit (PMU) for appraisal of applications. As per para 8.1 of the MSIPS guidelines, three Technical Evaluation Committees (TECs) for different electronic verticals have been constituted vide orders dated 25.03.2013, 26.04.2013 and 24.05.2013. As per para 6.6 of the MSIPS guidelines, Industry Advisory Committee for advising the Department on issues related to MSIPS verticals has been constituted vide order dated 11-03-2013. The awareness advertisement for attracting applications was published on 20-03-2013, 08-06-2013 and 09-06-2013 in leading Newspapers. The online portal for online submission of MSIPS applications is being developed by C-DAC. The first phase of the development is completed. The second phase of online scrutiny of MSIPS applications is under development. The investment proposals worth around Rs. 3800 crore are under evaluation and the proposals worth Rs. 817 crore have already been recommended by Appraisal Committee.

The Electronics Manufacturing Cluster Scheme (EMC) was notified on 22nd October 2012. Under the EMC Scheme, the guidelines for identification and notification of Brownfield clusters were issued on 14th January 2013. The guidelines for operationlization of the scheme were notified on 15.4.13. Application fee for the EMC has been notified on 7th May 2013. The notifications for identification of 18 Brownfield Clusters have been issued by June 2013. The guidelines for formation of Special Purpose Vehicle (SPV) have been sent to Department of Economic Affairs for seeking concurrence. The seven preliminary applications with approximate investment of Rs. 2100 crore for setting up of Greenfield clusters are undergoing appraisal process in the Department."

[Department of Electronics and Information Technology O.M. No. 2(1)/2013-Budget (Vol. II) dated 24th July, 2013]

23. The Committee note, from the Department's submission, that to promote electronics/IT hardware sector in the country, substantial initiative has been taken which *inter-alia* include action on six key issues of the Task Force which had given 198 recommendations, approval of the National Policy on Electronics (NPE) 2012 on 25th October, 2012 by the Union Cabinet (This policy has taken into consideration the various recommendations of the Task Force), notification of Modified Special Incentive Scheme on 27th July, 2012, notification of The Electronics Manufacturing Cluster Scheme (EMC) on 22nd October 2012. The Committee also note that the first phase of the development of MSIP Scheme is completed and the second phase of online scrutiny of MSIPS applications is under development. Besides, the investment

proposals worth around Rs. 3800 crore are under evaluation and the proposals worth Rs. 817 crore have already been recommended by Appraisal Committee. Under EMC Scheme seven preliminary applications with approximate investment of Rs. 2100 crore for setting up of Greenfield clusters are undergoing appraisal process in the Department. While appreciating the Department's efforts in promoting electronics/IT hardware sector in the country, the Committee recommend the Department to have an aggressive strategy for implementing all the objectives of the National Policy on Electronics (NPE) 2012 and for making India as an investment destination in the ESDM sector at the earliest.

G. Media Lab Asia

(Recommendation Sl. No. 22)

24. The Committee had recommended as under:-

“The Committee note that the scheme of Media Lab Asia aims to bring benefits of the Information and Communication Technologies and other advanced technologies to the common man. It is operating through collaborations with other organizations and experts (Government, NGO sector, academia, individuals and industry) for development and deployment of ICT tools. Media Lab Asia is working presently in the areas of ICT for empowerment of the differently abled, healthcare, livelihood enhancement and education and has taken up the Project ITRA. NeGD has also been created as an autonomous business division within Media Lab Asia. The Committee also note that Media Lab Asia is also focusing on facilitating and supporting the process of taking technologies from ‘Lab to Land’. The Committee find that the persistent problem of under utilisation of funds as noticed in other schemes of DeitY has also been noticed under this Scheme. What surprises the Committee is that when the Committee queried about the damage caused to the project due to under utilization, the Department stated that only some of the identified projects/activities could be taken up during 2012-13 under the core activities of Media Lab Asia. Other identified projects would be taken up in the Financial Year 2013-14. Other than some time delay, there is no other major loss in the project. In view of the fact that this Scheme has already suffered delays in implementation during Eleventh Plan (as observed in Fifty-eighth Report of the Committee during Fourteenth Lok Sabha), the Committee are amused at the Department's submission that other than time delay, there is no other major loss. The Committee are of strong view that IT sector is an evolving and ever changing sector and loss of time in this sector is huge loss. While deploring the Department's callous attitude towards loss of time, the Committee recommend the Department to identify the constraints and address the issues under scheme so that the motto of the Scheme to take the technologies from ‘Lab to Land’ is achieved in letter and spirit.”

25. The Department of Electronics and Information Technology in the action taken note has stated as under:-

“The recommendations of the Committee have been noted for compliance.”

26. Taking note of the damage caused under the Media Lab Asia (MLA) in which only some identified projects/activities could be taken up resulting in under utilization of funds, the Committee had cautioned the Department towards loss of time and recommended to identify the constraints and address the issues. However, the Department in their action taken reply, apart from merely taking note of the recommendations for compliance have not suggested/outlined any remedial action being taken to avoid the situation in future. The Committee expect that Government replies are specific and comprehensive. Keeping in view the fact that Media Lab Asia is working for empowerment of differently abled, livelihood enhancement and education, the Committee would like to emphasize that the Department needs to take the projects under this Scheme seriously and take necessary steps for full utilization of funds. While reiterating their recommendation, the Committee again strongly recommend the Department to identify the constraints and overcome them so that all the identified projects for the year 2013-14 are taken up under the scheme.

CHAPTER-II

RECOMMENDATIONS / OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Statement of the Minister under Direction 73A of the Directions by the Speaker

(Recommendation Sl. No. 1)

The Committee note that Demand No. 15 pertaining to the Department of Electronics and Information Technology (Ministry of Communications and Information Technology) for the year 2013-14 was laid in Lok Sabha on 18th March, 2013. The Demands provides for a budgetary provision of Rs. 3052.00 crore with Rs. 2872.50 crore in Revenue and Rs. 179.50 crore in Capital Section. The total Outlay, including IEBR of Rs. 742.59 crore, however, stands at Rs. 3742.59 crore.

Department of Electronics and Information Technology (DeitY), has identified six thrust areas for the Twelfth Five Year Plan *viz.* e-Government, e-Learning, e-Security, e-Industry (Electronics Hardware), e-Industry (IT-ITES) and e-Innovation/R&D to fulfill its vision of e-Development of India. The Committee note that in order to achieve its mission/objectives the Department has taken several far reaching initiatives *viz.* e-Pramaan, E-TAAL, Beyond the fibre, Rapid replication initiative, HR policy for e-Governance, ICT capacity building, semiconductor wafer fabs, standards in electronics products, IT investment Regions (ITIRs), supercomputing, National Cyber Security Policy, etc. The Committee further note that the Department has woken up to a very promising agenda for the year 2013 (January to December) which *inter-alia* include National roll out of Mobile Service Delivery Gateway (MSDG); National Information Infrastructure (NII 2.0); National Cloud Computing Initiatives; Setting up of a National e-Governance Academy; Setting up of Electronics Manufacturing Clusters (EMCs); Mobilizing Modified Special Incentive Package Scheme (MSIPs) Units, Setting up of Semiconductor Wafer Fabrication (Fab) Manufacturing facilities in the country; etc. The Committee find that some of the initiatives are ongoing agenda and are a continuation from the Eleventh Plan, whereas few other are new initiatives in keeping pace with time and need of the hour. Considering the fact that Information Technology (IT) initiatives are the pulse of present times, advancement in IT is yardstick for a nation's technological progress and also keeping in view the promising agenda ahead of the Department, the Committee fully endorse the Demands for Grants of DeitY for the year 2013-14. The Committee desire that the Department should act with right earnest on all the recommendations/observations of the Committee that are detailed in succeeding paragraphs so as to do justice to the allocations.

Reply of the Government

The recommendations /observations of the Committee have been noted. The Department would make all efforts to achieve its mission and the agenda proposed for the year 2013-14. As per the Departmental Working Group Report for 12th Plan (2012-17), the six thrust areas are e-Government, e-Learning, e-Security, e-Industry (Hardware & Software), e-Innovation/R&D and e-Inclusion.

[Department of Electronics and Information Technology O.M. No. 2(1)/2013-Budget (Vol. II) dated 24th July, 2013]

Internal and External budgetary Resources

(Recommendation Sl. No. 3)

The Committee note that the approved IEBR for the Twelfth Five Year Plan is Rs. 3,944.29 crore. The Committee also note that for the first year of the plan (2012-13) the proposed and approved IEBR was Rs. 2,362.80 crore. However, as against the above approved IEBR the Department could generate only Rs. 579.40 crore which comes out to be a mere 24.32 per cent. What is more disappointing to note is that despite the shortfall in IEBR generation the Department has projected an increase in IEBR during 2013-14 taking it to Rs. 742.58 crore. One of the reasons cited by the Department for not achieving the IEBR target at BE stage as well for revising the targets at RE stage during 2012-13 is withdrawal of the work of biometric capture of NPR project from NIELIT (worth Rs. 1685.5 crore). Further, the Committee have been informed that the Department has attributed significant increase in IEBR projection to receipt of fund of Rs. 70 crore under NeGD Project under Media Lab Asia during 2012-13. The Committee, however, note that the above justification still does not explain the massive increase in proposed as well as approved IEBR for 2012-13. In light of above discrepancies and mismatch, the Committee strongly recommend the Department to strengthen their planning mechanism and set realistic IEBR targets with respect to schemes/projects of the Department. The Committee desire the Department to sensitize the societies/organizations under its administrative control so that such situation is avoided in future.

Reply of the Government

The observations of the Committee have been noted for compliance please. For 2012-13, Media Lab Asia (MLA) had projected an IEBR of Rs. 3.00 crore out of total allocation of Rs. 14.30 crore. For 2013-14, MLA has not projected any IEBR and the entire allocation of Rs. 26.27 crore is budgetary grants.

