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**STANDING COMMITTEE ON
INFORMATION TECHNOLOGY
(2019-20)**

SEVENTEENTH LOK SABHA

MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY

**DEMANDS FOR GRANTS
(2019-20)**

FOURTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

December, 2019/ Agrahayana, 1941 (Saka)

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**DEMANDS FOR GRANTS
(2019-20)**

*Presented to Lok Sabha on 10 December, 2019
Laid in Rajya Sabha on 10 December, 2019*



**LOK SABHA SECRETARIAT
NEW DELHI**

December, 2019/ Agrahayana, 1941 (Saka)

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**COMPOSITION OF THE STANDING COMMITTEE ON INFORMATION TECHNOLOGY
(2019-20)**

Dr. Shashi Tharoor - Chairperson

Lok Sabha

2. Smt. Locket Chatterjee
3. Shri Karti P. Chidambaram
4. Shri Sunny Deol
5. Dr. Nishikant Dubey
6. Shri Vijay Kumar Dubey
7. Choudhary Mehboob Ali Kaiser
8. Smt. Raksha Nikhil Khadse
9. Dr. Sukanta Majumdar
10. Shri Dhairyasheel Sambhajirao Mane
11. Ms. Mahua Moitra
12. Shri P. R. Natarajan
13. Shri Santosh Pandey
14. Shri Nisith Pramanik
15. Col. Rajyavardhan Singh Rathore
16. Dr. Gaddam Ranjith Reddy
17. Shri M V V Satyanarayana
18. Shri Sanjay Seth
19. Shri L.S. Tejasvi Surya
20. Dr. T. Sumathy (A) Thamizhachi Thangapandian
21. Shri Bhanu Pratap Singh Verma

Rajya Sabha

22. Dr. Anil Agrawal
23. Dr. Subhash Chandra
24. Shri Y. S. Chowdary
25. Shri Suresh Gopi
26. Shri Md. Nadimul Haque
27. Shri Syed Nasir Hussain
28. Dr. Narendra Jadhav
29. Shri D. Kupendra Reddy
30. Shri Ronald Sapa Tlau
31. Shri Beni Prasad Verma

Secretariat

- | | | | |
|----|----------------------|---|-----------------------------|
| 1. | Shri Ganapati Bhat | - | Additional Secretary |
| 2. | Shri Y.M. Kandpal | - | Director |
| 3. | Dr. Sagarika Dash | - | Additional Director |
| 4. | Shri Abhishek Sharma | - | Assistant Executive Officer |

Abbreviations

| | | |
|---------|---|---|
| AE | - | Actual Expenditure |
| BE | - | Budget Estimate |
| CAS | - | Conditional Access System |
| CAT | - | Cyber Appellate Tribunal |
| CCA | - | Controller of Certifying Authority |
| C-DAC | - | Centre for Development of Advanced Computing |
| CERT-In | - | Indian Computer Emergency Response Team |
| C-MET | - | Centre for Materials for Electronics Technology |
| CSC | - | Common Service Centres |
| DBT | - | Direct Benefit Transfer |
| DCO | - | Data Centre Operator |
| DeitY | - | Department of Electronics and Information Technology |
| DHQ | - | District Head Quarter |
| DPR | - | Detailed Project Report |
| DRDO | - | Defence Research and Development Organization |
| EDF | - | Electronics Development Fund |
| EFC | - | Expenditure Finance Committee |
| EMC | - | Electronics Manufacturing Clusters |
| EMDC | - | Electronic Materials Developments Council |
| EoI | - | Expression of Interest |
| ERNET | - | Education and Research Network |
| ESDM | - | Electronics Systems Design and Manufacturing |
| FAB | - | Semiconductor Wafer Fabrication |
| G2B | - | Government to Business |
| G2C | - | Government to Citizen |
| G2G | - | Government to Government |
| HQ | - | Head Quarter |
| IBPS | - | India BPO Promotion Scheme |
| ICT | - | Information and Communication Technology |
| IEBR | - | Internal and Extra Budgetary Resource |
| ITeS | - | Information Technology enabled Services |
| MeitY | - | Ministry of Electronics and Information Technology |
| MLA | - | Media Lab Asia |
| MMPs | - | Mission Mode Projects |
| MoU | - | Memorandum of Understanding |
| M-SIPS | - | Modified Special Incentive Package Scheme |
| MSME | - | Micro Small and Medium Enterprise |
| NASSCOM | - | National Association of Software and Services Companies |
| NCCC | - | National Cyber Co-ordination Centre |

| | | |
|----------|---|--|
| NCRB | - | National Crime Records Bureau |
| NEBPS | - | North East BPO Promotion Scheme |
| NeGD | - | National e-Governance Division |
| NeGP | - | National e-Governance Plan |
| NER | - | North Eastern Region |
| NIC | - | National Informatics Centre |
| NIELIT | - | National Institute of Electronic and Information Technology |
| NIXI | - | National Internet Exchange of India |
| NKN | - | National Knowledge Network |
| NLP | - | Natural Language Processing |
| NSM | - | National Supercomputing Mission |
| PC | - | Personal Computer |
| PMGDISHA | - | Pradhan Mantri Gramin Digital Saksharta Abhiyaan |
| PoP | - | Point of Presence |
| R&D | - | Research and Development |
| RAS | - | Rapid Assessment System |
| RE | - | Revised Estimate |
| RFP | - | Request for Proposal |
| SAMEER | - | Society for Applied Microwave Electronics Engineering and Research |
| SDAs | - | State Designated Agencies |
| SDC | - | State Data Centre |
| SHQ | - | State Head Quarter |
| SIPS | - | Special Incentive Package Scheme |
| SMEs | - | Small and Medium Enterprise |
| SPV | - | Special Purpose Vehicle |
| STPI | - | Software Technology Park of India |
| STQC | - | Standardisation, Testing and Quality Certification |
| SWAN | - | State Wide Area Network |
| TDIL | - | Technology Development for Indian Languages |
| ToT | - | Transfer of Technology |
| UCs | - | Utilisation Certificates |
| UT | - | Union Territory |
| VGf | - | Viability Gap Funding |
| VLE | - | Village Level Entrepreneur |

INTRODUCTION

I, the Chairperson, Standing Committee on Information Technology (2019-20), having been authorized by the Committee to submit the Report on their behalf, present this Fourth Report on Demands for Grants (2019-20) of the Ministry of Electronics and Information Technology.

2. The Standing Committee on Information Technology (2019-20) was constituted on 13th September, 2019. One of the functions of the Standing Committee, as laid down in Rule 331E of the Rules of Procedure and Conduct of Business in Lok Sabha, is to consider the Demands for Grants of the Ministry/Department concerned and make a Report on the same to the Houses.

3. The Committee considered the Demands for Grants pertaining to the Ministry of Electronics and Information Technology for the year 2019-20 which were laid on the Table of the House on 17th July 2019. The Committee took evidence of the representatives of the Ministry of Electronics and Information Technology on 25th October, 2019.

4. The Report was considered and adopted by the Committee at their sitting held on 4th December, 2019.

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

6. The Committee would also like to place on record their appreciation for the assistance rendered to them by the officials of the Lok Sabha Secretariat attached to the Committee.

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

**New Delhi;
06 December, 2019
15 Agrahayana, 1941 (Saka)**

**DR. SHASHI THAROOR,
Chairperson,
Standing Committee on
Information Technology.**

Part-I Report

I. Introductory

Ministry of Electronics and Information Technology (MeitY) are responsible for formulation, implementation and review of national policies in the field of Information Technology, Electronics and Internet (all matters other than licensing of Internet Service Provider).

2. While the vision of MeitY is e-Development of India as the engine for transition into a developed nation and an empowered society, its mission is to promote e-Governance for empowering citizens, promoting the inclusive and sustainable growth of the Electronics, IT & ITeS industries, enhancing India's role in Internet Governance, adopting a multipronged approach that includes development of human resources, promoting R&D and innovation, enhancing efficiency through digital services and ensuring a secure cyber space. The objectives of the Ministry are:

- e-Government: Providing e-infrastructure for delivery of e-services
- e-Industry: Promotion of electronics hardware manufacturing and IT-ITeS industry
- e-Innovation / R&D: Implementation of R&D Framework - Enabling creation of Innovation/ R&D Infrastructure in emerging areas of ICT&E/Establishment of mechanism for R&D translation
- e-Learning: Providing support for development of e-Skills and Knowledge network
- e-Security: Securing India's cyber space
- e-Inclusion: Promoting the use of ICT for more inclusive growth
- Internet Governance: Enhancing India's role in Global Platforms of Internet Governance.

3. In order to operationalise the objectives of the Ministry, schemes have been formulated and are being implemented. The schemes are implemented directly by the Ministry and through the organizations/institutions under its jurisdiction. To make the technology robust and state-of-the-art, collaboration of the academia and the private/public sector is also obtained. The Ministry has two Attached Offices, six Autonomous societies, three Section 8 Companies, three Statutory Organizations and one Company registered under Companies Act, 1956 under its control to carry out the business allocated to the Ministry.

II. Implementation status of the recommendations contained in the Forty-sixth Report of the Committee on Demands for Grants (2018-19) of MeitY

4. The Forty-sixth Report of the Standing Committee on Information Technology on the 'Demands for Grants' of MeitY for the year 2018-19 was presented to the Lok Sabha/laid in the Rajya Sabha on 13th March, 2018. Under Rule 34(1) of 'Rules of Procedure of Departmentally Related Standing Committees (DRSCs)', the Ministry/Department concerned is required to furnish a statement showing the action taken by them on the Observations/Recommendations contained in the Report of the Committee within three months from the date of the presentation of the Report. The Fifty-seventh Report on action taken by the Government on the Recommendations/Observations contained in Forty-sixth Report on 'Demands for Grants (2018-19)' was presented to the Lok Sabha/laid in Rajya Sabha on 2nd January, 2019. Out of the 17 recommendations made by the Committee, 12 were accepted. Replies to 05 recommendations were not accepted by the Committee and were reiterated in their Fifty-seventh Report. Final Action Taken reply to the Fifty- seventh Report is awaited.

III. Budget Analysis

(i) Demands for Grants No.24 of MeitY for the year 2019-20

5. The budgetary allocation of the Ministry for implementation of different Schemes for last two years and for 2019-20 is as under:-

| | Actuals (2017-18) | BE (2018-19) | RE (2018-19) | BE (2019-20) |
|----------------|------------------------------|-------------------------|-------------------------|-------------------------|
| Revenue | 3780.13 | 5675.00 | 6070.74 | 6306.00 |
| Capital | 219.76 | 325.00 | 310.26 | 348.00 |
| Total | 3999.89 | 6000.00 | 6381.00 | 6654.00 |

6. When the Committee desired to know the reasons for variation in Actuals (2017-18), BE & RE for 2018-19 & BE for 2019-20 and how the increased allocations are proposed to be utilized during the year 2019-20, the Ministry informed as under:-

"The variation in Actuals (2017-18), BE & RE for 2018-19 and BE 2019-20 is mainly due to implementation of two new projects, viz. Promotion of Digital Payments and Pradhan Mantri Gramin Digital Saksharta Abhiyan (PMGDISHA). The actual expenditure in respect of both the schemes in FY 2018-19 was ` 1208.20 crore. The earmarked budget for these schemes in FY 2019-20 is ` 1118.00 crore. This Ministry would be able to utilize the allocation during 2019-20 in view of committed expenditure under Digital Payments and PMGDISHA as well as release of incentives under Promotion of Electronics and IT Hardware Manufacturing Programme."

7. Plan allocations and utilization of the Ministry during last two years are as under:-

(Rs. in crore)

| Financial Year | Proposed | BE | RE | Actual Utilization | %age Utilization w.r.t. RE | %age Utilization w.r.t. BE |
|----------------|----------|------|---------|--------------------|----------------------------|----------------------------|
| 2017-18 | 4034.00 | 4039 | 4039.00 | 4038.52 | 99.98 | 99.98 |
| 2018-19 | 9959.00 | 6000 | 6381.00 | 6357.41 | 99.63 | 105.96 |
| 2019-20 | 12059.39 | 6654 | | | | |

8. The Committee desired to know the reasons for a sharp reduction in budgetary support from the proposed Rs. 12059.39 crore to Rs. 6654 crore at BE stage and the schemes/activities which are likely to be affected by this reduction. To this, the Ministry informed that the Ministry of Finance (MoF) allocates funds to various Ministries/Departments after considering various factors involving budgetary exercise which mainly include:

- (i) Demands of various Ministries/Dept (estimates of expenditure) and availability of funds with Govt. of India (based on targets of revenue receipts)
- (ii) Utilization of funds by various Ministries/Depts during the past three years and unspent balance lying with grantee organizations.
- (iii) Committed expenditure and liabilities
- (iv) Prioritisation of Flagship Programmes

9. In view of the above, 100% utilization of the funds allocated is not the only criteria based on which further allocations are made. It is stated that MoF usually sticks to the policy of increasing the budgetary provision by 5-7%. However, the allocation gets increased in case of approval of new schemes/projects, implementation of new policies of the government, improvisation of some schemes for public benefit, etc.

10. The Ministry further informed that there is usually a gap between proposed and approved expenditure estimates. At the Ministry level, it is ensured that funds are allocated first to meet the committed/regular expenditure that may not be avoided and then the balance funds are distributed among the schemes/projects based on prioritization, specific instruction from MoF, etc. MeitY always tries to distribute funds amongst the schemes in such a manner that the schemes/projects are continued to be implemented with least adversary effects. Further, MoF is also requested at Revised Estimates (RE) stage to allocate additional funds for better implementation of schemes, if required.

11. Scheme-wise details of BE, RE and Actual Expenditure from 2016-17 to 2018-19 and BE for 2019-20 are as under:-

| S. No. | Scheme/Non-Schemes | 2016-17 | | | 2017-18 | | | 2018-19 | | | 2019-20 | |
|--------|--|---------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | | BE | RE | Actual | BE | RE | Actual | BE | RE | Actual | Proposed | BE |
| 1 | Secretariat (MeitY) | 104.96 | 94.96 | 88.02 | 105.00 | 86.50 | 85.15 | 100.00 | 100.00 | 105.31 | 120.00 | 110.24 |
| 2 | National Informatic Centre (NIC) | 800.00 | 960.00 | 945.87 | 1040.00 | 1040.00 | 1076.16 | 1100.00 | 1207.36 | 1209.10 | 1650.00 | 1150.00 |
| 3 | Regulatory Authorities | 190.00 | 174.61 | 144.71 | 167.48 | 133.11 | 122.07 | 157.00 | 148.83 | 142.44 | 237.75 | 170.00 |
| 3.1 | STQC Programme | 112.00 | 115.00 | 98.28 | 120.00 | 100.63 | 93.21 | 110.00 | 110.00 | 107.45 | 180.00 | 120.00 |
| 3.2 | Cyber Security (CERT-In) | 70.00 | 53.61 | 41.27 | 40.48 | 26.48 | 22.92 | 40.00 | 31.83 | 29.89 | 49.75 | 42.00 |
| 3.3 | Controller of Certifying Authority (CCA) | 8.00 | 6.00 | 5.16 | 7.00 | 6.00 | 5.94 | 7.00 | 7.00 | 5.10 | 8.00 | 8.00 |
| 4 | Assistance to Autonomous and Other Bodies | 948.76 | 1137.02 | 1281.16 | 1053.76 | 1353.76 | 1303.55 | 1570.00 | 1572.00 | 1571.99 | 2120.50 | 1473.00 |
| 4.1 | Centre for Dev. of Advanced Computing (C-DAC) | 86.50 | 89.50 | 86.50 | 92.00 | 92.00 | 92.00 | 100.00 | 100.00 | 100.00 | 300.00 | 120.00 |
| 4.2 | Society for Applied Microwave Electronics Engg & Research (SAMEER) | 38.50 | 38.50 | 38.50 | 42.00 | 42.00 | 42.00 | 70.00 | 97.29 | 97.29 | 120.00 | 90.00 |
| 4.3 | Centre for Materials for Electronics Technology (C-MET) | 13.00 | 13.00 | 12.93 | 14.00 | 14.00 | 13.95 | 20.00 | 24.71 | 24.71 | 44.50 | 30.00 |
| 4.4 | National Institute of Electronics and | 5.76 | 5.76 | 5.76 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

| | | | | | | | | | | | | |
|----------|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|----------------|
| | Information Technology (NIELIT) | | | | | | | | | | | |
| 4.5 | Software Technology Parks of India (STPI) & EHTP | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | 0.00 |
| 4.6 | ERNET | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4.7 | Digital India Corporation (erstwhile MLA) | 5.00 | 5.00 | 4.61 | 5.76 | 5.76 | 5.60 | 5.00 | 5.00 | 5.00 | 6.00 | 6.00 |
| 4.8 | Unique Identification Authority of India (UIDAI) | 800.00 | 985.26 | 1132.86 | 900.00 | 1200.00 | 1150.00 | 1375.00 | 1345.00 | 1344.99 | 1650.00 | 1227.00 |
| | SCHEMES | | | | | | | | | | | |
| 4 | Digital India Programme | 1285.10 | 1195.34 | 1179.17 | 1672.76 | 1425.63 | 1451.59 | 3073.00 | 3352.81 | 3328.57 | 7931.14 | 3750.76 |
| 4.1 | Manpower Development | 365.00 | 365.00 | 364.81 | 306.76 | 256.76 | 256.58 | 300.00 | 300.00 | 300.00 | 702.53 | 400.75 |
| 4.2 | Electronic Governance | 420.00 | 385.55 | 375.78 | 240.00 | 240.00 | 260.53 | 400.00 | 400.00 | 396.67 | 1072.17 | 400.00 |
| 4.3 | Externally Aided Project (e-Governance) | 50.00 | 15.00 | 15.00 | 21.00 | 17.00 | 16.75 | 25.00 | 25.00 | 24.99 | | 50.00 |
| 4.4 | National Knowledge Network | 250.00 | 250.00 | 250.00 | 150.00 | 135.00 | 135.00 | 150.00 | 320.00 | 320.00 | 1000 | 160.00 |
| 4.5 | Promotion of Electronics & IT Hardware mfg. (MSIPS, EDF and Manufacturing Clusters) | 70.00 | 50.00 | 49.87 | 745.00 | 484.87 | 460.37 | 864.22 | 844.22 | 727.37 | 1600 | 986.00 |
| 4.6 | Promotion of IT & ITeS Industries (incl. Foreign Trade & Export Promotion) | 8.10 | 7.79 | 7.71 | 9.00 | 6.00 | 42.66 | 50.00 | 43.81 | 64.77 | 165 | 100.00 |
| 4.7 | R&D in IT/Electronics/CCBT | 122.00 | 122.00 | 116.00 | 101.00 | 101.00 | 100.93 | 178.00 | 180.00 | 179.00 | 769.70 | 416.00 |
| 4.8 | Cyber Security Projects (NCCC & Others) | 0.00 | 0.00 | 0.00 | 100.00 | 60.00 | 55.69 | 110.00 | 110.00 | 107.48 | 586.05 | 120.00 |
| 4.9 | Promotion of Digital Payments | 0.00 | 0.00 | 0.00 | 0.00 | 25.00 | 23.08 | 595.78 | 691.78 | 770.29 | 860.00 | 600.00 |
| 4.10 | PMGDISHA | 0.00 | 0.00 | 0.00 | 0.00 | 100.00 | 100.00 | 400.00 | 438.00 | 438.00 | 1175.69 | 518.00 |
| 4.11 | Champion Service Sector Scheme | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | 0.01 |
| | Grand Total | 3328.82 | 3561.93 | 3638.93 | 4039.00 | 4039.00 | 4038.52 | 6000.00 | 6381.00 | 6357.41 | 12059.39 | 6654.00 |

12. During evidence when the Committee enquired about the adequacy of allocation and how the Ministry will fulfil their priorities, the representative of the Ministry of Electronics and Information informed as under:-

“...we would request the Committee to help us in getting more money in the RE, which we have already submitted to the Ministry of Expenditure. We have been given Rs. 6,654 crore and as per half-yearly statement we have already spent 56 per cent of our Budget. We have gone in for additional request for additional allocation in the RE.”

13. To query of the Committee as to how the reduction will impact the implementation of schemes, the Secretary, MeitY submitted as under:-

“...because of the geo-political situation globally, a number of companies, which have most of their electronic manufacturing happening in China, are looking at alternate locations for their electronic manufacturing. For that, we have made tweaks in our policies to make

the policy friendly to such entities. In the recent period, the Hon'ble Finance Minister has announced very significant reduction in corporate income tax, which once again is to give a very positive signal to such entities to come in. Otherwise, a lot of these entities are moving out of China, but they end up in Vietnam, Philippines, Malaysia, Indonesia and Thailand as well. Thailand has been very aggressive in trying to attract them. We have been equally aggressive in trying to attract them. So, some of these schemes that we wanted to have in place and the quantum of what we are able to offer gets affected when our Budget allocation is lowered.....xxxx.....So, Electronic Manufacturing Clusters Scheme is one that we have not been able to get going with for the modern avatar of that scheme."

(ii) Status of outstanding UCs and unspent Balances with States' implementation agencies

14. The status of outstanding UCs and unspent balances as on 31st December 2018 is as follows:-

| | Amount (Rs. in crore) | No. of UCs |
|--|-----------------------|------------|
| Utilisation Certificates due | 446.33 | 174 |
| Unspent Balances for which UCs are not due | 3209.60 | 409 |
| Total Unspent Balance with States/Implementing Agencies | 3655.93 | 583 |

15. Regarding measures taken by the Ministry for reducing the number of UCs and holding implementing agencies more accountable, the Ministry stated that the measures taken by MeitY to liquidate the pending UCs are proving to be fruitful as the pending UC amount for any particular period is continuously on a decreasing trend. MeitY is reviewing implementation status of schemes/projects from time to time to ensure smooth implementation of various projects which further ensures that the grants released by MeitY are being utilised. Besides, Secretary (MeitY)/AS&FA reviews the UC status from time to time to ascertain utilization status of released grant to various agencies so that further releases are made to those agencies where there is no parking of funds. In this way, MeitY is making efforts towards zero pending UC.

(Ref: WR Q4&5)

16. On the reasons for pendency of such a large number of utilization certificates (UCs) and the measures taken to recover the outstanding amount from the implementing agencies, the Ministry furnished the status of utilization

certificates/unspent balances (mentioned in the above table) as on 6th November 2019 as follows:-

| | As on 31.12.2018 | | As on 06.11.2019 | |
|---|--------------------------|------------|--------------------------|------------|
| | Amount (Rs. in crore) | No. of UCs | Amount (Rs. in crore) | No. of UCs |
| Utilization Certificates due | 446.33 | 174 | 443.10* | 156* |
| Unspent Balances for which UCs are not due | 3209.60 | 409 | 707.68 | 160 |
| Total Unspent Balance with States/ Implementing Agencies | 3655.93 | 583 | 1150.78 | 316 |

*The figures include 29 UCs amounting to Rs. 105.99 crore which were not due as on 31.12.2018, but become due on 01.04.2019.

17. The Ministry informed that during the period from December 2018 to October 2019, utilization certificates amounting to Rs.2505.15 crore have been liquidated. Regular review of implementation of projects, non-release of further grants till the liquidation of pending UCs, release of grants w.r.t. unspent balances available with the grantee bodies, one-to-one meeting to ascertain the difficulties in utilizing the grant, etc are the few measures that MeitY generally takes to reduce the quantum of pending UCs as well as to hold the implementing agencies more accountable.

(iii) Internal and Extra Budgetary Resources (IEBR)

18. The Ministry have furnished the position of IEBR in respect of societies/offices under their jurisdiction for the years 2017-18 and 2018-19 along with the proposed IEBR, IEBR at BE and RE stage and the position of actual utilization as under:-

(Rupees in crore)

| Name of the Society | 2017-18 | | | 2018-19 | | |
|---------------------|-----------------|----------------|---------------|------------------|----------------|----------------|
| | Proposed/ BE | RE | Achievement | Proposed / BE | RE | Achievement |
| NIELIT | 306.93 | 307.99 | 316.86 | 328.04 | 353.21 | 355.62 |
| ERNET | 90.00 | 90.00 | 64.60 | 90.00 | 82.00 | 95.75 |
| STPI/EHTP | 201.00 | 171.90 | 166.66 | 186.83 | 186.96 | 179.22 |
| C-DAC | 356.00 | 356.00 | 381.40 | 415.00 | 450.00 | 570.00 |
| SAMEER | 55.20 | 54.00 | 30.07 | 58.00 | 58.00 | 32.56 |
| C-MET | 27.00 | 27.00 | 8.82 | 30.60 | 30.60 | 16.08 |
| Total | 1036.13 | 1006.89 | 968.41 | 1108.47 | 1160.77 | 1249.23 |

The IEBR achievements w.r.t. Target in RE for the FY 2017-18 and 2018-19 are 96% and 108%, respectively. Hence, there is negligible shortfall in FY 2017-18.

19. When the Committee desired to know the reasons why C-DAC exceeding its IEBR target significantly while achievement in respect of SAMEER and CMET has been quite low, the Ministry informed as under:-

“IEBR targets are made by autonomous bodies based on anticipated projects to be implemented by them. Due to late launching of some projects or non-materialization of a number of projects, the IEBR targets many-a-time remains under-achieved. On the contrary those autonomous bodies which carry out multifarious activities in various fields of Electronics and IT sector like conducting training/awareness programmes, software development, consultancy for various GoI projects, etc usually achieve more than the targets set by them. Since SAMEER and C-MET are research oriented institutions and are confined to specific fields, achievement of their IEBR targets is more or less dependent upon materialization of GoI projects relating to their fields. Hence, the shortfall in IEBR achievement by these bodies. However, all autonomous bodies under the aegis of MeitY are being impressed upon to achieve their targets.”

IV. National Informatics Centre (NIC)

20. NIC was established in 1976, and has rich experience of providing ICT and eGovernance support for the last 4 decades and bridge the digital divide. It has emerged as a promoter of digital opportunities for sustainable development. To its credit, NIC spearheaded “Informatics-Led-Development” by implementing ICT applications in social and public administration and facilitated electronic delivery of services to the Government (G2G), Business (G2B), Citizen (G2C) and Government Employee (G2E). By establishing the ICT Network, “NICNET”, NIC has facilitated the institutional linkages with all the Ministries/Departments of the Central Government, 36 State Governments/ Union Territories, and 710+ District administrations of India. NIC has been instrumental in spearheading e-Government/e-Governance applications in Government ministries/departments at the Centre, States, Districts and Blocks, facilitating improvement in Government services, wider transparency, promoting decentralized planning and management, resulting in better efficiency and accountability.