[Department of Electronics and Information Technology O.M. No. 2(1)/2013-Budget (Vol. II) dated 24th July, 2013]

Budgetary Allocation by DeitY for the North Eastern Region

(Recommendation Sl. No. 4)

As far as utilization of funds for the North Eastern region is concerned the Committee have been noticing and expressing their serious concern over the repetitive under utilization since the Eleventh Plan. Not only this, non-achievement of targets under various schemes of DeitY in North Eastern region has also been a matter of great concern. Against a budget of Rs. 1137 crore for North Eastern region in Eleventh Plan utilization was Rs. 853.27 crore. The Committee observe that in spite of their continuous insistence on fuller utilization of funds, out of Rs. 200 crore allocated at RE stage during 2012-13 to this Region only 84 per cent (Rs. 168.18 crore) could be utilized. Going by the financial and physical achievement during Eleventh Plan in North Eastern region, the Committee are apprehensive about Department's contention that capacity building and construction of physical infrastructure for NIELIT Centres will enhance the pace of expenditure. Considering that this region is already witnessing challenges related to connectivity and power, the Committee feel that lack of interest by executing agencies and poor response to tendering process will add on to the hindrances already being witnessed in implementation of Schemes in the Region. Now that the Department has already identified the bottlenecks, the Committee recommend the Department to make concerted efforts and pursue the matter with various executing agencies to complete the work in time so that the funds allocated are fully utilized and targets laid down are achieved.

Reply of the Government

Instructions/directions have been issued to all concerned to make concerted efforts and pursue the matter with various executing agencies to complete the work in time so that funds allocated are fully utilized and targets laid down are achieved.

[Department of Electronics and Information Technology O.M. No. 2(1)/2013-Budget (Vol. II) dated 24th July, 2013]

Outstanding Utilisation Certificates (UCs)

(Recommendation Sl. No. 5)

The Committee are happy to note that with Department's continuous efforts the number of UCs, which was 892 (amounting to Rs. 1509.66 crore) as on 1st April, 2012, has reduced to 281 (amounting to Rs. 460.86 crore). However, with addition of 300 UCs on 1st April, 2013 the total number of UCs have gone up to 581 (amounting to Rs. 937.41 crore). The Committee observe that the Department of Expenditure has issued a Circular that Grants-in-Aid should not be released to any autonomous body or NGO or any other organization (other than State Governments) if it has not submitted all utilization certificates due. With this restriction, the situation of pending UCs would become all the more alarming. As per information furnished to the Committee three agencies viz. ICCC-ICCC; NCHSE, Bhopal and CII-Bhopal, who were sanctioned fund in 2002 have still not furnished single UCs since then. The Committee find it strange that the Department is silent on the action taken against these three agencies and no deadline has been fixed nor any concrete action taken for removing pendency of UCs.

Though the Department have expressed their happiness about their efforts in liquidation of pending UCs, the Committee feel that the efforts made so far in this direction are not enough especially in view of the fact that because of non-submission of UCs several major/significant schemes of DeitY are lagging behind their financial and physical targets. The Committee, therefore, strongly recommend the Department to intensify their efforts and give standing instructions to each group coordinator/programme division to comply with the Ministry of Finance's OM dated 14th November, 2012 so as to get the Utilisation Certificates well in time and to ensure that such huge pendency of UCs do not occur in future. The Committee would like the Department to review and monitor the position on monthly basis with a view to take necessary corrective measures.

Reply of the Government

The concerns of the Committee regarding liquidation of pending utilization certificates (UCs) have been taken seriously by the Department and concerted efforts are being made to ensure that huge pendency of UCs do not occur in future. The action taken by the Department include:

- All concerned Group Coordinators/Programme Divisions have been informed about the concerns of the Committee and requested to take immediate steps for liquidation of pending UCs.
- The concerned Group Coordinators have also been requested specifically to take necessary action in respect of ICCC-ICCC, CII-Bhopal and NCHSE-Bhopal. Meetings have been held with concerned GCs to request them to take action against these defaulting agencies as per provisions of GFR 212(1) which stipulates that if UC is not received from the grantee within the prescribed time, the Ministry or Department will be at liberty to blacklist such Institution or Organisation from any future grant, subsidy or other type of financial support from the Government.

- Programme Divisions have requested the implementing agencies for submission of all the pending UCs without which no further grant would be released by this Department.
- A meeting with Chief Secretaries/IT Secretaries of States has been organized by the Electronic Governance Group (which has maximum number of pending UCs) to request them to give direction to the implementing agencies for submission of UCs urgently.
- The pending UCs status is being monitored on regular basis in the monthly review meetings of Secretary with all the Group Coordinators.

As a result of the vigorous efforts taken by DeitY, the number of pending UCs as on 01.04.2013 have been reduced by 33% within a period of three months. The status of pending UCs as on 01.07.2013 is as under:

	Number of Pending UCs	Amount Rs. in crore)
As on 01.04.2013	581	937.41
As on 01.07.2013	397	630.85
Liquidation during the period April to June, 2013	184	306.56
Liquidation percentage	32%	33%

Besides the above, an amount of Rs. 265.01 crore have been liquidated for which UCs are not due (grants released during the FY 2012-13). Hence, the total amount liquidated during the above period is Rs. 571.57 crore (Rs. 306.56 crore + Rs. 265.01 crore).

[Department of Electronics and Information Technology O.M. No. 2(1)/2013-Budget (Vol. II) dated 24th July, 2013]

**Comments of the Committee
(Please see Para No. 11 of the Chapter I)**

E-GOVERNMENT

National e-Governance Plan

(Recommendation Sl. No. 6)

The Committee note that National e-Governance Plan approved in May, 2006 is the flagship programme of the Department with a vision to make all Government services accessible to the Common man through common service delivery outlets and ensure efficiency, transparency and reliability of such services at affordable costs. The Committee note that against the total allocation of Rs. 975.00 crore in 2012-13 the actual expenditure under the Scheme has been mere Rs. 283.68 crore (till 31.12.2012). The Committee find that this sorry state of utilization of fund under this flagship programme of the Department has been continuing for last few years, so much so that since 2009-10 the Department has not utilized even 30 per cent of the BE allocations. Even though this persistent problem of under utilization has been observed and commented upon repeatedly by the Committee since inception of scheme nothing concrete has been done to improve the utilization of funds. The Committee are not at all convinced by the Department's submission that because of the restriction imposed by the Ministry of Finance's Circular dated 14th November, 2012 DeitY could not utilize the fund allocated under the Scheme, as in the opinion of the Committee if that was the case, the Department should have achieved satisfactory level of allocations much before the Circular came into effect. The Committee strongly feel that it is

high time the Department instead of merely citing reasons of under utilization year after year, should take remedial steps so as to achieve laid down financial and physical targets. In view of the great importance of Direct Benefit Transfer Programme (DBT) under NeGP, the Committee recommend the Department to do away with the pendency of UCs under the scheme and address all the challenges on priority basis. The Committee would like to be apprised about the action taken along with their outcome as well with the details of the DBT initiatives of DeitY.

Reply of the Government

Electronic Governance (EG) Group has informed all implementing agencies to submit UCs urgently and UCs are insisted before release of further installment for any project of the Department. A meeting of Chief Secretaries/IT Secretaries of States was held and they were requested to direct the implementing agencies to submit UC urgently. Chief Secretaries of States were also informed as per Office Memorandum of Ministry of Finance dated 14.11.2012, the Grant-in-Aid to any Nodal Agency should not be released if it has not submitted all Utilisation Certificates due for rendition for Grant-in-Aid released by the Central Government in respect of all Schemes/Programmes of the Ministry/Department of Govt. of India. EG Group is closely monitoring the pending UC on regular basis. UCs amounting to Rs. 559.25 Crs have been liquidated which is substantially greater than previous years. Also, expenditure in FY 2012-13 in e-Gov Scheme is Rs. 416.95 crs, the expenditure in FY 2011-12 and FY 2010-11 was Rs. 254.34 Cr. & Rs. 264.15 Cr., respectively.

Department of Electronics and Information Technology (DeitY) is providing full support in implementation of DBT since its inception and is committed to make DBT a success.

1. DeitY has provided its inputs and full support in all the core areas of DBT namely digitization of beneficiary details, Aadhaar seeding, Bank Account Seeding, Payment through Aadhar Payment Bridge System.
2. DeitY has provided the inputs on Standardized format for collection of basic data about beneficiary of Central Scheme or Centrally Sponsored Scheme. This is reflected in Planning Commission OM i.e. circulated on 26th Dec, 2012. This enables Central Ministry / Department gets data in standard format.
3. DeitY has provided step by step guidelines for organic Aadhaar seeding through camp based approach and also suggested inorganic Aadhaar seeding through demographic matching. This is reflected in Planning Commission OM i.e. circulated on 8th Jan, 2013. This enables Central Ministry / Department to accomplish Aadhaar seeding both through manual as well as through machine. DeitY also shared information on NICSIs empanelled agencies for Data Entry Operators so that concerned Ministry / Departments can leverage them for digitization.
4. DeitY has issued guidelines to all State Information Officers (SIO) as well as District Information Officers (DIO) of NIC to provide technical support in implementation of DBT at State and District level.
5. DeitY along with NIC has developed an application called DBTApp to help those Central Dept. / Ministry, which does not have end-to-end computerized system. This application has the provision for data collection, data verification and data authentication at State level and it can also link up with CPSMS system for making payment to beneficiary. Already 6 Ministries covering total 22 Central / Centrally Sponsored Schemes of DBT are provided demo and hand holdings on DBTApp.
6. DeitY along with NIC has helped the Ministry having system in place to integrate with CPSMS so that Aadhaar based Direct Cash Transfer can be accomplished. Thus, DeitY helped Ministry of Health and Family Welfare and Ministry of Minority Affairs to make DCT to their beneficiaries.
7. DeitY has also offered VLEs of Common Service Center to be utilized for data entry work so that data entry can be done in a decentralised manner.