21. The BE provided for the year 2019-20 for this Scheme is Rs. 1150 crore. The details of BE, RE and actual expenditure in respect of National Informatics Centre (NIC) is as under:-

(Rs. in crore)

| Financial Year | BE | RE | AE |
|-----------------------|-----------|-----------|-----------|
| 2017-18 | 1040 | 1040 | 1076.16 |
| 2018-19 | 1100 | 1207.36 | 1209.10 |
| 2019-20 | 1150 | | |

22. When asked about the targets achieved during the year 2018-19 the Ministry furnished the following information:-

| S. No. | Project Name | Targets achieved during the year 2018-19 |
|---------------|---------------------|--|
| 1. | eCourts | <ul style="list-style-type: none"> • eCourts Project has been implemented in 25 High Courts & its benches and 3,067 District level courts. • More than 11.5 crore cases have been registered using this platform and 8 crore orders/ judgments have been made online. • Case Information System (CIS) has been developed under the eCourts Project and is deployed in every court of the country. CIS along with eCourts Portals (ecourts.gov.in, services.ecourts.gov.in, districts.ecourts.gov.in), Mobile App, SMS Pull & Push, Automated Emails, Touch Screen Info Kiosks, e-Payment, e-Filing, National Judiciary Data Grid (NJDG), Justice has transformed Indian Judiciary into ICT enabled Courts. • NJDG has a repository of about 10 Crore orders and Judgements from High Courts and District Level Courts. • Virtual Courts to reduce footfall in the courts. |
| 2. | eHospitals | <ul style="list-style-type: none"> • Unified and interoperable application across Govt. Hospitals. • Available through Software as a service (SaaS) model. • eHospital functional in more than 322+ hospitals across the country. • Online Registration System (ORS) has facilitated more than 28 lakh appointments since its inception. As of now more than 230 Hospitals on-boarded. 12.18 cr Patients registered since Sep, |

| | | |
|-----|---------------------------------------|--|
| | | 15. |
| 3. | E-Way Bill | <ul style="list-style-type: none"> • As part of GST, E-Way Bill provides an easy movement of goods across India. • 28.89 Lakh+ taxpayers • 0.41 Lakh+ Transporters • 55.77 Cr.+ E-Way Bill Generated. |
| 4. | National Scholarship Portal | <ul style="list-style-type: none"> • One-Stop solution for services starting from student application, application receipt, processing, sanction and disbursal of various scholarships to students. • Total Applications 1.40 Crore (Fresh +Renewal) • 2162Cr+ disbursed through portal. • More than 14 Lac Institutes. • 20 schemes. |
| 5. | eProcurement | <ul style="list-style-type: none"> • Implemented PAN India in 28 States / UTs and around 500+ Central Government Ministries / Departments and PSUs. • Over the last decades more than 5 Million tenders worth over Rs. 7,00,000 Cr have been processed. |
| 6. | E-Mail & SMS Gateway | <ul style="list-style-type: none"> • Over 2.6 Lakhs Govt E-Mail accounts. • Average daily E-Mail traffic of over 2.5 Cr • Over 2012 Government Applications connected for SMS services. • Average monthly SMS - 112 Cr. |
| 7. | Video Conferencing | <ul style="list-style-type: none"> • VC services since 1995. • 2210+ Studios across the country. • 4.81Lakh+ Video Conferencing hrs of studio usage in 2019 • 286 VIP VC Sessions. |
| 8. | National Cloud & National Data Centre | <ul style="list-style-type: none"> • Over 1100 users and 17890 virtual servers of National Cloud. • NDCs at Delhi, Pune, Hyderabad, Bhubaneswar, and Mini Data Centres. |
| 9. | IVFRT | <ul style="list-style-type: none"> • IVFRT applications have been implemented in 171 Indian Missions abroad. • e-Tourist Visa (eTV) has been introduced in 169 countries, 28 airports and 5 Sea Ports. • More than 77 lakh e-Visas have been granted. • Immigration Control System (ICS) facilitates daily clearance of International Arrival/Departure of more than 1,80,000 travelers per day. • ICS is running on 96 Immigration Check Posts across India. |
| 10. | Govt LAN & NKN | <ul style="list-style-type: none"> • High-speed Network Connectivity up to 10 Gbps. • Covering over 70,000 nodes in Delhi Govt. Buildings and over 5,00,000 nodes in State Secretariat Buildings. Access to NICNET through WiFi in various Central Government Offices. • Network up to Districts from state capitals using |

| | | |
|-----|--|---|
| | | <p>34/100 Mbps / 1 Gbps leased circuits.</p> <ul style="list-style-type: none"> • NKN is India's unified high-speed backbone network that carries the traffic of E-Governance, research and Internet on a single platform. • Nearly 1718 institutes connected to NKN empowering over 5cr students, researchers, and faculty. |
| 11. | E-Counseling | <ul style="list-style-type: none"> • End To End solutions based on joint seat allocation mechanism for facilitating the admission process • 74 Lakh+ application processed • 35 Counseling Boards • 3K+ Institutions |
| 12. | Public Financial Management System (PFMS) | <ul style="list-style-type: none"> • 26.15 Lakh+ Registered Agencies • 42.7 Cr Beneficiaries • 602 Govt. Schemes (enabled for DBT) • 347 Bank Interfaced with PFMS |
| 13. | Beneficiary Identification System (PM JAY) | <ul style="list-style-type: none"> • Unique ID for Beneficiaries • 18 K+ Hospitals Empanelled • 10 Cr+ E-Cards Issued |
| 14. | NREGA Soft | <ul style="list-style-type: none"> • A web-enabled MIS to capture all activities under Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) scheme. • Assets Created - 4.54 Cr • Active Workers - 11.97 Cr |
| 15. | e - Transport | <p>Vahan & Sarathi System -</p> <ul style="list-style-type: none"> • Vahan 4.0 - 1185 RTOs across Country • Sarathi 4.0 -1157 RTOs across Country • Vehicle Registration - 25 Crore+ • Driving licenses - 15 Crore+ E-Challan introduced. |
| 16. | e - Office | <p>Under Central Government (No. of Units where eOffice is implemented)</p> <ul style="list-style-type: none"> • Ministries and Departments - 213 <p>Under State Government (No. of Units where eOffice is implemented)</p> <ul style="list-style-type: none"> • Secretariats, District Administrations and others - 196 • 3.26 Cr.+ e-Receipts created • 2.83 Lakh+ eFile users. |
| 17. | Jeevan Pramaan | <ul style="list-style-type: none"> • Biometric Enabled digital service for pensioners. • Anytime Anywhere submissions of Digital Life Certificate (DLC) by pensioner. • Approx. 261 Lakh+ pensioners registered till date. |

| | | |
|-----|--|---|
| | | |
| 18. | MyGov | <ul style="list-style-type: none"> • Unique citizen engagement and crowdsourcing platform for policy formation and program implementation. • 94 Lakh+ registered members • 39 Lakh+ Comments on 811 discussions • 64 Groups |
| 19. | NIC Service Desk | <ul style="list-style-type: none"> • Single window platform for resolving Service-related issue • Servicing complaints for around 20 core services • 23 Lakh+ serviced tickets • 36+ states, 650 + districts, 1000+ govt. offices |
| 20. | ServicePlus | <p>Making all Government services accessible to the common man in his locality.</p> <ul style="list-style-type: none"> • 24 states, 845 services • 2.77crore+ applications received • 1.9 Cr+ applications delivered |
| 21. | Targeted Public Distribution System (TPDS) | <ul style="list-style-type: none"> • TPDS facilitates cost-effective, timely and targeted delivery of food grains to eligible beneficiaries. • 25 States, 506 Districts • 3.56 Lakh+ Fair Price Shop (FPS) • 3.11 Lakh+ POS Enabled FPSs • 19.35 Cr.+ Ration Cards With Aadhar |

23. Regarding constraints in fulfilling the targets, the Ministry informed that NIC has set up State-of-the-Art Digital Infrastructure to support electronic communication among different establishments of the Government across the country to facilitate implementation of various Government Programmes/Schemes. It also facilitates the Government to provide a large number of citizen centric services online. This infrastructure comprises of high speed communication network connecting almost all important institutions of Central Government/State Governments including District Administrations, National Data Centres(NDCs), Video Conferencing, National Cloud, Mail and Messaging.

24. National Data Centres are critical and integral part of this infrastructure. Over 10,000 eGovernance applications/ websites as well as large number of citizen centric services are hosted in these Data Centers to deliver information

and services to citizens at large. The above infrastructure has become backbone for functioning of the Government. Therefore, keeping it upgraded and secure is critical for functioning of the Government. Also with proliferation of e-governance services as part of Digital India programme, the requirement on NIC's resources has steadily grown.

(i) Upgradation of Infrastructure in NIC

25. In order to meet the growing demand, adopt emerging technologies and address rapidly changing landscape of cyber threats, budgetary requirements have been worked out to support the following major initiatives planned and included in Budget Estimates 2020-21.

- (i) Existing data centres of NIC at Shastri Park, New Delhi, Hyderabad and Pune are almost completely utilised. Another National Data Centre at Bhubaneswar was launched during 2018 and augmentation of National Data Centre at Hyderabad is underway. More than 10000 web applications/sites are hosted in these data centres and with number of users planning to use the infrastructure, their capacity will be fully utilised in next two years. Therefore, an urgent need has emerged to expand the data centre facilities. Bhopal being located in one of the safest seismic zones of the country has been selected for establishment of new National Data Centre. An SFC proposal for establishing NDC at Bhopal, Madhya Pradesh has been approved by the Competent Authority at a cost of *Rs.490.44 crores* for which, funds are required to start the work. Also, to provide impetus to the increase in usage of e-Governance services and all inclusive growth of the North East region, NE Regional Data Centre with an outlay of 348.66 crore is proposed to be established which will also act as Disaster Recovery site to the existing State Data Centres. The proposal is under appraisal by MeitY.
- (ii) During the launch of Digital India Programme by Hon'ble Prime Minister, the need of addressing cyber related risks was greatly emphasized. For enhancing security of the NICNET ICT infrastructure and the services, an SFC proposal for *Rs.425 Cr.* was initiated by NIC for 'Enhancement of Cyber Security for Government ICT Infrastructure'. It has been suggested to meet this requirement through Budget Estimates. Hence, requirement of Cyber Security has been included in RE 2019-20 and BE 2020-21.
- (iii) NIC employees are at the core of these eGovernance activities. With increasing use of emerging technologies such as Artificial Intelligence, Blockchain, IoT etc. in eGovernance applications, there is a strong need to upscale the skillset of NIC employees to enable them to leverage the use of these emerging technologies for developing new

generation of applications. NIC has planned to train its officers through institutes of eminence at national and international level.”

26. When the Committee desired to know the timelines for the completion of the above projects, the Ministry informed as under:-

The proposals for both, the North East Regional Data Centre in Assam and National Data Center at Bhopal, have been submitted to MeitY for sanction of funds. We are waiting for approval of MeitY to commence the work. The estimated timeline for both the projects post sanction of funds is estimated to 2 ½ years.

(ii) Manpower in NIC

27. Regarding status of the manpower /technologists /Engineers required/currently working in the NIC along with the required number which is in short, the Ministry informed that presently there are 3999 total strength in National Informatics Centre against sanctioned strength of 4839 to support the ICT requirement. Today NIC has an organizational presence across 730+ districts, 36 States/UTs, and amongst all Central Government Ministries/Departments. NIC has already initiated process for recruitment of more manpower through NIELIT. The Ministry have also stated that the problem of shortage of manpower in NIC is being addressed by conducting recruitment against the vacant posts.

28. To the query of on the status of the proposal of creation of 1407 posts in NIC, the Ministry informed that the proposal for creation of 1407 posts across different levels of Scientific and Technical Officers and Administrative officers in NIC was initiated in the year 2014. The proposal after due deliberations at all levels was duly approved by the Hon’ble Minister, E&IT for submission to the Ministry of Finance for concurrence for creation of 1400 posts. Ministry of Finance after examining the proposal observed that the additional manpower proposed is on the higher side and sought detailed justification/clarifications. Detailed clarifications on various points sought by MoF has been compiled and the same is being finalized by a Committee set up by NIC for submission to Ministry of Finance.

29. On the steps taken for adequate staff in NIC, the Ministry have stated that NIC has recruited 278 S&T manpower in the Grade of Scientific/Technical Assistants and Scientist-B during the current year 2019-20. Recruitment for 207 posts of Scientific/Technical Assistant–A and 228 posts of Scientist-B are under process and likely to materialise during 2020-21.

(iii) NIC mail

30. During examination of the DFG (2018-19), the Ministry had informed that as per the e-Mail policy of the Government, all Government officials are mandated to use the Government service. The Committee wanted to know the number of Government officials currently using the NIC email and the unique/differentiating features of NIC email *vis-à-vis* other popular e-mail services such as Gmail, Yahoo, Rediffmail etc. the Ministry informed that approximately 2.6 million officials are currently using NIC email. Regarding the notable features of NIC email, the Ministry *inter-alia* informed as under:-

- One of the key triggers for releasing the eMail policy of the Government of India was to ensure strategic control of the Government over its own data which as of today resides in servers like gmail/yahoo which are beyond the control of the Government. eMail as a service is the primary backbone for all communications in the Government and in view of the emerging threat vectors associated with email and observing the criticality of eMail, security remains the primary motive for the eMail policy of the Government. In accordance with the same, the Mail policy mandates all Government officials to use only the Government eMail service.
- The second element of the NIC service upgradation is to offer features which are in line with what is being offered as part of popular service like gmail/yahoo. The new service has all the features comparable with the popular service offerings globally, in addition to features that are unique to the requirements of the Government. In today's cyber framework, over 70% of the threats are through eMail and it remains one of the most prolific medium to carry zero day /targeted attacks/phishing attacks/key loggers etc. and has a wide spread impact. Thus, security elements that have been incorporated in the service have been done with the intent to make it secure while giving the user easy access.