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(Recommendation Sl. No. 7)

The Committee also observe that the Department have proposed few new initiatives for facilitating National e-Governance Plan, viz. National e-Governance Academy, e-Praamaan, e-TAAL, National Information Infrastructure (NII 2.0), HR Policy for e-Governance, Rapid Replication initiative, Beyond the Fibre, etc. While appreciating the above initiatives as highlighted by the Secretary, DeitY during his deposition before the Committee, the Committee strongly recommend the Department to adhere to the projected deadlines of each of the above initiatives and apprise the Committee about their outcome and functioning.

Reply of the Government

A Working Group under NII 2.0 has been constituted with reps from the Central Government, few State Governments, Organizations under Ministry of Communications & Information Technology, Industry Associations and from Academia. The working Group on NII 2.0 has its first meeting on 18th April 2013.

The Group recommended 4 Sub Groups on specialized subjects for formulation of detailed action plan. These 4 Sub Groups with terms of reference have been formed on 16.05.2013 and requested to submit their report in a given timeframe

[Department of Electronics and Information Technology O.M. No. 2(1)/2013-Budget (Vol. II) dated 24th July, 2013]

Performance under various components of NeGP - SWAN/SDC/CSC/MMP

(Recommendation Sl. No. 8)

The Committee express their deep anguish over the repetitive delay in achievement of deadlines under the core components of NeGP, viz. State Wide Area Network Scheme (SWANs), State Data Centres (SDCs), Common Service Centres (CSCs) , Mission Mode Projects (MMP), etc. So far as the State Wide Area Network (SWAN) Scheme is concerned though it was approved in March, 2005, as on date SWAN is operational in only 31 States and the new deadline proposed for operationalising the Scheme in all State/UTs is now March, 2014. Under State Data Centre (SDC) Scheme which was approved way back in January, 2008, as on date only 21 SDCs have been declared operational of which only 19 SDCs are connected and running whereas 2 are undergoing the Final Acceptance Test (FAT). 5 SDCs have been declared operational in the year 2012-2013 and 5 are to be made operational during 2013-14, taking it to 26 SDC till March, 2014. Similarly, under the Common Service Centre (CSC) Scheme which was approved in 2006, till February, 2013, 1,26,346 CSCs have been made operational including 23,828 CSCs like kiosks which have been integrated within the CSCs network. Out of 1,26,346 CSCs only 88,666 CSCs are reported to be connected. The new deadline for the project has been shifted to the year 2017. The Committee also note that under the Scheme of Bharat Nirman Common Service Centres (BNCSCs) in view of the Cabinet Secretariat Circular of 25th July, 2012, the Department has taken a decision to review the proposal and take a view with regard to expansion of CSC network.

The Committee also take note of the reasons for lapse in deadlines under various components of NeGP viz. inadequate power and broadband connectivity, slow pace of work at State/UT level, problem associated with bidding process, RFP, availability of suitable site, problem of naxal/law and order, lack of awareness and sensitization about NeGP at block/village level, etc. The Committee do not consider the hindrances cited by the Department as insurmountable and strongly recommend that suitable ways and means may

be found to remove the above bottlenecks so that the deadlines for establishing/operationalising/roll out of all the various components of NeGP and availability of services under NeGP are achieved as per target. The Committee also recommend the Department to continuously monitor the progress of each Scheme under NeGP so as to obviate time and cost overrun in their implementation.

Reply of the Government

Efforts are being made to complete various procedural formalities expeditiously to operationalise SWANs in remaining 3 UTs and one State.

It is informed that as on date, 21 SDCs are Operational, with Final Acceptance Test (FAT) completed in 20 States. Only 1 State has FAT pending in its SDC. Actions are being taken by DeitY to ensure the FAT completion in the remaining State, during the current financial year 2013-2014.

[Department of Electronics and Information Technology O.M. No. 2(1)/2013-Budget (Vol. II) dated 24th July, 2013]

Mobile Governance

(Recommendation Sl. No. 10)

The Committee are happy to note that considering the tremendous potential and reach of mobile phones DeitY has taken up an initiative to create a Mobile Service Gateway (MSDG) which would be integrated with the State Service Delivery Gateway (SSDGs) and the National Service Delivery Gateway (NSDG) and e-Governance infrastructure would be utilized for delivery of services. The Committee also note that in the Twelfth Five Year Plan the mission envisaged to be achieved through m-Governance, is to make public services available to all the residents of India through a mobile platform that is available 24X7 on any time any where basis. The target set for the year 2013-14 is to have 100 additional Central/State Department using Mobile Service Delivery Gateway (MSDG) with a cost of Rs. 4.5 crore. The Committee have been informed that mobile applications are platform-dependent, and currently the applications have been developed for the Android (which is the largest/ largest growing platform) and Java platforms. Java based applications work on most of the available mobile platforms. The best part of the Scheme as informed by the Department is that no special training is required for citizens to use the mobile governance services. To address the apprehension of the Committee regarding security and other issues relating to mobile e-Governance, the Committee observe that DeitY proposes to implement the project through C-DAC.

Considering the fact that mobile penetration has increased and the Department has already launched m-Sewa portal and 186 Departments are using MSDG and currently the transaction is at the rate of 15 lakh message per day which is targeted to reach 30 lakh messages per day by March 2014, the Committee recommend the Department to ensure cost-effectiveness of the technology and make it user friendly. Though the Department has informed that no special training is required for citizens to use the mobile governance services, yet the Committee feel that there is an imperative need to motivate more and more number of people to make use of the technology which in turn will facilitate greater transparency. The Committee recommend the Department to take necessary steps for providing training and popularizing the initiative in a big way through media and other social networks.

Reply of the Government

Considering the fact that mobile penetration has increased and the Department has already launched m-Sewa portal and 186 Departments are using MSDG and currently the transaction is at the rate of 15 lakh message per day which is targeted to reach 30 lakh

messages per day by March 2014, the Committee recommend the Department to ensure cost-effectiveness of the technology and make it user friendly. Though the Department has informed that no special training is required for citizens to use the mobile governance services, yet Committee feel that there is an imperative need to motivate more and more number of people to make use of the technology which in turn will facilitate greater transparency. The Committee recommend the Department to take necessary steps for providing training and popularizing the initiative in a big way through media and other social networks.

Draft response:

- 1.** In order to popularize the initiative DeitY has written to all the States/UTs many times. Also sessions on the project are also being included in the series of NeGP State Consultation Workshops on e-Governance currently underway.
- 2.** Within the project, there are plans to conduct a series of awareness and training workshops in various parts of country for Govt. Departments. CDAC has gone to many States and given trainings to the State department's technical teams or System Integrators (SI).
- 3.** The mobile-governance portal (www.mgov.gov.in) has been developed to popularize the initiative. Citizens, departments and other stakeholders can learn about the projects as well as view live status of the project. Departments can self-register for MSDG integration on the portal.
- 4.** To popularize the mobile-governance initiative amongst the youth, a contest has been opened (till 31-May-2013) for the best mobile-apps for delivery/access of public/government services.
- 5.** The mobile governance initiative is available on facebook, on of the most popular social networks (www.facebook.com/DIT.MGOV). It has been recently made available on twitter as well.
- 6.** The recommendation of also "popularizing the initiative in a big way through media" has been duly noted, and in due course, there may be avenues of popularizing the initiative through media under awareness and communication initiatives of DeitY in respect of the National e-Governance.

[Department of Electronics and Information Technology O.M. No. 2(1)/2013-Budget (Vol. II) dated 24th July, 2013]

National Informatics Centre (NIC)

(Recommendation Sl. No. 12)

Taking cognizance of the acute shortage of manpower in NIC, the Committee in their Thirty-fourth Report on Demands for Grants (2012-13) had recommended the Department to take up the issue with concerned Ministries/Departments for getting requisite approvals for increasing the manpower of NIC. The Committee note that as a follow-up action the NIC is taking necessary action for conversion of temporary 239 posts (by Ministry of Finance) to permanent posts for eligible officers. NIC has also initiated a professional study on the requirement of additional manpower (based on the Committee constituted under the Chairmanship of Shri Nandan Nilekani). The Committee are unhappy to note that even after a considerable lapse of time no tangible progress has been made on the issue of increasing the manpower of NIC and lack of adequate manpower is affecting the day-to-day functioning of the organization. Keeping in view the crucial role of NIC in the implementation of various National/State level ICT enabled initiatives on behalf of the Government, the Committee strongly recommend that all the issues with regard to providing additional manpower for NIC should be resolved within a specified time frame.

Reply of the Government

The proposal for regularization of 265 posts of Scientific Officer/Engineer-SB created for National Data Centre has been approved by Department of Expenditure as per instructions issued vide D/o Expenditure O.M. dated 24th March, 1976. As per this O.M, 90% of temporary posts that the Ministry considers necessary for work of a permanent nature, can be converted into permanent ones. Accordingly, D/o Expenditure has agreed for conversion of 90% of these 265 posts, i.e. total of 239, into permanent posts.

Besides this, two other proposals for creating 144 posts and 355 posts for (i) End-to-End computerization of Targeted Public Distribution System (TPDS) Operations and (ii) Enhancing manpower for cyber security respectively are being processed.

Comments of the Committee (Please see Para No. 17 of the Chapter I)

[Department of Electronics and Information Technology O.M. No. 2(1)/2013-Budget (Vol. II) dated 24th July, 2013]

Manpower Development (including Skill Development in IT and IT for Masses)

(Recommendation No. 14)

The Committee note that DeitY was given a target of skill development of 10 million persons by 2022, under the National Policy on skill development. The target set under for the year 2012-13 was to train 4.4 lakh person. The Committee are unhappy to note that out of this assigned target of training 4.4 lakh persons, 3.27 lakh persons have been trained through various stakeholders during 2012-13. The National Institute of Electronics and Information Technology (NIELIT), a scientific society under Deity has trained 95,088 persons in Basic Computer Course (BCC), a 40 hours IT Literacy programme. Further, 4232 persons are undergoing training at Centre for Development of Advanced Computing (C-DAC) Centers. When asked the reasons for the shortfall the Department has simply stated that the final report on skilling data would be ready by mid April, 2013 and the Department is yet to receive the target for the year 2013-14. While expressing their displeasure over the shortfall in the target the Committee recommend the Department to gear up its machinery to ensure that the yearly targets under the national policy on skill development are achieved fully. A periodical review mechanism should be put in place to ensure that target of skill development of 10 million persons is achieved by 2020.

Reply of the Government

Advisor to PM on Skill Development, PM's National Council on Skill Development had set a target of skilling 4.4 lakh persons during FY 2012-13 for DeitY. NIELIT was assigned a target of skilling 4,00,215 persons out of which it has achieved skilling of 3,38,809 persons. A target of skilling 15,000 persons was assigned to CDAC, out of which it has trained 11,185 persons and 4,232 persons being trained at various CDAC Centres, would complete their training in July 2013. A total number of 3.70 lakh persons were trained during the FY 2012-13 by all the stakeholders. Further, National Institute of Electronics and Information Technology (NIELIT) has also trained 1,08,167 persons in Basic Computer Course of 40 hrs duration.

NIELIT has been facing severe competition as a large number of Engineering Colleges/ Polytechnics have come up in the past few years in the private sector. It has been seen that students prefer to join these University courses as they become University Degree/Diploma after the course. In the non-formal sector, recently MHRD has advised NIELIT to align its courses with NVEQF Framework. However, the NVEQF Framework is yet to be finalised, which creates doubts among the students and hence, intake for these courses is getting adversely affected.

The Prime Minister's National Council on Skill Development has set a target of training 5 lakh persons during FY 2013-14 for the Department. This target has been further assigned to various stakeholders, viz. NEILIT, CDAC and others. The achievement of target is constrained by the availability of funds.

Secretary reviews the achievements made against the target of training 5 lakh persons during the F.Y. 2013-14 on a periodic basis.

[Department of Electronics and Information Technology O.M. No. 2(1)/2013-Budget (Vol. II) dated 24th July, 2013]

(Recommendation Sl. No. 17)

The Committee note that DeitY was not involved in setting up of the Social Media Lab set up by Mumbai Police recently. The DeitY has come out with a framework and guidelines for use of social media by its agencies. Considering all the controversies surrounding usage of social media, the Committee recommend the Department to be proactive in such initiatives and also have a Cyber Lab and other necessary infrastructure for tackling these issues.

Reply of the Government

Social Media Lab set-up by Mumbai Police enables the Police to scan the happenings on the Social Networking sites such as facebook, twitter, You Tube, etc. and be able to take advance pre-emptive actions as necessary. In support of Law Enforcement related actions, Department of Electronics and Information Technology has taken several proactive initiatives such as setting-up of Cyber forensics training labs, training of Law Enforcement agencies and judiciary in the area of Cyber crime, Cyber Security and Forensics. In addition, the Department has also brought out cyber investigation manuals with procedures for search, seizure analysis and presentation of digital evidence in courts. These manuals have been circulated to Law Enforcement Agencies in all the states.

[Department of Electronics and Information Technology O.M. No. 2(1)/2013-Budget (Vol. II) dated 24th July, 2013]

E-INDUSTRY (ELECTRONIC HARDWARE)

Promotion of electronic /IT Hardware Manufacturing

(Recommendation Sl. No. 18)

The Committee note that out of reported global electronics hardware production of USD 1750 billion Indian electronics hardware production is only 1.3 per cent. It is estimated that demand of electronics products and systems in India would grow to USD 400 billion by 2020 at Compound Annual Growth Rate (CAGR) of 22 per cent, however, the demand of about USD 100 billion would be possible to be met by 2020. Recognizing that sustained growth in IT/Telecom sector is hugely dependant on the indigenous electronic hardware manufacturing and the challenge posed by the growing security concerns, the Committee have been recommending the Department to attach priority to this sector since beginning of the Eleventh Plan. The Committee note that, inspite of their observation made in Fifty-eighth Report (Fourteenth Lok Sabha) on Demands for Grants (2008-09) that IT/Software production has been increasing and the electronic hardware sector is lagging, it is only after a lapse of 5 years the Department has now accepted that for a decade they had been focusing on the software side and hardware/electronic side was not being given any prominence.

The Committee also note that to promote electronics/IT hardware sector in the Country, the Department has not only renamed the Department of Information Technology as the Department of Electronics and Information Technology (DeitY) but has also coined the slogan 'Electronic India - Billion Needs, Million Chips'. The Committee also note from the Department's submission that substantial increase in Twelfth Plan outlay is to give fillip to the electronic sector.

The Committee, however, note with concern that even after realizing the significance of this sector nothing concrete has been done to implement the initiatives for attracting industrial houses in the country and have indigenous manufacturing of electronic hardware. The Committee note that the Department's approach to boosting this sector has been only in piecemeal. Though a Task Force has been formed which has given 198 recommendations the Department is acting only on 6 key issues that too the action in these areas are not complete. Similarly, under SIP Scheme announced in 2007, even though 26 applications have been received, only 4 are being considered by the Appraisal Committee. The Committee strongly condemn the extremely slow pace of implementation of the recommendations of the Task force and poor performance under SIP Scheme. The Committee expect the Department to clear the pendency of all the approvals on a priority basis so that the country becomes secured and self reliant in the field of electronic hardware and immense potential of intellectuals and workforce in this sector is positively channelized and utilized.

Reply of the Government

Apart from the action being taken on the six key issues, the National Policy on Electronics (NPE) 2012 was approved on October 25, 2012 by the Union Cabinet. The vision of the policy is to create a globally competitive electronics design and manufacturing industry to meet the country's needs and serve the international market. The policy has taken into consideration the various recommendations of the Task Force. The policy is expected to create an indigenous manufacturing eco-system for electronics in the country. It will enable India to tap the great economic potential that this knowledge sector offers. Several schemes such as Electronics Manufacturing Clusters (EMC), Modified Special Incentive Package Scheme (M-SIPS) and policy for providing preference to domestically manufactured electronic products, in procurement of those electronic products which have security implications for the country and in Government procurement have been notified. In order to curb inflow of sub-standard and unsafe electronic products by mandating technical and safety standards which conform to international standards, DeitY has also notified the "Electronic and Information Technology Goods (Requirement for Compulsory Registration) Order, 2012" on the 3rd October 2012 mandating compulsory Registration of 15 electronics items with the Bureau of Indian Standards based on their compliance to Indian safety Standards under the Compulsory Registration Scheme of the Department of Consumer Affairs. The order has come into effect from 3rd July 2013. The Policy provides a clear road

map for the development of electronics sector in the country for the coming decade. The NPE also proposes to facilitate setting up of semiconductor wafer fab facilities and to create and sustain a vibrant research and development and innovation eco-system in the ESDM sector. Another important objective of the policy is to significantly upscale high-end human resource creation to 2500 PhDs annually by 2020 in the sector.

The Policy also envisages various initiatives such as aggressively marketing India as an investment destination; facilitation of FDI in the ESDM sector; promotion of exports; promotion of manufacturing capacities for sourcing ESDM in strategic and core infrastructure sectors; etc.

The Modified Special Incentive Scheme has already been notified on 27th July, 2012 and published in the official Gazette of India. As per para 6.1 of the notification, an appraisal Committee has been constituted vide order dated 30-10-2012. As per para 6.2 of the notification, the guidelines for operationalising the scheme have been announced on 07-11-2012 after consultation with Ministry of Finance, Department of Commerce and Department of Industrial Policy and Promotion. As per para 5.1 of the MSIPS guidelines, Nodal officer has been appointed vide order dated 27-11-2012. As per para 3.10 and 4.7 of the MSIPS guidelines, the application fee has been notified vide order dated 31.12.2012. An EOI has been floated for engagement of an agency to act as Programme Management Unit (PMU) for appraisal of applications. As per para 8.1 of the MSIPS guidelines, three Technical Evaluation Committees (TECs) for different electronic verticals have been constituted vide orders dated 25.03.2013, 26.04.2013 and 24.05.2013. As per para 6.6 of the MSIPS guidelines, Industry Advisory Committee for advising the Department on issues related to MSIPS verticals has been constituted vide order dated 11-03-2013. The awareness advertisement for attracting applications was published on 20-03-2013, 08-06-2013 and 09-06-2013 in leading Newspapers. The online portal for online submission of MSIPS applications is being developed by C-DAC. The first phase of the development is completed. The second phase of online scrutiny of MSIPS applications is under development. The investment proposals worth around Rs. 3800 crore are under evaluation and the proposals worth Rs. 817 crore have already been recommended by Appraisal Committee.

The Electronics Manufacturing Cluster Scheme (EMC) was notified on 22nd October 2012. Under the EMC Scheme, the guidelines for identification and notification of Brownfield clusters were issued on 14th January 2013. The guidelines for operationalization of the scheme were notified on 15.4.13. Application fee for the EMC has been notified on 7th May 2013. The notifications for identification of 18 Brownfield Clusters have been issued by June 2013. The guidelines for formation of Special Purpose Vehicle (SPV) have been sent to Department of Economic Affairs for seeking concurrence. The seven preliminary applications with approximate investment of Rs. 2100 crore for setting up of Greenfield clusters are undergoing appraisal process in the Department.