31. Asked as to whether there is any proposal to create an Indian equivalent of popular instant messaging platform such as WhatsApp which can cater to official communication needs of Government officials without any security concerns attached with apps hosted abroad or owned by foreign entities, the Ministry informed that a prototype of Instant Messaging System for Govt. has been created and is under pilot testing. It has been designed and developed by NIC (National *Informatics Centre*) which is hosted on Govt. infrastructure for usage by Indian Govt. Organisations.

V. Digital India Programme

32. Digital India Programme is an umbrella programme which amalgamates all the ongoing schemes/programmes/projects being implemented by MeitY. Government of India has approved the 'Digital India' programme with the vision to transform India into a digitally empowered society and knowledge economy. It weaves together a large number of ideas and thoughts into a single, comprehensive vision so that each of them can be implemented as part of a larger goal. Each individual element stands on its own, but is also part of the entire Government. Digital India is implemented by the entire Government and being coordinated by the Ministry of Electronics & Information Technology (MeitY).

33. The vision of Digital India is centred on three key areas, viz., (i) Infrastructure as a Utility to Every Citizen (ii) Governance and Services on Demand and (iii) Digital Empowerment of Citizens. Digital India aims to provide the much needed thrust to the nine pillars of growth areas, viz., (i) Broadband Highways (ii) Universal Access to Phones (iii) Public Internet Access Programme (iv) e-Governance – Reforming Government through Technology (v) e-Kranti - Electronic Delivery of Services (vi) Information for All (vii) Electronics Manufacturing (viii) IT for Jobs and (ix) Early Harvest Programmes.

34. Budget Estimates, Revised Estimates and Actual Expenditure for the past three years (2016-17 to 2018-19) and BE allocated for 2019-20 for each scheme under Digital India Programme is as under:-

| Schemes/Non-Schemes | 2016-17 | | | 2017-18 | | | 2018-19 | | | 2019-20 | |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | BE | RE | Actual Expn | BE | RE | Actual Expn | BE | RE | Actual Expn | Proposed | BE |
| Digital India Programme | 1282.00 | 1192.55 | 1176.38 | 1672.76 | 1425.63 | 1451.59 | 3073.00 | 3352.81 | 3328.57 | 7931.14 | 3750.76 |
| Manpower Development | 365.00 | 365.00 | 364.81 | 306.76 | 256.76 | 256.58 | 300.00 | 300.00 | 300.00 | 702.53 | 400.75 |
| Electronic Governance (incl. EAP) | 470.00 | 400.55 | 390.78 | 261.00 | 257.00 | 277.28 | 425.00 | 425.00 | 421.66 | 1072.17 | 450.00 |
| Promotion of Electronics & IT Hardware Manufacturing | 70.00 | 50.00 | 49.87 | 745.00 | 484.87 | 460.37 | 864.22 | 844.22 | 727.37 | 1600.00 | 986.00 |
| Promotion of IT & ITeS Industry | 5.00 | 5.00 | 4.92 | 9.00 | 6.00 | 42.66 | 50.00 | 43.81 | 64.77 | 165.00 | 100.00 |
| National Knowledge Network (NKN) | 250.00 | 250.00 | 250.00 | 150.00 | 135.00 | 135.00 | 150.00 | 320.00 | 320.00 | 1000.00 | 160.00 |
| R&D in IT/Electronics/CCBT | 122.00 | 122.00 | 116.00 | 101.00 | 101.00 | 100.93 | 178.00 | 180.00 | 179.00 | 769.70 | 416.00 |
| Cyber Security Projects (NCCC & Others) | | | | 100.00 | 60.00 | 55.69 | 110.00 | 110.00 | 107.48 | 586.05 | 120.00 |
| Promotion of Digital Payments | | | | 0.00 | 25.00 | 23.08 | 595.78 | 691.78 | 770.29 | 860.00 | 600.00 |
| PMGDISHA | | | | 0.00 | 100.00 | 100.00 | 400.00 | 438.00 | 438.00 | 1175.69 | 518.00 |
| Champion Service Sector Scheme | | | | | | | | | | | 0.01 |

35. When asked about the challenges being faced in digital India programme and new measures taken for 2019-20 to achieve further progress in the programme, the Ministry informed that the major impediment in achieving the milestones under Digital India Programme is constraints in budgetary allocation. However, MeitY has been trying to achieve maximum targets by utilizing the limited resources/allocations through prioritization of projects."

(i) Champion Services Sector Scheme

36. The Union Cabinet chaired by the Prime Minister had approved the proposal of Department of Commerce (DoC) to give focussed attention to 12 identified Champion Services Sectors for realizing their full potential on 28th February 2018. The 12 identified champion services sectors are:

Information Technology (IT) and IT enabled Services (ITeS), Tourism and Hospitality Services, Medical Value Travel, Transport and Logistics Services, Accounting and Finance Services, Audio Visual Services, Legal Services, Communication Services, Construction and Related Engineering Services, Environmental Services, Financial services, and Education services. The Cabinet also directed the Ministries/ Departments concerned with these sectors to finalize and implement the Action Plans along with a monitoring mechanism under the overall guidance of the Committee of Secretaries (CoS) under Cabinet Secretary. A dedicated corpus fund of Rs. 5,000 crore has been established to support initiatives for sectoral Action Plans of the Champion Sectors. Rs 855 crore has been earmarked for MeitY.

37. The Second Meeting of the Screening Committee regarding recommendations on the proposals under Champion Services Sector Scheme(CSSS) held on 6th March 2019 under Chairmanship of Shri Amitabh Kant, CEO, NITI Aayog, following proposals amounting to Rs. 548.8 crore were recommended by the Screening Committee:-

(a) Future Skills PRIME (Rs. 436.87 Cr.) – The Screening Committed approved the proposal brought forth by NASSCOM through MeitY and recommended funds to the tune of Rs. 436 Cr. CEO, NITI Aayog suggested that a strong focus should be placed on involving placement agencies to ensure employability for the trainees. Ms. Anjana Dubey, DDG, Department of Financial Services opined that major skill gaps exist in the banking space. CEO, NITI Aayog asked DFS to work with NASSCOM to include such job roles in its proposal.

(b) Next Generation Incubation Services (Rs. 95.03 Cr.) - The Screening Committed approved the proposal and recommended funds to the tune of Rs. 95.03 Cr subject to the condition that selection of entities for 'seed fund' shall be done through a well-publicised massive competitive challenge with financing being operationalised through a professional third party.

(c) Market Development Initiative in Nordic and African Region (Rs. 8.10 Cr.) – CEO, NITI Aayog opined that activities planned under the initiative like handholding for soft landing facilities, Online Market Access Platform, organisation of Expo, Conferences and Roundtables etc. may not be fully funded by MeitY and Industry may be required to contribute to the extent of 40 % of the expenditure.

(d) Market Outreach Initiative (Rs. 12.04 Cr.) – MEITY presented three proposals of ESC with respect to i) Business & Marketing Assistance Office for

Indian IT SMEs for soft landing in USA (Rs.5.12 Cr.) ii) Business & Marketing Assistance Office for Indian IT SMEs for soft landing in UK (Rs.5.12 Cr.) and iii) B2B strategic IT Services Networking Meet between Indian IT and IT buyers from Japan and Korea (Rs. 1.8 Cr). The Screening Committed approved the proposals and recommended funds to the tune of Rs. 12.04 Cr.

Total funds recommended: is Rs. 548.8 crore. As per direction of DoC and Guidelines of CSSS, IFD, MeitY was requested to create a budget head for Champion Services Sector Scheme (CSSS). The "Grant-In-Aid General" and "Other Charges" Object Heads will be required under main budget head for releasing funds to implementing agencies and managing programme in MeitY through PMU respectively.

The EFC meeting for Champion Services Sector Scheme regarding above mentioned proposals was held on 6 Sept 2019 under the Chairmanship of Secretary, DEA, the minutes of the meeting are still awaited.

(ii) Electronic Governance (including EAP)

38. The objective of e-Governance, in broader terms, is to deliver all Government services electronically to the citizens in his/her locality through integrated and inter-operable systems via multiple modes, while ensuring efficiency, transparency & reliability of such services at affordable costs.

39. The details of BE, RE and AE for the years 2017-18 and 2018-19 and BE for 2019-20 is as under:-

| (Rs. in crore) | | | |
|-----------------------|-----------|-----------|-----------|
| Financial Year | BE | RE | AE |
| 2017-18 | 261.00 | 257.00 | 277.28 |
| 2018-19 | 425.00 | 425.00 | 421.66 |
| 2019-20 | 400.00 | | |

40. The budget estimates for 2018-19 had jumped from Rs. 261 crore in 2017-18 to Rs. 425 crore in 2018-19 i.e. an increase of 62.84%. When asked about the reason for such a steep increase in allocation, the Ministry informed as under:-

"The objective of e-Governance in broader terms is to deliver all Government services electronically to the citizens in his/her locality through integrated and inter-operable systems via multiple modes, while ensuring efficiency, transparency & reliability of such services at affordable costs. The fund requirement is increased due to initiation of new projects such

as India Enterprise Architecture (IndEA), Implementation of National Data Highway, NeST Phase- II, MyGov2.0, Awareness & Communications Plan for Digital India Programme, eSampark & eGreetings etc. Funds are also required for existing projects such as CSCs, SWAN, SDC, Digital Village, Securing the e-Mail Infrastructure, UMANG, Digital Locker, etc."

41. When asked about the details of targets (quantifiable) achieved under the scheme during the year 2018-19, the Ministry furnished the following information:-

- (i). State Data Centre (SDC):** Under the SDC scheme, Data Centres to be established in all the States/UTs to consolidate services, applications and infrastructure in order to provide efficient electronic delivery of Government to Government (G2G), Government to Citizen (G2C) and Government to Business (G2B) services. These services can be rendered by the States through common service delivery platforms seamlessly supported by core connectivity infrastructure, such as, SWAN and CSCs as the frontend delivery outlets at the village level. As on date, 29 SDCs have been made operational.
- (ii). Common Services Centre (CSC):** The Common Services Centres, which are kiosks for delivery of G2C Services, are being opened at each of 2,50,000 Gram Panchayats(GP). So far, 3.65 Lakh Common Services Centre are active and transacting for delivery of eServices; Out of this, 2.64 lakh are at GP level. Along with other services, CSCs are providing services related to Banking and Finance to rural citizens. Over 300 digital services are being offered by these CSCs and formal and informal employment for 12 lakh young men and women in rural areas have been created. During FY2018-19, total number of Functional CSCs (Including Gram Panchayat level) are 3,45,246, out of which, total number of Functional CSCs at GP level are 2,28,547.
- (iii). Meghraj and CSP:** As part of the Digital India program, Government of India has empanelled cloud service offerings of the 13 Cloud Service Providers under different deployment models.

- (iv). **Digital locker:** So far, 3.07 crore registered user of DigiLocker. 353 crore authentic documents have been made accessible on the platform. 140 Issuers and 41 Requestor organizations have been on-boarded.
- (v). **eSign framework - Online Electronic Signature Service:** Five agencies namely eMudhra Ltd., C-DAC, (n)Code Solutions, NSDL e-Governance Infrastructure Ltd. and Capricorn have been empanelled to offer e-Sign Services. Over 8.67+ crore eSign have been issued.
- (vi). **Unified Mobile Application for New-Age Governance (UMANG):** UMANG has been developed as a single mobile platform to deliver major Government services with Core Platform integrated with Aadhaar, DigiLocker, PayGov, Rapid Assessment System (RAS) etc. Citizens can access pan India Government services from the Central Government, State Governments, local bodies and their agencies. It has about 490 services from 104 Central Government departments and 21 States/UTs and more services are continuously being on-boarded. It supports around 12 Indian languages, in addition to English and has been hosted on cloud. UMANG aims to bring power to the finger tips of citizens.
- (vii). **Open Govt. Data Platform:** Open Govt. Data platform intends to increase transparency in the functioning of Government and also open avenues for many more innovative usages of Government Data to give different perspective. Currently, 3,05,666 resources under 7,639 catalogs published by 153 Ministries/Departments (85 Central and 68 States/UTs Departments).
- (viii). **Jeevan Pramaan:** Under Jeevan Pramaan over 2.61 crore Digital Life certificates have been processed since 2014.
- (ix). **E-Hospital & ORS: e-Hospital** is a one-stop solution for connecting patients, hospitals and doctors on the digital platform. e-Hospital has been implemented in 322 hospitals across the country. Till date, 29.84 lakh online appointments have been made in 230 Hospitals through ORS.

- (x). **National Scholarship Portal:** In the Academic Year (AY) 2018-19, 10 Central Ministries/Departments and 9 States have on-boarded their 60 scholarship schemes. 1.55 crore applications have been received and 67.7 lakh students have received scholarships.
- (xi). **NCOG- GIS Applications:** National Centre of Geo-informatics (NCoG) project, is a GIS platform developed for sharing, collaboration, location based analytics and decision support system for Departments. So far, 230 applications across various domains are operational.
- (xii). **eTaal:** eTaal presents quick analysis of transaction counts in tabular and graphical form to give quick view of transactions done by various e-Governance projects. More than 2305 crore transactions have been recorded for 3735 services since January 2019.
- (xiii). **MyGov:** MyGov is a first-of-its-kind citizen engagement platform for participatory governance in India. 45 Ministries are engaged actively on MyGov platform, reaching out to the citizens through the fundamental concepts of Do, Discuss and Disseminate. Presently, over 94 lakh users are registered with MyGov, participating in various activities hosted on MyGov platform. MyGov activities are structured under 64 groups consisting of 832 tasks, 810 discussions, 263 Polls/Surveys and 184 talks."

a. State Wide Area Network (SWAN)

42. When asked about the updated status regarding the establishment of SWANs and Broadband utilization along with the reasons for non-achievement of targets and less broadband utilization, the Committee were apprised as under:-

"SWAN has been implemented in all the States/UTs except J&K. The States/UTs have been utilizing the core infrastructure of SWAN for connectivity and dedicated close user application access connectivity. SWAN has been integrated with NKN in 30 States/UTs at SHQ level and at 515 district headquarters to provide high bandwidth. Increasing digitization amongst states has led to higher utilization of bandwidth. Presently, most of the States/UTs are upgraded the State Wide Area Network to higher performance and bandwidth capability and are utilizing more

than 70% of bandwidth of the existing link capacity. It is strongly felt that with increasing digitization amongst centre and State in future with passage of time, there will be still higher bandwidth utilization."

43. On the details of major impediments in establishment of SWANs in the remaining States/UTs, the Committee were informed that the major impediments in establishing of SWAN in J&K are lack of participation of System Integrators (poor bid response) and higher bid value which has led to re-tendering 4 times.

44. Regarding progress of implementation of SWAN in J&K, the Ministry informed as under:-

"The first Detailed Project Report (Proposal) for SWAN was received from the State of J&K in May 2007 and it was approved by Empowered Committee under the Ministry in January, 2008. The State has issued RFP on 4 different occasions in the past but could not finally select System Integrator (SI) due to reason of poor bid response, very limited participation by the vendors and exorbitant higher bid value. The last L1 bid received in 2014 was also very high and J& K state was required to re-bid after necessary modifications in the RFP.

There were few consultations and discussions between Ministry and the State of J&K keeping in view of specific requirements of the State during 2018-19. Ministry also suggested that State may decide on mode of System Integrator i.e. either through GeM or through open tender. However, State was also advised to select the SI through fastest and appropriate mode as per State financial rule. "

45. The Ministry further informed that as per Jammu and Kashmir Reorganization Act, 2019, the State has been divided into two Union Territories (UTs) and there may be administrative, technical and financial implications for implementation of SWAN.

b. Common Service Centres (CSCs)

46. The Common Services Centres (CSCs) are internet enabled access points for delivery of various Digital Services (eServices) to the citizens. The CSCs enable citizens to avail the Government and other services closer to their locality in a transparent and timely manner. The primary objective of the CSC is to provide e-governance services within the reach of the citizen, by creating the physical service delivery ICT infrastructure. It helps in making a transparent service delivery mechanism and eliminating citizens' effort in visiting government offices.

47. CSCs are run by Village Level Entrepreneurs (VLEs), who are co-opted into the ecosystem from the community they serve. To ensure sustainability of the CSC, the entrepreneurship capabilities of the VLEs are nurtured from time to time through entrepreneurship development programmes and training workshops.

48. Based on the assessment of the CSC Scheme, which was initially launched in September 2006, the Government of India has launched CSC 2.0 Project in December, 2015, under the pillar-3 of Digital India Programme, to expand the outreach of the CSCs to all Gram Panchayats (GPs) across the country and made the CSCs the integral part of the Digital India Programme. It has aimed to set up at least one CSC in every GP across the Country within duration of 4 years (by November, 2019), thereby envisaging establishment of at least 2.5 lakh CSCs covering all Gram Panchayats of the country over a period of four years.

49. When asked about the number of CSCs operational during the last three years viz. 2016-17, 2017-18 and 2018-19, the Ministry stated as under:-

The details are as under:

| Financial Year | Functional CSCs |
|-----------------------|--|
| 2016-17 | <ul style="list-style-type: none">No. of Functional CSCs (Incl. GP level): 2,50,345No. of Functional CSCs at GP level: 1,59,633 |
| 2017-18 | <ul style="list-style-type: none">No. of Functional CSCs (Incl. GP level): |

| | |
|----------------|---|
| | 2,92,605 |
| | <ul style="list-style-type: none"> No. of Functional CSCs at GP level: 1,83,203 |
| 2018-19 | <ul style="list-style-type: none"> No. of Functional CSCs (Incl. GP level): 3,45,246 No. of Functional CSCs at GP level: 2,28,547 |

50. Regarding State/UT wise details of the number of transactions done through CSCs, the Ministry furnished the following information:-

| Name of State/UT | CSCs Transacted : Jan'19 - August'19 | No. of Transactions (Vol. in Lakh) | | Value of Transactions (INR in Crore) | |
|--|---|------------------------------------|---------------|--------------------------------------|------------------|
| | | August'19 | 2019-20 | August'19 | 2019-20 |
| State Wise Details | | | | | |
| Uttar Pradesh | 78147 | 36 | 156.68 | 800.91 | 3834.42 |
| Maharashtra | 51461 | 18.45 | 95.73 | 242.94 | 1615.52 |
| Bihar | 32,015 | 22.38 | 90.19 | 566.99 | 2739.87 |
| Madhya Pradesh | 30360 | 8.72 | 60.73 | 108.59 | 523.6 |
| Rajasthan | 15983 | 13.44 | 60.66 | 402.59 | 1988.62 |
| West Bengal | 17853 | 8.71 | 37.27 | 203.41 | 1013.66 |
| Jharkhand | 14108 | 9.63 | 36.64 | 80.32 | 395.31 |
| Andhra Pradesh | 9455 | 7.83 | 31.72 | 133.86 | 668.56 |
| Haryana | 12530 | 6 | 28.14 | 31.85 | 143.55 |
| Karnataka | 9025 | 5.56 | 24.83 | 15.63 | 78.18 |
| Odisha | 12638 | 4.44 | 23.65 | 99.14 | 552.13 |
| Gujarat | 12564 | 3.47 | 23.38 | 50.95 | 252.18 |
| Chhattisgarh | 14269 | 5.2 | 22.8 | 63.53 | 322.1 |
| Himachal Pradesh | 3643 | 2.8 | 14.65 | 30.75 | 142.5 |
| Punjab | 8723 | 10.4 | 14.65 | 17.51 | 74.21 |
| Uttarakhand | 6457 | 2.97 | 14.25 | 26.14 | 122.71 |
| Assam | 6346 | 3.05 | 12.62 | 37.03 | 180.64 |
| Telangana | 5070 | 2.34 | 11.56 | 82.97 | 425.98 |
| Tamil Nadu | 10179 | 1.32 | 4.79 | 11 | 45.5 |
| Kerala | 3991 | 0.98 | 4.64 | 17.18 | 83.9 |
| Tripura | 990 | 0.43 | 2.35 | 9.58 | 47.31 |
| Meghalaya | 581 | 0.47 | 2.34 | 2.72 | 13.13 |
| Jammu & Kashmir | 3143 | 0.15 | 2.12 | 1.13 | 9 |
| Manipur | 758 | 0.25 | 1.12 | 2.7 | 13.38 |
| Nagaland | 291 | 0.11 | 0.41 | 0.2 | 0.89 |
| Mizoram | 240 | 0.03 | 0.39 | 0.19 | 0.93 |
| Arunachal Pradesh | 189 | 0.06 | 0.29 | 1.74 | 8.75 |
| Sikkim | 53 | 0.04 | 0.23 | 2.08 | 10.58 |
| Goa | 90 | 0.01 | 0.08 | 0.05 | 0.61 |
| State Total | 361152 | 175.22 | 778.89 | 3043.65 | 15307.689 |
| Union Territory (UT) wise details | | | | | |
| Delhi | 2041 | 0.15 | 0.87 | 2.82 | 12.98 |

| | | | | | |
|--------------------|---------------|--------------|--------------|----------------|-----------------|
| Andaman & Nicobar | 52 | 0.17 | 0.8 | 1.13 | 5.11 |
| Puducherry | 194 | 0.06 | 0.33 | 0.05 | 0.32 |
| Daman & Diu | 45 | 0.06 | 0.25 | 0.22 | 1.02 |
| Dadra & N Haveli | 53 | 0.03 | 0.11 | 0.2 | 0.78 |
| Chandigarh | 73 | 0.02 | 0.05 | 0.09 | 0.25 |
| Lakshadweep | 11 | 0 | 0.01 | 0.03 | 0.17 |
| UT Total | 2469 | 0.48 | 2.41 | 4.55 | 20.64 |
| GRAND TOTAL | 363621 | 175.7 | 781.3 | 3048.19 | 15328.32 |

51. Asked about the major factors affecting rollout of CSCs & how they can be resolved, the ministry informed that the major factors affecting rollout of CSCs are reliable connectivity & power supply in hilly & remote areas. Some positive steps evolved to minimize aforementioned obstacles are as follows:

Department of Telecommunications (DoT) has assigned CSC –SPV to extend the BharatNet connectivity up-to last mile and provide Wi-Fi internet services to the rural population through Wi-Fi Choupal, wherein there was no reliable connectivity. As on 31st August, 2019, total 10,091 Gram Panchayats are covered with Wi-Fi internet and by March, 2020 it is expected to cover 90 thousand GPs.

52. On the measures envisaged by the Ministry to tackle the hindrances outlined above, the Committee were apprised that connectivity at North-Eastern & Hilly States along with some remote locations is the biggest hindrance outlined above, for which DoT has assigned CSC –SPV to extend the NoFN connectivity up-to last mile and provide Wi-Fi internet services to the rural population through Wi-Fi Choupal, wherein there was no reliable connectivity. As on 31st August, 2019, total 10,091 Gram Panchayats are covered with Wi-Fi internet and by March, 2020 it is expected to cover 90 thousand GPs.

c. State Data Centres (SDC)

53. State Data Centre (SDC) is one of the three core infrastructure components under the NeGP. Under the SDC scheme, Data Centres to be established in all the States/UTs to consolidate services, applications and infrastructure in order to provide efficient electronic delivery of Government to Government (G2G), Government to Citizen (G2C) and Government to Business (G2B) services. These services can be rendered by the States through common

service delivery platforms seamlessly supported by core connectivity infrastructure, such as, SWAN and CSCs as the frontend delivery outlets at the village level. Some of the key functionalities that can be provided through SDC are central repository for the State, secure data storage, online delivery of services, citizen information/services portal, State Intranet Portal, disaster recovery, remote management and service integration, etc. SDCs also provide better operation and management control with minimized overall cost of data management, IT resource management, deployment and other costs for States/UTs.

54. As on 31st March, 2019, 28 SDCs have been declared operational in Tamil Nadu, Puducherry, West Bengal, Andhra Pradesh, Meghalaya, Goa, Karnataka, Manipur, Odisha, Sikkim, Haryana, Kerala, Maharashtra, Gujarat, Tripura, Rajasthan, Nagaland, Uttar Pradesh, Andaman and Nicobar Islands, Madhya Pradesh, Lakshadweep, Chhattisgarh, Jammu and Kashmir, Mizoram, Bihar, Himachal Pradesh, Jharkhand and Punjab.

55. Out of the 4 pending SDCs (yet to be operational) 2 SDCs, Uttarakhand and Assam have already selected Data Centre Operator (DCO) and have started installation.

56. When asked about the number of State Data Centres (SDCs) operational and the status of the SDCs which have been operationalized in the years 2016-17, 2017-18 and 2018-19, the Ministry informed that as on date, 29 State Data Centres(SDCs) are operational.

- SDCs operational in 2016-17: Himachal Pradesh and Jharkhand
- SDCs operational in 2017-18: Goa and Punjab
- SDCs operational in 2018-19: Data Center Operator selected for Uttarakhand and Assam"

57. Regarding the expenditure incurred during the year 2018-19, the Ministry informed that in the year 2018-19 six states were funded Rs. 29.28 Cr.

in the SDC scheme. These are Nagaland, Mizoram, Arunachal Pradesh, Chhattisgarh, Andaman & Nicobar and Himachal Pradesh.

58. On the details of progress in setting up of SDCs in States/UTs of Assam, Uttarakhand, Arunachal Pradesh, Dadra & Nagar Haveli and Daman & Diu, the Ministry informed as under:-

- **Assam SDC:** Assam SDC implementation works for Non-IT component had already started by Data Center Operator. The Assam SDC team informed that it is expected to be operational by 31st March 2020.
- **Uttarakhand SDC:** The SDC was implemented and operational since 10th June 2019.
- **Arunachal Pradesh SDC:** The Data Centre Operator (DCO) is not **selected** yet. The SDC bid was floated on Gem portal and it was planned to be opened on 28th August 2019, but it was informed that no vendor participated and it was again cancelled.
- **Dadra & Nagar Haveli and Daman & Diu:** The DCO was terminated on non-performance issues. They are again coming out with fresh RFP."

59. On the major challenges in setting up/operationalization of SDCs, the Ministry have informed that major Challenges in setting up of SDCs in Arunachal Pradesh DCO has not been selected yet. In the last bid in August 2019 no vendor participated. In Daman Diu & Dadra Nagar Haveli the project is not implemented as the contract with the earlier DCO (M/s Prithvi) was terminated in Jan'2016, due to poor performance. MeitY has been guiding regularly via meetings and Video Conferencing(VCs).

(iii) Promotion of Electronics & IT Hardware Manufacturing

60. The Government attaches high priority to electronics hardware manufacturing. The electronics manufacturing sector requires continuous push with the overall objective of promoting 'Make in India', not only to meet the domestic demand but also to promote India as a global hub for electronics manufacturing. The sector has the potential to generate domestic wealth and employment, apart from enabling cyber-secure ecosystem. The demand of Electronics System Design and Manufacturing (ESDM) is expected to rise rapidly to about USD 400 billion by the year 2025.