[Department of Electronics and Information Technology O.M. No. 2(1)/2013-Budget (Vol. II) dated 24th July, 2013]

**Comments of the Committee
(Please see Para No. 23 of the Chapter I)**

Microelectronics and Nanotechnology Development Programme

(Recommendation Sl. No. 21)

The Committee note that Microelectronics and Nanotechnology Programme aims at developing core R&D capabilities, expanding the base of Nanoelectronics and develop overall semiconductor industry in the country. It is disquieting to note that for last 2 years the Department is falling short of its target in utilizing the fund under this Scheme which is at a very nascent stage in India. The Committee are extremely concerned at the Department's

submission that there is very limited capacity in the organizations to take up R&D in these areas and the Department of Electronics & Information Technology (DeitY) has been trying to create R&D capacity at various organizations through programmes like Special Manpower Development Program (SMDP) and Indian Nano-Electronics Users Program (INUP). With the increase in the availability of researchers and specialists in this field, the critical mass for taking up major projects in this area will be created. The Committee strongly recommend the Department to make sincere efforts for creating R&D capacity under this Scheme and take measures to attract not only the researchers and specialists but also the industrialists in this field. The Committee may be apprised about the details of the initiatives in this direction along with its outcome during 2013-14 accordingly.

Reply of the Government

Microelectronics Programme

1. Reasons for shortfall :

Basic reasons for savings were that most releases could not be made due to pending UCs with the institutions (and also the restriction of expenditure to 15% during March) due to which there was underutilization of funds. Detailed reasons are as follows:-

The Budget Estimates in the case of Microelectronics included a large developmental project which was later decided to carry out in phases with study project. Thus there was a major saving in the year 2012-13. Releases for on going projects and new projects were estimated assuming that the UCs pending with the institutions would be cleared. Out of the expected releases only few releases for the ongoing projects and new projects were made due to UCs pending with respective institutions.

In view of above, funds could not be released in the ongoing projects as well as in the new proposals and thus, the allocated fund utilization was lower than the allocation in the area of Microelectronics and Nanotechnology Development.

2. Detailed Initiatives and Outcomes

The Department is making sincere efforts for creating R&D capacity under the Microelectronics Development Program and taking measures to attract not only the researchers and specialists but also the industry/ industry experts in this field.

In the 12th Plan, the focus will be on innovations, technology/ product development and technology transfer. Efforts would be made not only to translate R&D efforts/technology development into product development and commercialization.,but also involve industry / end users in the R&D initiatives under this programme. The industry /end users are being approached for their interest and commitment for usage of the technology being developed under the projects.

- (i) During the 12th Five Year Plan under the Microelectronics Development Programme, it is proposed to broaden the microelectronics base in the country through setting up Centres for Excellence, promoting technology development, capacity building through R&D sponsored projects, protection of Intellectual Property of semiconductor integrated circuits etc.
- (ii) During the year 2013-14, it is proposed to initiate a mega project entitled "Chip to System Development" involving more than 50 institutions across the country including all IITs, all NITs, IIITs, IISc-Bangalore etc. and institutions like CEERI, Pilani, CDAC etc who have developed expertise in design of integrated circuits. This project will focus on the following :
 - a. Development of manpower i.e. PhDs, M.Tech in VLSI, M.Tech in Electronics/Communication
 - b. Design of working system prototypes using ICs developed under the project as well as design and development of custom ICs.

Thus, efforts would be made to bring about a culture of system designing in the academic institutions across the country. Industries / users would be closely involved in this project for design of chip to systems. Also representatives from the industries would be included in the committees to capture their perspective of manpower and system requirements.

- (iii) The centres setup in the area of Analog and Mixed Signal Design at IISc Bangalore, IIT Madras, CEERI Pilani, IIT Bombay etc. would result in design of Integrated circuits as well as development of expertise in Analog and mixed signal area. This would also lead to filing of international and Indian patents. This work would be taken up further this year.
- (iv) A study entitled "Technical Evaluation and Preparation of a Proposal for Design of an India Microprocessor" is being carried out and will be completed this year. The study would cover the following aspects:
 - a) Technical evaluation of various processor architecture implementations, processors and peripheral IPs available in the institutions identified in the country- ANURAG (DRDO), BARC, ISRO etc as well as technical evaluation of processor architects implementations available today globally.
 - b) Interaction with prospective users for better understanding of various applications areas intended.
 - c) Preparation of a detailed proposal for setting up a resource centre for design and development of processors and IP cores.
 - d) Preparation of detailed proposal for the design, implementation of an India Microprocessor with full ecosystem for application porting.

The review team for the study consists of experts from the area from Strategic sector, industry/industry consortia, R&D institutions and academia. Further actions for the design and development of a microprocessor would be initiated by DeitY based on the recommendations in the report submitted.

- (v) It is also proposed to develop the R&D capacity in the country by way of supporting R&D projects in the frontier areas of microelectronics including Analog mixed signal technologies, Microelectronics devices (ICs and Discrete)- development, characterization and modeling, VLSI Design and Microstructures-Micro-Electro Mechanical Systems (MEMS), micro sensors and detectors. While evolving new projects in these areas, industry / R&D organizations participation as end users will be encouraged.

Working Group on Microelectronics has been constituted with Shri K. Santeppa, Associate Director, ANURAG, DRDO as Chairman, Working Group and microelectronics experts from academia, R&D organizations and industries/industry consortia [including IITs, IISc, BARC, India Electronics and Semiconductor Association(IESA), Sasken Communication Technologies Ltd. etc.] as members of the Working Group.

Nanotechnology Programme

3. Reasons for shortfall :

This year as per instructions of Ministry of Finance, releases could not be made till all UCs in respect of all agencies for all projects granted by DeitY were liquidated. Liquidation of all pending UCs took lot of effort and time and caused a delay in the releases. Then during last quarter due to restriction on amount of release of funds, only limited funds could be released.

In view of above, funds could not be released either in on going projects or in the new proposals approved by the Department and there was underutilization of funds in the area of Nanotechnology Development.

4. Detailed Initiatives and Outcomes

The Department is making sincere efforts for creating R&D capacity under Nanotechnology Initiatives program and taking measures to attract not only the researchers and specialists but also the industrialists in this field.

- (i) The Nanotechnology program aims at R&D in Nanoelectronics and creating infrastructure, central facilities, prototyping facilities and incubation centres. These Central facilities are set up at academic organizations and will be used by researchers and industry across the country.
- (ii) Project "Nano-Fabrication Prototyping Facility for SME and Start ups" with an outlay of Rs.24.86 crores has been initiated at IIT Bombay

This project has been initiated to encourage and support start-up companies and SMEs for product development and commercialization. The project is being implemented along with IIT Bombay's business technology incubator – SINE (Society for Innovation and Entrepreneurship). This project will fill the gap between research results and commercial fabrication. Under CEN (Centre for Excellence in Nanoelectronics) project, various industry leaders such as TCS, Applied Materials and Intel collaborated with CEN and a major research output as a result of these activities over the last 6 years has been the development of Micro and Nano Electro-mechanical devices; the designs of which have now matured to a stage where they can be taken to the level of commercial fabrication and be utilized in products.

The objectives of the project are:

- i. To set up a Centre for Prototyping and Testing of Nano-Sensor and to provide Incubator Companies and Industry participants a facility to fabricate and manufacture Nano-Scale devices to take products from research labs to the market
 - ii. To provide facilities for scaling up of nano manufacturing operations in contamination and quality controlled environments.
 - iii. To encourage incubator companies to start operation in nanotechnology by providing them means for sustained and industry standard manufacturing facilities.
- (iii) Project "Centre for Excellence for development of Micro and Nano Theranostic devices" by IIT Guwahati

The project is being evolved with a budget outlay of Rs.58 crores and is likely to be initiated in year 2013-14. Major long term objectives of this project are :

- i. Develop the state-of-art fabrication and characterization facilities at the Centre for Nanotechnology, IIT Guwahati, which will be the first of its kind in the NE region.
- ii. Combine the existing expertise from physical, chemical, biological, and engineering sciences in order to design and develop futuristic micro/nano devices.
- iii. Involve the academia and industry in NE and other parts of the country to exploit these facilities for the development of futuristic devices.

A successful implementation of the objectives will contribute towards improving the quality of local scientific and technological assets by developing cutting edge indigenous devices and trained manpower in NE India. The facility will be available for researchers across NE India.

- iv) The project "CEN Phase II" at IISc Bangalore and IIT Bombay"

The project CEN (Centre of Excellence in Nanoelectronics) Phase II has been initiated with an outlay of Rs.147 crores after successful completion of Phase I. The project has the focus on Technology Development and is progressing well.

- v) Indian Nanoelectronics Users Programme (INUP)
Project "Indian Nanoelectronics Users Programme (INUP)" was initiated at IIT Bombay and IISc Bangalore to facilitate and support generation of expertise and knowledge in nanoelectronics through participation and utilization by external users of the facilities established at the Nanoelectronics Centres at IISc Bangalore and IIT-Bombay. Various industry leaders such as TCS, Applied Materials and Intel have collaborated with CEN. INUP Phase I, implemented with an outlay of Rs.29.39 crores has been highly successful. More than 110 R&D projects from over 100 organizations across the country have been taken up so far under INUP. Around 1150 researchers from 350 organizations across India have been trained through INUP.

Based on the success of Phase I, INUP Phase II is being formulated and is expected to be initiated in FY 2013-14. It is planned to continue the INUP activities, to build on the success of the INUP to date, and to utilize the experience gained to date through a new project (INUP Phase II) with following objectives :-

- i. To enable and support the generation of expertise and knowledge in Nanoelectronics through participation by external users in INUP, who will exploit the comprehensive and state-of-the-art facilities established at the Centres of Excellence in Nanoelectronics (CEN) at IISc and IITB.
- ii. The reach of INUP will be extended to a much larger number of researchers through a variety of new and expanded initiatives.