61. The Ministry have informed that several policy initiatives under the “Digital India” and “Make in India” programmes are designed to facilitate investment, foster innovation, protect intellectual property, and build best-in-class manufacturing infrastructure towards creating conducive environment for attracting investment in the electronics hardware manufacturing sector. The intent of the Government is to provide a level playing field for domestic manufacturers to enable them to compete with imports in the sector by rationalization of tariff structure, simplification of procedures, enabling policies, providing incentives and upgrading infrastructure. As a result of various measures taken over the last few years, production of electronics hardware has shown significant increase. The demand of electronics hardware is increasingly being met by domestic production.

62. Asked as to whether the Ministry are hopeful of fully utilizing the budget estimates of Rs. 986.00 crore provided under the scheme of Promotion of Electronics & IT Hardware Manufacturing during the year 2019-20, the Ministry informed that they are hopeful of fully utilizing the budget estimate due to envisaged expenditure in the various schemes, the brief of which is as under:-

- **Modified Special Incentive Package (M-SIPS):** To offset disability and attract investments in Electronic manufacturing, Modified Special Incentive Package Scheme (M-SIPS) was launched by the Ministry in July 2012. The scheme provides 20-25% subsidy for investments in capital expenditure for setting up of new electronic manufacturing facility or expansion of the existing electronic manufacturing facility. M-SIPS incentives are available in any industrial area notified by Centre/ State/ local authorities across the country. The incentives are available for 44 categories of electronic products and product components. The scheme was open to receiving applications till 31st December, 2018. The incentives are available for a period of 5 years from the date of approval of the application.
- Under MSIPS, 409 applications with proposed investment of Rs. 1,10,003 crore are under consideration. Out of these 227 applications with proposed investment of Rs. 58,733 crore have been approved, 27 applications with proposed investment of Rs. 14,605 crore have been recommended by

Appraisal Committee and 155 applications with proposed investments of Rs. 36, 665 crore are under appraisal.

- Under the scheme, in respect of approved and recommended applications, the estimated incentives are to the tune of Rs. 7,893 crore. Out of 227 approved applicants, 174 applicants have started making investment and made an investment of Rs. 15799 crore so far. In the Scheme, the disbursement of incentives takes place after the applicant make investment on their project. Till 30th September 2019, an amount of Rs. 817.22 crore of incentives has been disbursed to 64 applicants. 22 claim applications seeking incentives of Rs. 86.81 crore are under verification and approval process and keeping in view the approved cases, the more claim applications are likely to be received. In the current FY, Rs. 329 crore of incentives has already been disbursed and more disbursement of incentives will take place.
- **Electronics Manufacturing Clusters (EMC) Scheme:** To offset the disability faced by electronics manufacturers in need of ready land availability with reliable infrastructure for setting up of their manufacturing facilities in the country, Government proposed to offer a package of incentives into the Electronics Systems Design and Manufacturing (ESDM) sector within Electronics Manufacturing Clusters (EMCs). EMCs would aid the growth of the ESDM sector, help development of entrepreneurial ecosystem, drive innovations and catalyze the economic growth of the region by increasing employment opportunities and tax revenues.

Under the scheme, final approval has been accorded to 20 applications for setting up Greenfield Electronics Manufacturing Cluster and 3 applications for setting up of Common Facility Centre in Brownfield Cluster over an area of 3,565 acres with project cost of Rs. 3,898 crore in 15 States across the country. The approved Grant-in-Aid is Rs. 1577 crore. Against the said approved grant-in-aid of Rs. 1577 crore, so far the grant of Rs. 520.88 crore has been released, out of which, Rs. 27 crore has been released in current FY 2019-20 and it is likely that more grant may be released to EMCs in this financial year.

Further, expenditure may be incurred on Electronics Development Fund and other projects viz. Centre of Excellence and also on the Compulsory Registration Order 2012 etc."

63. When the Committee desired to know the major impediments in growth of Electronics & IT Hardware manufacturing sector in India, the Ministry submitted as under:-

- (i) **“Information Technology Agreement (ITA-1) and FTAs (Free Trade Agreements):** Electronics was the first sector to be opened up and which accepted zero duty regime for large number of products. As a signatory to the Information Technology Agreement-1 (ITA-1) of the World Trade Organization (WTO), India has implemented zero duty regime on 217 tariff lines. Further, under the Free Trade Agreements (FTAs) with various countries/ trading blocks, the import of electronics hardware from these countries is allowed at a duty which is lower than the normal duty rate or at “Nil” rate. Thus, there is little protection to the domestic electronics industry.
- (ii) **The China factor:** India’s biggest competition in the sector is from China which has achieved high economies of scale and has highly subsidized operating environment, which is largely opaque.
- (iii) **Disability costs in domestic manufacturing:** The sector faces several disabilities which render indigenous electronics manufacturing uncompetitive. The three elements of operating environment which pose significant challenges to Indian manufacturers are: infrastructure, power and finance. Infrastructure challenges arise from poor supply chain logistics and inadequate ready availability of land. The finance costs in India are typically 5 to 6 points above international rates. Power supply though much improved in the last decade is still, in several parts, inadequate, unreliable and costly.
- (iv) Limited focus on R&D by the Industry.”

64. When asked about the Government's plans to reverse the trend of increasing import and promote domestic manufacturing, the Ministry informed that India is one of the fastest growing markets of electronics in the world. The demand of Electronics System Design and Manufacturing (ESDM) is estimated to grow exponentially to USD 400 Billion by 2025. The Vision is to establish India as a leading global destination for ESDM by creating a level playing field and an enabling environment for the industry to compete globally. Government has implemented several schemes which are holistic, investor-friendly and market-driven, and focused on up-gradation of infrastructure, providing incentives to offset disabilities, promoting innovation and human resource development. As a result, ESDM industry has witnessed upward growth in India.

65. The Ministry is poised to create eco-system for globally competitive ESDM sector by incentivizing domestic manufacturing and compensating disabilities. We are encouraging domestic manufacturing of electronic products and their inputs for significantly increasing value addition by building a comprehensive ecosystem, covering the entire supply chain, through suitable phased manufacturing programme and/or fiscal interventions. We also plan to devise suitable methods for promotion of manufacturing of electronic goods covered under the Information Technology Agreement (ITA-1) of WTO.

a. Make in India Initiative

66. To encourage 'Make in India' and to promote manufacturing and production of goods and services in India with a view to enhancing income and employment, the Government has issued Public Procurement (Preference to Make in India) Order 2017 vide the Department for Promotion of Industry and Internal Trade (DPIIT) Order dated 15.06.2017 and subsequent revision vide Order dated 28.05.2018. In furtherance of the aforesaid Order, MeitY has notified 11 Electronic Products viz., Desktop PCs, Laptop PCs, Tablet PCs, Dot Matrix Printers, Contact and Contactless Smart Cards, LED Products, Biometric Access Control/ Authentication Devices, Biometric Finger Print Sensors, Biometric Iris Sensors, Servers, and Cellular Mobile Phones, vide Notification dated 14.09.2017 and Notification dated 01.08.2018, respectively.

67. A high-level Committee under the Chairmanship of CEO, NITI Aayog, comprising of Finance Secretary, Commerce Secretary, Secretary, Department for Promotion of Industry and Internal Trade (DPIIT), Secretary, Ministry of Electronics and Information Technology (MeitY) and Sr. Adviser (DM&A), NITI Aayog has been constituted vide NITI Aayog Notification dated 02.07.2019 to deliberate and make recommendations on making India a manufacturing hub for production of electronics. Appropriate action shall be taken based on the report of the aforesaid Committee.

68. Ministry has initiated the proposal to introduce Modified Electronics Manufacturing Cluster Scheme (EMC 2.0) to create and robust the

infrastructure base for electronics industries to set up their manufacturing operations in the country."

69. When asked about the future projections for imports of Electronics and IT Hardware in India and how the Ministry plan to increase/promote domestic production, the Ministry informed that as a result of various initiatives taken by the Government over the last few years, electronics manufacturing has grown significantly in the country. Indian electronics hardware production increased from Rs.1,90,366 crore (~USD 29 billion) in 2014-15 to Rs. 4,58,006 crore (~USD 70 Billion) in 2018-19, registering a Compound Annual Growth Rate (CAGR) of 25 %, as against a growth rate of 5.5% in 2014-15.The details are as under:-

| Year | Annual demand of Electronics and IT Hardware in India (in INR crore) | Percentage of demand met through imports (%) | Percentage of demand met through Domestic production (%) |
|-------------|---|---|---|
| 2014-15 | 3,46,728 | 56.1% | 43.9% |
| 2015-16 | 4,26,057 | 52.1% | 47.9% |
| 2016-17 | 5,10,258 | 45.6% | 54.4% |
| 2017-18 | 6,21,797 | 44.2% | 55.8% |
| 2018-19 | 6,95,207 | 43.0% | 57.0% |

70. As a result of Phased Manufacturing Programme (PMP) and other initiatives taken by the Government of India, the mobile handsets and their parts/ sub-assemblies manufacturing has emerged as one of the flagship sectors under the 'Make in India' program of the Government. As per the information provided by India Cellular and Electronics Association (ICEA), the production of mobile handsets has gone up from 6 crore units valued at INR 18,900 crore in 2014-15 to 29 crore units valued at INR 1,70,000 crore in 2018-19. The manufacturing of mobile handsets and their parts/ sub-assemblies has been steadily moving from Semi Knocked Down (SKD) to Completely Knocked Down (CKD) level, thereby progressively increasing the domestic value addition.

71. While import of mobile handsets is decreasing continuously, however, since we do not have adequate component manufacturing eco-system in the country, the import of components such as Chip components, Integrated Circuits (ICs), Display, etc. will only increase in the coming years, as the domestic manufacturing of electronic products continues to increase. Going forward, efforts will be made to attract investments in the electronic components manufacturing eco-system.

b. National Policy on Electronics

72. Asked about the status of National Policy on Electronics IT Hardware manufacturing declared in 2018, the Ministry informed that "The National Policy on Electronics 2019 (NPE 2019) has been notified on 25.02.2019, subsequent to the approval by the Union Cabinet in its meeting held on 19.02.2019. The NPE 2019 replaces the NPE 2012. The National Policy on Electronics (NPE) 2019 has been formulated to Position India as a global Hub in the Electronics System Design and Manufacturing (ESDM) by encouraging and driving capabilities in the country for developing core components, including chipsets and creating an enabling environment for the Industry to compete globally.

73. The salient features of the National Policy on Electronics 2019 (NPE 2019) are as under:-

- (a) Creating eco-system for globally competitive ESDM sector
- (b) Promotion of electronic components manufacturing ecosystem
- (c) Special package of incentives for Mega Projects which are extremely high-tech and entail huge investments, such as semiconductor facilities (including trusted foundries), display fabrication, photonics and LED chip fabrication units
- (d) Encouraging Industry-led R&D and innovation and promoting start-up eco-system in all sub-sectors of electronics, including emerging technology areas such as 5G, IoT/ Sensors, Artificial Intelligence (AI), Machine Learning, Augmented Reality (AR) and Virtual Reality (VR), Drones, Robotics, Additive Manufacturing, Gaming and Entertainment, Photonics, Nano-based devices, as well as thrust areas such as medical

electronics, defence and strategic electronics, automotive electronics, cyber security, power electronics and automation

- (e) Providing incentives and support for significantly enhancing availability of skilled manpower, including re-skilling, in the ESDM sector
- (f) Promoting research, innovation and support to industry for green processes and sustainable e-Waste management, including *inter-alia* facilitation of citizen engagement programmes for safe disposal of e-Waste in an environment friendly manner, development of e-Waste recycling industry and adoption of best practices in e-Waste management
- (g) Emphasis on Cyber Security and promoting trusted electronics value chain initiatives to improve India's national cyber security profile
- (h) Providing special support for developing core competencies in the following sub-sectors of Electronics:
 - Fabless Chip Design Industry
 - Medical Electronic Devices Industry
 - Automotive Electronics Industry and Power Electronics for Mobility
 - Strategic Electronics Industry
- (i) Creation of Sovereign Patent Fund (SPF) to promote the development and acquisition of IPs in ESDM sector."

74. The Ministry further informed that the Union Cabinet, chaired by the Hon'ble Prime Minister Shri Narendra Modi approved the National Policy on Software Products – 2019 on February 28, 2019 to develop India as a Software Product Nation. The policy aims to develop India as the global software product hub, driven by innovation, improved commercialization, sustainable Intellectual property (IP), promoting technology start-ups and specialized skill sets. Further, the policy aims to align with other Government initiatives such as Start-up India, Make in India and Digital India, Skill India etc so as to create Indian software products industry of USD 70-80 billion with direct & indirect employment of 3.5 million by 2025.

(iv) Cyber Security Projects (NCCC & others)

75. Cyberspace today is the common tool used by citizens, civil society, businesses and Government for communication and dissemination of information. The objective is to adopt a holistic approach towards securing the cyber space of the country by pursuing multiple initiatives like Security Policy,

Compliance and Assurance, Security, Incident-Early warning & Response, Security Training, Security specific R&D, Enabling Legal Framework and Collaboration.

76. When asked about the progress of setting up of NCCC, the Ministry informed that Government has proposed to set up the National Cyber Coordination Centre (NCCC) to generate near real time macroscopic views of the cyber security threats in the country. The centre will scan the cyberspace in the country at meta data level and will generate near real time situational awareness. NCCC will be a multi stakeholder body and will be implemented by Indian Computer Emergency Response Team (CERT-In) at Ministry of Electronics and Information Technology (MeitY). The proposed centre will provide a structured system and facilitate coordination among different agencies by sharing with them the meta data from cyberspace for taking action to mitigate the cyber security threats. Phase-I of NCCC has been operationalised in July, 2017. CERT-In has engaged C-DAC, Trivandrum as execution partner for implementation of NCCC phase-II Stage 1. The Request for Proposal (RFP) for phase-II of NCCC is being prepared. The Phase-II Stage 1 is targeted to be operationalised during the year 2019-2020 aimed for collection and analysis of meta data from 15 remote sites."

77. The Committee desired to know the extent to which CERT-In has been able to prevent cyber- threats to online financial transactions and the achievements and shortcomings of CERT-In, the Ministry informed that the Indian Computer Emergency Response Team (CERT-In) has taken initiatives to prevent cyber threats to online financial transactions. A number of Advisories have been issued by CERT-In for organisations and users to secure digital payment systems which are as under:-

- Measures for securing Point of Sale systems to prevent skimming and malware attacks
- Measures for service providers and users for securing Micro ATMs
- Securing Wireless Access points and Routers
- Best practices for using E-Wallets
- Security measures for online banking
- Measures for safe guarding smart phone against cyber attacks
- Security measures for mobile banking

- Measures for securing data on Mobile and Cloud
 - Security measures for online payments through Unified Payment Interface (UPI)
 - Securing biometric devices
 - Preventing Social Engineering Attacks (for users and organisations)
 - Securing Web-Browsers
 - Prevention of mobile ransomware
 - Unstructured Supplementary Service Data (USSD) based mobile banking
 - Securing Wireless Hotspots
 - Personal Online Security for users
 - Secure Payment through RuPay Card
 - Securing USB devices
 - Securing SIM Cards
 - Aadhaar Enabled Payment System(For Users,For organisations)
 - Secure use of debit / credit cards
 - Safeguarding online identity
 - Advisory for securing mobile payment channels for Payment Service Providers and Prepaid Payment Instrument (PPI) service providers
 - Prevention of Web cache deception attacks
 - Measures for prevention of ransomware infections
 - Smart Phone Security
 - QR code best practices
 - Wiretapping attacks in ATMs
 - Online Skimming
- ii. Cyber Swachhta Kendra (Botnet Cleaning and Malware Analysis Centre) of CERT-In is working with various banks and financial institutions to track infected systems and vulnerable services/systems within their networks. Cyber Swachhta Kendra advises the infected/vulnerable systems to Banks and Financial institutions on daily basis alongwith remedial measures to clean and secure the systems.
- iii. CERT-In is regularly issuing tailored alerts to financial institutions to enable proactive threat prevention by the respective entities.
- iv. CERT-In has also been instrumental in ensuring that a Chief Information Security Officer (CISO) at a senior level is appointed by every financial institution including banks and government organisations. As on 31st March 2019, the total no. of CISOs in Financial sector are 287.
- v. CERT-In is conducting Training and Joint Exercises on Cyber Crisis Management Plans for all key organisations including Financial Institutions. Government has formulated a Cyber Crisis Management Plan (CCMP) for countering cyber-attacks and cyber terrorism for implementation by all Ministries/ Departments of

Central Government, State Governments and their organizations and critical sectors. Guideline documents and templates have been published to assist development and implementation of sectoral Crisis Management Plans.

vi. Setting up of Sectoral CERT for the Financial Sector (CERT-Fin) – Actions have been initiated by the Government to set up CERT-Fin which will work in close coordination with all financial sector regulators and other stakeholders.

vii. Keeping in view the technology and complexity of the emerging threats, the Ministry is putting up efforts in augmenting the manpower and space for CERT-In.”

(v) Pradhan Mantri Gramin Digital Saksharta Abhiyan (PMGDISHA)

78. The allocation under PMGDISHA has been increased from Rs.400 crore in 2018-19 to Rs.518 crore in 2019-20. When asked about the physical targets set and actual achievement under the Scheme during the last two years & details of target set for the year 2019-20, the Ministry informed as under:-

"The target for the F.Y. 2017-18 under the PMGDISHA scheme was 3 crore; however against the budget requirement of Rs. 1175.69 crore the budget allocated was only Rs. 100 crore and actual target achieved was 0.59 crore.

Further, the target for the F.Y. 2018-19 under the PMGDISHA scheme was 3 crore; however against the budget requirement of Rs. 1175.69 crore the budget allocated was only Rs. 438 crore and actual target achieved was 0.66 crore.

The total target of the PMGDISHA Scheme is digital literacy training of 6 Crore persons. Due to less fund allocation in FY 2017-18 (Rs 100 Cr) and FY 2018-19 (Rs. 438 crore), the target of FY 2017-18 and FY 2018-19 is redistributed to subsequent year(s). For F.Y. 2019-20, it is envisaged to achieve a target of 1.75 crore beneficiaries subject to availability of funds."

VI. Unique Identification Authority Of India (UIDAI)

79. Unique Identification Authority of India (UIDAI) was established in 2009 as an attached office under the aegis of the erstwhile Planning Commission to operate a Central Plan Scheme aimed at providing a Unique Identification number to every resident of the country. UIDAI is a transformational initiative that involves establishing identity infrastructure for providing unique digital

identity in the form of Aadhaar number (a twelve digit random number) to the residents. The Aadhaar number establishes uniqueness by the process of biometric de-duplication and enables online authentication anytime and from anywhere for verification of identity. From September 2015 onwards, UIDAI has been shifted under Ministry of Communications and Information Technology, Department of Electronics and Information Technology (DeitY) by virtue of Cabinet Secretariat's Notification S.O.2492(E) dated 12th September 2015.

80. When the Committee desired to know the current status of UIDAI enrollment, the Ministry informed that as on 30th September 2019, over 124.48 crore residents of India have been issued Aadhaar. It is estimated that of these about 120.91 crore are LIVE against an estimated population of 135.39 crore (Projected 2019).

81. The details of allocations to UIDAI during the last 5 years are as under:

| Year | BE Allocation (Rs. in crore) | RE Allocation (Rs. in crore) | Utilization (Rs. in crore) |
|----------------|---|---|---------------------------------------|
| 2014-15 | 2039.64 | 1617.73 | 1615.34 |
| 2015-16 | 2000.00 | 1880.93 | 1680.44 |
| 2016-17 | 1140.00 | 1135.27 | 1132.84 |
| 2017-18 | 900.00 | 1150.00 | 1149.38 |
| 2018-19 | 1375.00 | 1345.00 | 1182.08 |

82. On the targets set to be achieved for the financial year 2019-20, the Ministry have stated that UIDAI has been allocated grants-in-aid of Rs.1227 crore against the BE 2019-20 projection of Rs.1650 crore. The targets for the financial year 2019-20 are as follows:

- To issue Unique Identification Number for every resident
- To provide robust, ubiquitous and cost-effective online authentication services
- To provide updations services
- To aid financial inclusion
- Continue with Aadhaar enrolment of residents and achieve universal enrolment

83. On the response to usage/adoption of Aadhaar in Digital Payments and e-KYC process & steps being taken by MeitY to promote Aadhaar enrolment and

usage/adoption of Aadhaar in Digital Payments and e-KYC process, the Committee have been apprised as under:-

"Aadhaar is a unique digital identity issued to over 124.48 crore residents of India (as on 30th Sept. 2019). It is estimated that of these about 120.91 crore are LIVE against an estimated population of 135.3 crore covering over 89.31% of revised estimated population with almost all (over 99.9%) of the adult population having Aadhaar.

Aadhaar acts as financial address, when it has been seeded/linked against a bank account. As on 30th Sept. 2019, 67.26 crore individuals have linked their Aadhaar to over 100 crore bank accounts against an estimated 110+ crore active bank accounts.

In digital payments, Aadhaar is used for DBT using Aadhaar Payment Bridge (APB). As on 30th Sept 2019, 549.21 crore such successful remittances have been done paying over 237,381 crore rupees since inception. Currently, about 14 crore such transactions are happening every month to pay out DBT of about Rs.9000 crores.

Also, Aadhaar is used for doing merchant transactions to electronically pay merchants directly from the bank account using BHIM Aadhaar Pay. As on 30th Sept. 2019, 1.30 crore successful payments have been made using over 70,827 merchants across 75 banks.

Aadhaar is also used to provide last mile basic banking services (Balance enquiry, Mini statement, Account opening, Cash withdrawals and Cash deposits) to Account holders using Aadhaar Enabled Payment Services (AEPS). As on 30th Sept. 2019, over 426.80 crore successful transactions have been done cumulatively. Last month about 20 crore successful AEPS transactions have been done on field through over 9.75 lakh microATMs facilitated by about 123 banks.

E-KYC allows an Aadhaar holder to provide his/ her KYC electronically to an UIDAI approved (registered) service provider by directing UIDAI to do the same based on either bio-metric or OTP based consent mechanism. As on 30th Sept.2019, over 748.04 crore such e-KYCs have been successfully transmitted to such service providers. Out of this over 41.18 crore e-KYCs have been done at about 108 Banks to either open Aadhaar linked bank accounts or link Aadhaar to existing bank accounts.

As on date more than 35000 enrollment centres are operational across the country in post offices, bank branches and Govt offices for Aadhaar enrollment and update"

VII. Unified Mobile Application for New-Age Governance (UMANG)

84. Unified Mobile Application for New-Age Governance (UMANG): UMANG has been developed as a single mobile platform to deliver major Government services. Hon’ble Prime Minister dedicated UMANG to the nation on 23rd November, 2017.

- UMANG’s core platform is integrated with Aadhaar, DigiLocker, PayGov, Rapid Assessment System (RAS) etc.
- Citizens can access pan India Government services from the Central Government, State Governments, local bodies and their agencies.
- UMANG supports 12 Indian languages, in addition to English and has been hosted on cloud. UMANG aims to bring power to the finger tips of citizens.

85. Asked about the achievement and performance of UMANG app, the Ministry informed that as on 28th October, 2019, UMANG has 490 services on 93 applications available from 104 departments of Central/ State Governments across 21 State/ UTs. The total number of downloads of UMANG app, as on 28th October, 2019, is 1.93 Crore. The total number of active users of UMANG, who have used UMANG once or more than once, is as under:

Last 3 months (29th July to 28th October): 52,91,084

Last 30 days (29th September to 28th October): 24,05,698

| Core Integrations & Major Departments On-boarded | |
|--|--|
| Core Integrations | <ul style="list-style-type: none"> • PayGov – Payment • Aadhaar – Identity & Authentication • Digilocker – Paperless • Rapid Assessment System (RAS) – Feedback |
| Student | Central Board of Secondary Education (CBSE), All India Council for Technical Education (AICTE), National Council of Educational Research and Training (NCERT), Kendriya Vidyalaya Sangathan (KVS)-Shala Darpan, National Scholarship Portal, National Digital Library, Swayam Prabha |
| Farmer | Crop Insurance, Soil Health Card, Agri Market, Kisan Suvidha, Buyer Seller |

| | |
|----------------------|--|
| Health | ORS (Online Registration System), Pharma SahiDaam, e-Raktkosh |
| Youth | Pradhan Mantri Kaushal Vikas Yojana - PMKVY (Skill Development), Deendayal Antyodaya Yojana – National Urban Livelihoods (DAY-NULM) |
| Housing | Pradhan Mantri Awas Yojana (PMAY), Credit Linked Subsidy Scheme (CLSS), National Housing Bank (NHB) |
| Miscellaneous | Gas (Bharat Petroleum Corporation Limited (BPCL), Hindustan Petroleum Corporation Limited (HPCL), Indian Oil Corporation Limited (IOCL)), e-Migrate, MADAD, Khoya Paya, DigiSevak, Vahan & Saarthi, eRahi, Employees' Provident Fund Organisation (EPFO), Permanent Account Number (PAN), Income Tax, Jeevan Pramaan, Centralized Public Grievance Redress And Monitoring System (CPGRAMS), Employees' State Insurance Corporation (ESIC), Childline, Telecom Regulatory Authority of India (TRAI), MyGov, eCourts, Doordarshan" |

86. On the steps taken to promote/increase repeat use of UMANG App for delivery of Government services to people, the Ministry informed that in most of the government services are required to be used one time or sporadically; hence repeat use of services within a month or 3-months by all users is unlikely. Many people also use once and delete the app to save the space on the mobile as UMANG is only G2C app. Potential steps that can increase the repeat use of UMANG App are as under:-

- a) UMANG is an integrator platform/mobile app – all on-boarded departments need to promote that their services are available through UMANG, whenever they promote their services
- b) Focusing On-boarding of services that are used frequently such as involving repeated financial transactions, transportation services – railways/ bus etc., news services, etc.
- c) High Volume Services from States, particularly Maharashtra, Gujarat, Karnataka, Kerala, Telangana and Andhra Pradesh may be on-boarded

PART-II
OBSERVATIONS/RECOMMENDATIONS

Budget Analysis

1. The Committee note that as against the proposed allocation of Rs. 12059.39 crore, the budget allocation of MeitY for the year 2019-20 is Rs. 6654.00 crore which is a reduction of 44.82% from the proposed amount. The budget allocation of Rs. 6654.00 crore includes Rs. 6306.00 Crore under Revenue section and Rs. 348.00 crore under the Capital section. During the year 2018-19, as against the proposed allocation of Rs. 9959.00 crore, the budget allocation was Rs. 6000.00 crore which was a reduction of 39.75%. The BE allocation was enhanced to Rs. 6381.00 crore at RE stage and the actual expenditure was Rs. 6357.41 crore. Thus, both years have witnessed a mismatch in the amount proposed and the amount actually allocated to the Ministry. While the reduction in proposed amount in 2018-19 was 39.75%, in 2019-20, it has further been reduced to 44.82%. This is in stark contrast to the year 2017-18 where against the proposed amount of Rs. 4034.00 crore, the Ministry had been given a matching allocation of Rs. 4039.00 crore. When the Committee desired to know the reasons for significant decrease in allocation during 2019-20 despite more than 100% utilization w.r.t. BE during 2018-19, the Ministry have stated that 100% utilization of the funds allocated is not the only criteria based on which further allocations are made and Ministry of Finance usually sticks to the policy of increasing the budgetary provision by 5 to 7%. However, the allocation gets increased in case of approval of new schemes/projects, implementation of new policies of the Government, improvisation of some schemes for public benefit, etc. At the Ministry level, it is ensured that funds are allocated first to meet the committed/regular expenditure that may not be avoided and then the balance funds are distributed among the schemes/projects based on prioritization, specific instruction from MoF, etc. MeitY always tries to distribute funds amongst the schemes in such a manner that the schemes/projects are continued to be implemented with least adverse

effects. Further, MoF is also requested at Revised Estimates (RE) stage to allocate additional funds for better implementation of schemes, if required.