The centres being established at IIT Delhi and IIT Madras are also expected to launch their INUP like programs to support R&D capacity creation at various organizations in their regions.

[Department of Electronics and Information Technology O.M. No. 2(1)/2013-Budget (Vol. II) dated 24th July, 2013]

OTHER INITIATIVES IN IT SECTOR

National Cloud Computing

(Recommendation Sl. No. 23)

During the examination of Demands for Grants (2012-13), the Department had apprised the Committee about their plans for 'Cloud Computing'. The Committee while noting that the Department had not assessed the suitability/technological and legal apprehensions associated with the concept of 'shared platform' had recommended to address all the apprehensions viz. technology obsolescence; security issues; vendor lock-in; contract and SLA management; retention and recovery of data in case of disaster, data security; exit options available to the organization; data retention or transfer by the provider, intellectual property issues, etc. In their Action Taken Reply, the Department had submitted that they have taken note of the apprehension. In Final Action Taken Statement, the Department had stated that their SDC team has conducted Proof of Concept (PoC) in 4 states to understand efficacy of cloud computing. The Committee observe that even without addressing the above apprehension, the Department has taken an initiative called 'National Cloud Computing' with an initial approved cost of Rs. 99 crore for the first phase of project. While expressing apprehensions about the Department's due-diligence on the concept and that it is not fully equipped to tackle all the technological and legal apprehensions, the

Committee strongly recommend the Department to prepare themselves for all the challenges/threats associated with cloud computing viz. damage caused to the cloud centre by natural calamity; cyber threat; etc. The Committee may be kept apprised about the development and the Department's preparedness regarding 'Cloud Computing'.

Reply of the Government

It is informed that in order to understand the issues and challenges, a Task Force was set up by DeitY, consisting of members from NIC, DeitY, NASSCOM, Academia, and Industry representatives. After a series of meetings of the Task Force and industry consultations, two reports, namely "GI-Cloud Strategic Direction Paper" and "GI-Cloud Adoption and Implementation Roadmap" have been drafted, and are under approval at DeitY.

It is submitted that the National Cloud Computing proposal at a total approved outlay of Rs 99 Crores is aimed at setting up of a "National Cloud" at Shastri Park Data Centre, operated and managed by NIC, to deliver IaaS, PaaS and SaaS to Government ministries / departments at the central and State level. This National Cloud is a part of the GI-Cloud initiative.

The two policy reports have been made public, after approval by the competent authority.

[Department of Electronics and Information Technology O.M. No. 2(1)/2013-Budget (Vol. II) dated 24th July, 2013]

Indigenous Tablets/PC

(Recommendation Sl. No. 24)

The Committee note that considering the huge demand for tablets in the country the Department has plans to promote indigenous domestic production. During the examination of Demands for Grants (2012-13), the Committee had recommended the Department to accelerate R&D so as to have cost effective indigenous tablets/PCs. With regard to progress made in the direction of indigenous production of tablets the Department had even informed that a Committee regarding continuous R&D and timely delivery of a low cost access device 'Aakash' has been constituted vide Department of Electronics and Information Technology order dated 22nd December, 2011 which has already held 5 meetings. In this regard, when the Committee desired to know further progress in the matter, to the utter surprise of the Committee, the Department has simply furnished a vague reply stating that the matter of procurement of Aakash tablets comes under the purview of the Department of Higher Education, Ministry of Human Resource Development (MHRD). The Committee fail to understand as to why the Ministry was taking initiative till 2012-13 when the matter comes under the purview of the Department of Higher Education. It is also beyond the comprehension of this Committee as to why the Department has detached and distanced itself from the issue now. In view of huge demand for tablets and security issues related to imported electronic/IT components, the Committee recommend the Department instead of evading their responsibility particularly on R&D aspect should coordinate with the Ministry of Human Resource Development and contribute in R&D activities so as to make the cost effective indigenous tablets within a fixed timeframe. The Committee would also like to be apprised about the reasons for promoting the tablet from Pantel company keeping in view of the fact that an indigenous tablet 'Akash' is already being developed.

Reply of the Government

Aakash is a series of Android-based tablet computers produced by an initiative of Ministry of Human Resource Development, Government of India. It is a low-cost tablet computer with a 7-inch touch screen. In this series, the new version of Aakash has been named as Aakash IV. The Committee regarding continuous R&D and timely delivery of "Aakash" was constituted by DeitY vide Order No.8(195)/2011-IPHW dated 22nd December, 2011. A Sub-Committee comprising technical experts has prepared the vendor neutral Technical Specifications of Aakash IV. These specifications have been developed with a view

to have a low cost device and have been put up for stakeholder consultation, before finalization.

C-DAC, in consultation with IIT, Bombay is in the process of creating a scheme for licensing of Aakash Tablets to those manufactures that conform to the minimum specifications notified. Manufactures so licensed would be allowed to sell the Tablets in the market under the brand name of Aakash.

The Government has notified the policy for providing preference to domestically manufactured electronic products in procurement due to security considerations and in Government procurement vide Department of Electronics and Information Technology (DeitY) Notification No.8(78)/2010-IPHW dated 10.2.2012. In furtherance of the said Policy, DeitY has issued Notification No.8(41)/2012-IPHW dated 22.1.2013 for providing preference to domestically manufactured Tablet Personal Computers (PCs) in Government procurement. The Notification prescribes 50% preference (in value terms) to domestically manufactured Tablet PCs in Government procurement, subject to the condition that the Tablet PCs meet specified domestic value addition in terms of Bill of Material.

[Department of Electronics and Information Technology O.M. No. 2(1)/2013-Budget (Vol. II) dated 24th July, 2013]

CHAPTER -III

**RECOMMENDATION / OBSERVATION WHICH THE COMMITTEE DO NOT DESIRE TO
PURSUE IN VIEW OF THE REPLIES OF THE GOVERNMENT**

--NIL--

CHAPTER –IV

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE AND WHICH REQUIRE REITERATION

Overall Analysis of DeitY Budget (Twelfth Plan and Financial Year 2013-14)

(Recommendation Sl. No. 2)

The Committee note that during Eleventh Plan (2007-12) against the proposed outlay of Rs. 21,835.89 crore, the Department was allocated a sum of Rs. 11,370 crore whereas the actual expenditure was to the tune of Rs. 9,481.04 crore (i.e. 83.38 per cent of the fund allocated). The Committee are astonished to see that for the whole of Twelfth Five year Plan the Department had proposed an Outlay to the tune of Rs. 81,378.45 crore which is almost ten times more than the sum utilized during Eleventh Plan. However, the approved GBS for this period is Rs. 36,078.00 crore. For the first year of Twelfth Plan (i.e. 2012-13) the Department had proposed a demand of Rs. 10,491.33 crore against which Rs. 3,000 crore was approved at BE stage and Rs. 2,000 crore was allocated at RE stage. The Committee note with great concern that the Department could utilize only 61.77 per cent of the BE allocation and 17.66 per cent of the outlay proposed by the Department. The Committee further note that for the second year of the Plan (2013-14), the Department has sought an allocation of Rs. 6,927.84 crore against which Rs. 3,000 crore has been allocated by the Planning Commission. The aforesaid scenario clearly indicates that the projections made by the Department are far from realistic and the Department's programmes lacked credibility or not found feasible otherwise why the Planning Commission would curtail the Department's projections drastically. The Committee also note that the Department is caught in a vicious circle of poor implementation of the schemes – non-utilization of fund – non submission of UCs—lesser allocation of fund.

While acknowledging that there is substantial enhancement in the Twelfth Plan outlay, the Secretary during the course of evidence stated that this is to give a fillip to the electronic manufacturing sector and manpower development in IT sector. The Committee's analysis of Department's budget shows that indeed these two important sectors are lagging behind in their scheduled targets. The Department has, however, assured that this year the Schemes will see a breakthrough and with that they would ensure effective utilization and might even need more funds.

On the initiatives/asures for better implementation of various schemes/programmes, the Department has assured the Committee that it would review all the Schemes/Programmes keeping in view the priorities and objectives which will be defined in the coming years of the Twelfth Plan with a view for optimal and judicious utilization of funds. Considering the vision of the Government for e-Development of the country and the fact that IT is touching all spheres of life rapidly, the Committee are of the considered opinion that the Department has to rise to the occasion and meet the growing needs of IT Sector. While deploring the way the schemes under DeitY have been lagging behind their targets and the way considerable mismatch between budgetary allocation and actual utilization has become a common feature in the budgetary exercise of the Department, the Committee exhort the Department to take necessary steps for more near realistic projections. The Committee desire that the Department should also monitor implementation of its schemes/programmes efficiently so as to meet both the physical and financial targets. The Department should take the desired action on the suggested lines and inform the Committee accordingly.

Reply of the Government

The observations of the Committee have been noted. The Department's proposal to Planning Commission during Twelfth Five Year Plan was based on the recommendations made by the Working Group on Information Technology for the Twelfth Plan constituted by the Planning Commission. The approvals for the Policies took time. As the Policy framework is in place, department is now focussing on actual implementation. The Department is in the process of submitting the new EFC/SFC proposal for the 12th Plan to the Planning Commission for its approval to give a fillip to the electronic manufacturing sector, manpower development in IT and also other schemes.

Comments of the Committee
(Please see Para No. 8 of the Chapter I)

[Department of Electronics and Information Technology O.M. No. 2(1)/2013-Budget (Vol. II) dated 24th July, 2013]

(Recommendation Sl. No. 9)

The Committee, further, find it disquieting that though the Department had set a target of 1000 locations by March 2013 to implement the proposal of establishing solar power in North Eastern States and hilly States (with a total cost of Rs. 320 crore) so far they have received agreement from only 3 States viz. Tripura, Manipur and Assam. While expressing their unhappiness over such a dismal situation related to a major initiative, the Committee recommend the Department to act immediately to address all the issues related to power shortage and impediments coming in the way in implementing the proposal of establishing solar power in coordination with Ministry of New and Renewable Energy (MNRE). The Committee also endorse the Department's suggestion for use of laptops by CSCs operators as it can provide power backup for 6 to 8 hours after power breakdown. The Committee also recommend the Department to resolve the connectivity issue on priority by coordinating with BSNL/DoT. Action may be taken on each of above observation and Committee apprised accordingly.

Reply of the Government

The department is focusing on the issue of the connectivity for SWAN and CSC scheme and regular meetings of the BSNL Working group are being held to address the connectivity related issues.

Comments of the Committee
(Please see Para No. 14 the Chapter I)

[Department of Electronics and Information Technology O.M. No. 2(1)/2013-Budget (Vol. II) dated 24th July, 2013]

National Knowledge Network

(Recommendation Sl. No. 13)

The Committee note that inspite of full utilization of allocated funds under National Knowledge Network Scheme, there has been gross mismatch between the proposed and allocated GBS for this scheme since inception. The Committee note that their earlier recommendation made in Thirty-fourth Report with regard to certainty of allocations at BE stage itself and ending ad-hocism in allocation has not yielded any result. The Committee are perturbed to note that due to inadequate funds, out of targeted 600 additional institutions, connectivity could be provided to only 307 institutions as on 31st March, 2013. The Committee are also unhappy to note that though the Department had projected 1500 institutions to be connected under NKN yet upto March, 2013 only 988 institutions are connected and of these only 287 are in Tier III and IV cities. Apart from inadequacy of fund, the implementation of scheme is also suffering because some of the educational institutions

do not have internal networks (LAN's) to operationalise NKN connectivity. In addition to these existing hindrances, the Committee are concerned to note that during 2012-13 the Department could not utilize the fund under the Scheme because of the restriction imposed by the Ministry of Finance's Circular dated 14th November, 2012.

The Committee take serious note of the response of the Ministry of Finance regarding supplementary Grants wherein they have stated that it would not be possible to give such a huge additionality during middle of the Financial Year and DeitY may identify likely savings within the grant for giving additional funds to NKN. In their earlier reports, the Committee have been disapproving the ad-hocism of the Government in allocating fund to such an important programme and consistently been recommending for adequate allocations at the BE stage itself. In view of lesser allocation of funds under the Scheme, the Committee feel that the Department has not been able to convince and put forward their case before the Planning Commission and the Ministry of Finance backed by perfect plans and pleas for allocation of funds at BE stage only. The Committee once again like the Department to impress upon the Planning Commission and the Ministry of Finance the need for more allocation of funds under this flagship scheme. The concern of the Committee should also be placed before the Ministry of Finance/Planning Commission regarding adequate and timely allocation of funds for the Scheme. The Committee also recommend the Department to fix specific percentage of the number of connectivity to institutions in tier III and IV cities in rural and backward areas where the sharing of knowledge resources is more required. The Committee may be apprised about the action taken in this regard.

Reply of the Government

- (i) Dr. R. Chidambaram, Principal Scientific Advisor (PSA) to Government of India and Shri Kapil Sibal, Minister of Communications and IT have addressed letters (dated 10th April 2013 and 18th April 2013 respectively) to Shri P. Chidambaram, Finance Minister with the request to make available funds to the tune of Rs. 1240 cr in the FY 2013-14 for NKN. PSA in his letter has also requested the Finance Minister to consider special dispensation for NKN (which is multi-department and multi-institution project) to ensure timely availability of funds for smooth implementation of NKN. DeitY has been following up the matter with Ministry of Finance.
- (ii) Following discussion at the 13th meeting of High Level Committee (HLC) to establish NKN held on 19.11.2012, the following may kindly be noted, which was in response to the query "whether the NKN institutes are distributed across all districts as per the mandate of inclusiveness in the 12th plan":
"...
Out of 640 districts about 550 districts level NKN PoP would be setup.... NKN would reach all districts once there are such institutions demanding NKN connectivity
..."
- (iii) Creation of LAN at institution level has not been envisaged under the NKN.

Comments of the Committee (Please see Para No. 20 of the Chapter I)

[Department of Electronics and Information Technology O.M. No. 2(1)/2013-Budget (Vol. II) dated 24th July, 2013]

Media Lab Asia (MLA)

(Recommendation Sl. No. 22)

The Committee note that the scheme of Media Lab Asia aims to bring benefits of the Information and Communication Technologies and other advanced technologies to the common man. It is operating through collaborations with other organizations and experts (Government, NGO sector, academia, individuals and industry) for development and

deployment of ICT tools. Media Lab Asia is working presently in the areas of ICT for empowerment of the differently abled, healthcare, livelihood enhancement and education and has taken up the Project ITRA. NeGD has also been created as an autonomous business division within Media Lab Asia. The Committee also note that Media Lab Asia is also focusing on facilitating and supporting the process of taking technologies from 'Lab to Land'. The Committee find that the persistent problem of under utilisation of funds as noticed in other schemes of DeitY has also been noticed under this Scheme. What surprises the Committee is that when the Committee queried about the damage caused to the project due to under utilization, the Department stated that only some of the identified projects/activities could be taken up during 2012-13 under the core activities of Media Lab Asia. Other identified projects would be taken up in the Financial Year 2013-14. Other than some time delay, there is no other major loss in the project. In view of the fact that this Scheme has already suffered delays in implementation during Eleventh Plan (as observed in Fifty-eighth Report of the Committee during Fourteenth Lok Sabha), the Committee are amused at the Department's submission that other than time delay, there is no other major loss. The Committee are of strong view that IT sector is an evolving and ever changing sector and loss of time in this sector is huge loss. While deploring the Department's callous attitude towards loss of time, the Committee recommend the Department to identify the constraints and address the issues under scheme so that the motto of the Scheme to take the technologies from 'Lab to Land' is achieved in letter and spirit.

Reply of the Government

The recommendations of the Committee have been noted for compliance.

Comments of the Committee ***(Please see Para No. 26 of the Chapter I)***

[Department of Electronics and Information Technology O.M. No. 2(1)/2013-Budget (Vol. II) dated 24th July, 2013]

CHAPTER –V

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH REPLIES ARE OF INTERIM IN NATURE

Electronic Delivery of Services Bill, 2011

(Recommendation Sl. No. 11)

The Electronic Delivery of Services Bill, 2011 was introduced in the Lok Sabha on 27th December, 2011 and was referred to the Parliamentary Standing Committee on Information Technology on 5th January 2012. The Committee presented its Report to Lok Sabha/laid in Rajya Sabha on 30th August, 2012. The Committee note that following Cabinet's approval on 18th March 2013 to the Department's proposal on withdrawal of the Electronic Delivery of Services Bill 2011 and introduction of a fresh Bill titled 'The Electronic Delivery of Services Bill, 2012' with modifications proposed on the basis of the recommendations of the Standing Committee on Information Technology, the Department is working in consultation with Ministry of Law and Justice and the Ministry of Parliamentary Affairs on the follow-up action. The Committee have been informed that the Department has suitably addressed to the concerns of the Committee as outlined in their Thirty-seventh Report. The revised EDS Bill has received the approval of the Union Cabinet in March, 2013. On the issue of Model State Electronic Service (ESD) Rules, formulated and circulated by DeitY for adoption by various states under the IT Act, 2000, the Committee find that two States viz. Manipur and Jammu and Kashmir have notified their respective rules. The Committee would keenly await the introduction of revised Bill to ensure that their concerns have been met. The Committee would like the Department to expedite the process.

Reply of the Government

The Union Cabinet has, in its meeting held on 18th March 2013 approved DeitY's proposal for introducing " The Electronic Delivery of Services Bill, 2012" in the Parliament with such changes of drafting and consequential nature as may be deemed necessary by Legislative Department.

Following Cabinet's approval, consultative process is currently on the give effect to Legislative Department's suggestions, with a view to ensure an early introduction of the proposed Bill in the Parliament.

As regards Model State Electronic Service Rules formulated and circulated by DeitY for adoption by various States/UTs, the Committee would be pleased to note that in addition to the two States of Manipur and Jammu and Kashmir, two more States viz. National Capital Territory of Delhi and Maharashtra have also since adopted and notified these Rules.

[Department of Electronics and Information Technology O.M. No. 2(1)/2013-Budget (Vol. II) dated 24th July, 2013]

E-SECURITY

Cyber Security (Including CERT-In IT Act)

(Recommendation Sl. No. 15)

The Committee find that for the Twelfth Five Year Plan, as against the demand of Rs. 1500 crore the Department has been allocated only Rs. 500 crore under this Scheme. The Committee are highly unhappy to note that the increased demand for 2013-14 proposed by the Department for taking new initiatives in the field of cyber security, have not been considered by the Planning Commission. In view of the fact that in last 5 years, as many as 1273 Government websites have been hacked and financial fraud/cyber crime have

increased tremendously, the Committee endorse the Department's submission that the restrictions in allocation would delay in taking new initiatives to keep a check on cyber crime/frauds. The Committee strongly feel that the funds allocated under cyber security including CERT-In IT Act should be increased. The Committee also recommend that the Department should ensure to fully utilize the funds so that Department's initiative to tackle myriad issues related to cyber security do not suffer.

Reply of the Government

The Cabinet Committee on Security considered the cabinet note on Cyber Security architecture submitted by the National Security Council Secretariat (NSCS) and has approved the same. The Cyber Security architecture includes Key Cyber Security Projects of National significance. Actions have been initiated for seeking necessary approval of the Key Cyber Security Initiatives and allocation of required funds for implementation.

[Department of Electronics and Information Technology O.M. No. 2(1)/2013-Budget (Vol. II) dated 24th July, 2013]

(Recommendation Sl. No. 16)

The Committee note that the year 2012-13 witnessed few controversies related to Section 66A and Section 79 of the IT Act, 2008 and the Department has issued an advisory in this regard so that Government's stand becomes clear on the issue. The Committee do not agree with the contention of the Department that the 4 cases under Section 66A and 2 cases under Section 79 of the IT Act during 2012-13 are mere aberrations and that it would not be advisable to amend the law based on these 4 cases where appropriate action has been taken to address the issues. The Committee strongly feel that these cases should be taken as precedents which might be repeated in future to harass the innocent citizen and infringe upon the Right of Freedom of speech of public. Acknowledging that the Department has already followed the International Best practices while framing the provisions of the Act and appreciating the Department's efforts in this regard, the Committee are of the view that any Act/Legislation has to take into account the ground situation in course of time and adapt to the emerging challenges. Therefore, the Committee recommend the Department to take necessary corrective steps for revision of the clauses of the Act.

Reply of the Government

As stated by the Hon'ble Minister of Communication and IT in the Rajya Sabha on 1st March, 2013, issue with regard to section 66A of the Information Technology Act 2000 is before the Hon'ble Supreme Court. Hon'ble Supreme Court on 16.5.2013, in an interim order, has taken note of the Advisory issued by the Government and has asked the State/ Union Territories to follow the Advisory. Final decision from the Hon'ble Supreme Court in this regard is still awaited. Subsequently, if need arises, Government may hold a round table to discuss the related issues.

[Department of Electronics and Information Technology O.M. No. 2(1)/2013-Budget (Vol. II) dated 24th July, 2013]

Indigenous Manufacturing of Set Top Boxes

(Recommendation Sl. No. 19)

In the context of switchover over to Digital Addressable System (DAS) regime and the status of R&D in basic electronic component of Set Top Boxes, the Committee note that as per CEAMA during 2011-12 domestic production of STBs was 1.7 million and is expected to grow to the level of 5.1 million in 2012-13. The Committee also note that to promote manufacturing of Set Top Boxes, the Department is taking some initiatives which inter-alia include discussion with some of the major importers of STBs to transfer their manufacturing from China to India; floating tender to develop Conditional Access System and planning to enforce standards for electronic products under BIS. The Department in this regard had also informed the Committee during examination of Demands for Grants (2012-13) that the prototype of card for the STB would be developed by C-DAC in 6 months. However, the Committee are concerned to note that now the Department would require at least 12 months more for indigenous production of CAS.

In view of the fast development in digitization process and consequent rapid demand of Set Top Boxes alongwith the security concerns associated with the imported Set Top Boxes, the Committee impress upon the Department for speeding up the R&D so as to start indigenous production of CAS within 12 months as assured by the Department. The Committee also recommend for strict compliance with Gazette Notification No. 8(78)/2010-I PHW dated 10th February, 2012 so as to address to security issues associated with the import of electronic/IT/Telecom products.

Reply of the Government

The Department of Electronics and Information Technology (DeitY) released an Expression of Interest (EOI) for Development of Indian Conditional Access System (CAS). The last date of submission of response to EOI was April 2, 2013. Based on the responses received, bidders have been shortlisted for issuing Request for Proposal (RFP). The draft RFP containing the technical specifications for development of Indian CAS has been prepared and is under finalization.

[Department of Electronics and Information Technology O.M. No. 2(1)/2013-Budget (Vol. II) dated 24th July, 2013]

E-INNOVATION/R&D

Technical Development Council (Including ITRA)

(Recommendation Sl. No. 20)

The Committee note that the programme Technical Development Council (TDC) aims to facilitate proliferation and absorption of emerging technologies in the country by supporting Research and Development in IT; to promote the use of free and open source software; develop and apply state-of-art cost effective indigenous solutions for important industrial sectors; technology developments in bio-informatics, IPR promotion, innovation and incubation promotion and setting up of IT Research Academy (ITRA). The Committee also note that for last 3 years the Budgetary Support provided to TDC has not increased and actual utilisation has decreased. The year 2012-13 again witnessed decline in utilisation due to the Ministry of Finance's Circular. The Committee, further, note that ITRA – a new project under TDC, envisaged to focus on strengthening the nation's competitiveness by expanding the R&D base in IT, especially by leveraging the large IT education sector and IT users such as Government, industry and other organizations was approved in 2010-11 for an initial period of 5 years. However, after lapse of 2 years, the Committee note that a Project Steering and Implementation Group (PSIG) has been set up for initiating the ITRA activities and ITRA is still formulating an implementation plan for 6 identified research areas viz. Water; Mobile Applications; Transportation/Railways; Food and Agriculture; Disaster

Management; Computer Aided Design and Manufacturing (CAD/CAM). Considering that ITRA under TDS is a national programme to build a national resource for advancing the quality and quantity of R&D in IT by closely collaborating teams of researchers and institutions having expertise in the different aspects of the chosen research or application problems, the Committee recommend the Department to implement the programme effectively so as to have proper utilisation of funds and realisation of objective of the Scheme.

Reply of the Government

Department has initiated steps for recruitment of technical officers which is expected to improve the technical manpower availability which in turn will help taking up more projects and utilization of resources optimally by TDC.

In the ITRA Programme, Strategy Formulation Meetings (SFMs) consisting of National & International experts were held in the areas of:

- 1) Mobile Computing, Networking Applications
- 2) Water Resources Sustainability
- 3) IT in Agriculture and Food

Project proposals were invited, evaluated and are expected to be initiated soon in the areas of Mobile Computing and Water Resources Sustainability. About 15 Team projects, in these two areas together, (each team consisting of 3-4 participating organisations) are being initiated in the FY 2013-14. Team projects, Team proposals will be invited, processed and initiated in the area of IT in Agriculture and food. Strategy Formulation Meetings are also planned in other areas as well and projects will also be initiated in those areas subsequently.

[Department of Electronics and Information Technology O.M. No. 2(1)/2013-Budget (Vol. II) dated 24th July, 2013]

New Delhi
13 December, 2013
22 Agrahayana, 1935 (Saka)

RAO INDERJIT SINGH,
Chairman
Standing Committee on
Information Technology

**STANDING COMMITTEE ON INFORMATION TECHNOLOGY
(2013-14)**

MINUTES OF THE THIRD SITTING OF THE COMMITTEE

The Committee sat on Wednesday, the 6th November, 2013 from 1100 hours to 1230 hours in Committee Room 'C', Ground Floor, Parliament House Annexe, New Delhi.

PRESENT

Shri Rao Inderjit Singh – Chairman

MEMBERS

Lok Sabha

2. Shri Rajendra Agrawal
3. Shri Nikhil Kumar Choudhary
4. Shri A.Ganeshamurthi
5. Smt. Darshana Jardosh
6. Shri Baidya Nath Prasad Mahato
7. Shri Abdul Rahman
8. Shri Radhe Mohan Singh (Gazipur)
9. Smt. Seema Upadhyay

Rajya Sabha

10. Shri Joy Abraham
11. Shri Salim Ansari
12. Shri Basawaraj Patil
13. Dr. C.P Thakur

SECRETARIAT

1. Shri Brahm Dutt - Joint Secretary
2. Shri N.C. Gupta - Director
3. Shri A.K. Garg - Additional Director
4. Dr. Sagarika Dash - Deputy Secretary

2. At the outset, the Chairman welcomed the Members to the sitting of the Committee convenedx.x.x.x. to consider and adopt draft Action Taken Report on Forty-fourth Report on Demands for Grants (2013-14) relating to the Department of Electronics and Information Technology.

.....x.x.x.x.

3.x.x.x.x.x.x.x.x.x.x.x.x.

4.x.x.x.x.x.x.x.x.x.x.x.x.

5.x.x.x.x.x.x.x.x.x.x.x.x.

.....x.x.x.x.

6. The Committee, then, took up for consideration the Draft Action Taken Report on action taken by the Government on Forty-fourth Report on Demands for Grants (2013-14) relating to the Department of Electronics and Information Technology. The draft Report was adopted by the Committee without any modification. The Committee, then, authorized the Chairman to finalize and present the Report to the House on a date convenient to him.

7. The Committee also placed on record their appreciation for the valuable assistance provided by the officials of the Secretariat attached to the Committee in drafting of the Report.

The Committee, then, adjourned.

**ANALYSIS OF ACTION TAKEN BY THE GOVERNMENT ON THE
RECOMMENDATIONS/OBSERVATIONS
CONTAINED IN THEIR FORTY-FOURTH REPORT
(FIFTEENTH LOK SABHA)**

[Vide Paragraph No. 5 of Introduction]

(i)	Recommendations/Observations which have been accepted by the Government	
	Rec. Sl. Nos.:- 1, 3, 4, 5, 6, 7, 8, 10, 12, 14, 17, 18, 21, 23 and 24	
	Total	15
	Percentage	62.50
(ii)	Recommendations/Observations which the Committee do not desire to pursue in view of the replies of the Government	
	Rec. Sl. No.:- Nil	
	Total	Nil
	Percentage	00.00
(iii)	Recommendations/Observations in respect of which replies of the government have not been accepted by the Committee and require reiteration	
	Rec. Sl. Nos.:- 2, 9, 13 and 22	
	Total	04
	Percentage	16.67
(iv)	Recommendations/Observations in respect of the reply which is of interim nature	
	Rec. Sl. Nos.:- 11, 15, 16, 19 and 20	
	Total	05
	Percentage	20.83