From the aforesaid explanation/submission, the Committee gets the impression that the Ministry satisfied with the allocation and they would seek additional fund at the RE stage. The representative of the Ministry also hinted during evidence that they would resort to asking for more funds at the RE stage. The Committee are, however, concerned to note that while in the year 2017-18, the Ministry had been allocated slightly more than the proposed amount, in 2018-19 and 2019-20, the proposed amount has been reduced by 39.75% & 44.82% respectively clearly pointing to the fact that something is amiss in the budgetary planning of the Ministry. In view of the vast mandate of the Ministry and increasing role of MeitY in various IT based governance initiatives, a steep reduction of allocation at the BE stage is a cause for concern. The Committee are at a loss to understand what kind of consultation has gone in the budgetary exercise with the Ministry of Finance by MeitY because the Secretary, MeitY himself has admitted to some important/core activities of the Ministry getting affected due to lowering of budgetary allocation. The Committee are of the considered view that the Ministry should a play more proactive role in getting adequate funds from Ministry of Finance based on their past performance in utilization of funds. The Committee, therefore, recommend that the Ministry should ensure adequate budgetary resources commensurate to the requirements of the Ministry so that flagship programmes such as Digital India and Make in India do not fall short of funds and the planned expenditure does not end up relegated to the committed expenditure.

Position of Outstanding Utilization Certificates

2. The Committee note that as on 31st December 2018, a total of 174 Utilization Certificates amounting to Rs. 446.33 crore were due. The

Ministry further informed that it has taken several initiatives for reducing the number of pending UCs and the measures taken by MeitY to liquidate the pending UCs are proving to be fruitful as the pending Utilization Certificate amount for any particular period is continuously on a decreasing trend. The Ministry further added that during the period from December 2018 to October 2019, Utilization Certificates amounting to Rs. 2505.15 crore have been liquidated. The Committee are given to understand that in order to reduce the quantum of pending UCs as well as holding the implementing agencies more accountable, the Ministry have employed several measures such as regular review of implementation of projects, non-release of further grants till the liquidation of pending UCs, release of grants with respect to unspent balances available with the grantee bodies, one-to-one meetings to ascertain the difficulties in utilizing the grant, etc. which have ostensibly led to liquidation of utilization certificates amounting to Rs. 2505.15 crore during December 2018 to October 2019.

While appreciating the efforts of the Ministry in liquidating Utilization Certificates amounting to Rs. 2505.15 crore during the period of December 2018 to October 2019, the Committee desire that similar efforts may be continued during the current Financial year also, to avoid any increase in pending Utilization Certificates and ensuring that release of subsequent grants to important Government schemes/projects is not affected.

Internal and Extra Budgetary Resources (IEBR)

3. The Committee note that during the year 2017-18, an IEBR target of Rs.1036.13 crore set by the Ministry at BE stage was reduced to Rs.1006.89 crore at the RE stage. Against this, Autonomous Societies under MeitY achieved an IEBR target of Rs.968.41 crore which was about 93% of the target set at BE stage. The Committee note that during the year 2018-19, a target of Rs. 1108.47 crore had been set by the Ministry at BE stage which was increased to Rs. 1160.77 crore at RE stage and the achievement was Rs. 1249.23 crore which was about

112% of the target set at BE stage. While the achievement during 2017-18 was 93% of the target, during 2018-19, the achievement increased to 112% of the Internal and Extra Budgetary Resources (IEBR) target set for the Autonomous Societies under MeitY. The Committee also note that IEBR target for 2019-20 stands at Rs. 1248.89 crore which is approximately 15.80% of the total approved outlay of Rs. 7902.89 crore and the remaining 84.20% is met through Government Grants.

The Committee note that Autonomous Societies working under the aegis of the Ministry such as C-DAC, NIELIT, STPI, ERNET, SAMEER and C-MET are engaged in research in many cutting edge fields like artificial intelligence, microwave etc. The projects being developed by these Societies in diverse niche areas like R&D in IT, Electronics and associated ICT technologies have great potential for revenue generation through linkages with industry and academic institutions etc. There is a need for leveraging these and commercializing the projects to their advantage. While it is a matter of satisfaction that the performance of Autonomous Societies such as C-DAC, ERNET and NIELIT has exceeded their targets for generation of IEBR in 2018-19, the Committee expect similar performance from other Autonomous Societies. The Committee are of the view that the commercial viability of the products developed by these bodies need to be explored. The Committee, therefore recommends that the Ministry should identify and explore ways in which the research and development activities undertaken at these Societies can be effectively monetized to achieve their full potential for revenue generation so that the financial dependency of these autonomous societies on Government Grants is reduced.

National Informatics Centre (NIC)- Manpower & Infrastructure constraints

4. The Committee note that National Informatics Centre (NIC), which was established in 1976, has set-up State-of-the-Art Digital

Infrastructure to support electronic communication among different establishments of the Government across the country to facilitate implementation of various Government Programmes/Schemes. It also facilitates the Government in providing a large number of citizen centric services online. This infrastructure comprises of high-speed communication network connecting almost all the important institutions of Central Government/State Governments including District Administrations, National Data Centres (NDCs), Video Conferencing, National Cloud, Mail and Messaging etc. National Data Centres are critical and integral part of this infrastructure. Over 10,000 eGovernance applications/ websites as well as large number of citizen centric services are hosted in these Data Centers to deliver information and services to citizens at large. Existing data centres of NIC at Shastri Park, New Delhi, Hyderabad and Pune are almost completely utilised. Another National Data Centre at Bhubaneswar was launched during 2018 and augmentation of National Data Centre at Hyderabad is underway. More than 10000 web applications/sites are hosted in these data centres and with number of users planning to use the infrastructure, their capacity will be fully utilised in next two years. Therefore, an urgent need has emerged to expand the data centre facilities. Bhopal being located in one of the safest seismic zones of the country has been selected for establishment of new National Data Centre. An SFC proposal for establishing NDC at Bhopal, Madhya Pradesh has been approved by the Competent Authority at a cost of Rs.490.44 crores for which, funds are required to start the work. Also, to provide impetus to increasing usage of e-Governance services and all inclusive growth of the North East region, NE Regional Data Centre with an outlay of 348.66 crore is proposed to be established which will also act as Disaster Recovery site to the existing State Data Centres. The proposal is under appraisal by MeitY. The Committee express their concern that despite the important role of NIC as key ICT infrastructure provider of the Government, addressing their own infrastructure needs has always been a grey area. Another issue which needs urgent attention is the manpower in NIC. It is a matter of great concern that

as against sanctioned strength of 4839, the staff of at NIC at present is 3999. The proposal for creation of 1407 posts across different levels of Scientific and Technical Officers and Administrative officers in NIC which was initiated way back in the year 2014 is still pending. The Committee are surprised to note that the issue has not been resolved in last 5 years and the reply of the Ministry that they are still compiling clarifications on the issues raised by Ministry of Finance is beyond their comprehension.

Keeping in view the fact that with proliferation of e-Governance services as part of Digital India programme and the requirement on NIC's resources has steadily grown, there is an urgent need to expand the existing data centre facilities at NIC. The Committee recommend that all the aforesaid projects be completed as per schedule and infrastructure of NIC be upgraded urgently. The Committee express their strong objection to inordinate delay in the proposal for creation of 1407 posts across different levels of Scientific and Technical Officers and Administrative officers in NIC. In view of the critical role played by NIC in providing ICT infrastructure in the country, the Committee strongly recommend the Ministry to address manpower and infrastructure constraints at NIC at highest level which have been pending for a long time. The Ministry should also take steps to ensure adequate training of officials entrusted with tasks requiring frequent upgrading of technological skills.

NIC eMail and Messenger service

5. The Committee note that the e-Mail policy mandates all Government officials to use only the Government eMail service and approximately 2.6 million officials are currently using NIC email. NIC email offers several unique/differentiating features *vis-à-vis* other popular e-mail services. NIC email ensures strategic control of the Government over its own data which as of today resides in servers like Gmail/Yahoo which are beyond the control of the Government. It caters to specific email communication requirements and expectations

of the Government of India. NIC email integrates all Government applications through the single-sign-on module of the NIC eMail service and offers backup, Disaster Recovery and Business continuity plan as per the requirement of Government of India.

The Committee are, however, concerned to note that in spite of the above e-mail policy NIC mail is not the preferred choice of the users and other alternatives such as Gmail, Yahoo etc. are being widely used for email communication. In view of the increasing use of email for official communication and the emerging cyber threats and vectors associated with email communication, there is an urgent need that use of NIC mail is insisted upon at all levels and that NIC further strengthen their user-friendliness as well as security features. There is also a need to improve the Government websites with better user interface and the look and feel of the NIC email be made more user friendly and impressive. It is worth considering comparative examples, like Gmail, as possible design ideas given how popular they are. The Committee recommend that steps may be taken to create awareness about the eMail policy of the Government and to enforce it to ensure safety and security of official communications. The Committee are also given to understand that a prototype of Instant Messaging System for Government has been created and is under pilot testing. It has been designed and developed by NIC (National Informatics Centre) which is hosted on Government infrastructure for usage by Indian Government Organizations. The Committee, while appreciating the efforts of the Ministry to create an Instant Messaging System/App for use by Indian Government organizations, desire that the launching of the above app may be expedited. The Committee may be apprised of the progress and the reaction of the users to the messaging app.

Digital India Programme – Need for higher allocation of funds

6. The Committee note that Digital India Programme is an umbrella programme which amalgamates all the ongoing schemes/programmes/projects being implemented by Ministry of

Electronics and Information Technology. Government of India has approved the 'Digital India' programme with the vision to transform India into a digitally empowered society and knowledge economy. It weaves together a large number of ideas and thoughts into a single, comprehensive vision so that each of them can be implemented as part of a larger goal. The vision of Digital India is centered on three key areas, viz., (i) Infrastructure as a Utility to Every Citizen (ii) Governance and Services on Demand and (iii) Digital Empowerment of Citizens. Digital India also aims to provide the much needed thrust to the nine pillars of growth areas, viz., (i) Broadband Highways (ii) Universal Access to Phones (iii) Public Internet Access Programme (iv) e-Governance – Reforming Government through Technology (v) e-Kranti - Electronic Delivery of Services (vi) Information for All (vii) Electronics Manufacturing (viii) IT for Jobs and (ix) Early Harvest Programmes. The Committee also note that during the year 2017-18, as against Rs. 1498.55 crore proposed, the Ministry had been allocated Rs. 1672.76 crore. However, during the year 2018-19, as against the proposed amount of Rs. 5880.00 crore, the Ministry had been allocated an amount of Rs. 3073.00 crore i.e. a reduction of Rs. 2807 crore. In 2019-20 as against Rs. 7931.14 crore proposed by the Ministry, the actual allocation is Rs. 3750.76 crore i.e. a reduction of Rs. 4180.38 crore.

It is disturbing to note that despite full utilization of allocation by the Ministry in the Digital India Programme, barring the year 2017-18, the Ministry of Finance have not been sympathetic to the requirement of funds as proposed by MeitY. The Ministry have cited constraints in budgetary allocation as major impediment in achieving the milestones under Digital India Programme. During the year, 2019-20, there have been significant reductions in allocations to important schemes such as National Knowledge Network (NKN), PMGDISHA and Cyber Security Projects, thereby affecting the operational requirements and achievement of targets. In view of the importance of the flagship Digital India Programme which weaves together all the key schemes of

the Ministry, the Committee recommend that the matter may be taken up with the Ministry of Finance for adequate allocation of funds to this important scheme and ensure that its implementation is not affected due to budgetary constraints.

Champion Services Sector Scheme

7. The Committee note that the Union Cabinet Chaired by the Prime Minister on 28th February 2018 had approved the proposal of Department of Commerce (DoC) to give focussed attention to 12 identified Champion Services Sectors for realizing their full potential. The 12 identified champion services sectors are: Information Technology (IT) and IT enabled Services (ITeS), Tourism and Hospitality Services, Medical Value Travel, Transport and Logistics Services, Accounting and Finance Services, Audio Visual Services, Legal Services, Communication Services, Construction and Related Engineering Services, Environmental Services, Financial services, and Education services. The Cabinet also directed the Ministries/ Departments concerned with these sectors to finalize and implement the Action Plans along with a monitoring mechanism under the overall guidance of the Committee of Secretaries (CoS) under Cabinet Secretary. A dedicated corpus fund of Rs. 5,000 crore has been established to support initiatives for sectoral Action Plans of the Champion Sectors. Rs 855 crore has been earmarked for MeitY. The Second Meeting of the Screening Committee regarding recommendations on the proposals under Champion Services Sector Scheme(CSSS) held on 6th March 2019 and four proposals amounting to Rs. 548.8 crore were recommended by the Screening Committee. The four proposals were Future Skills PRIME (Rs. 436.87 Cr.), Next Generation Incubation Services (Rs. 95.03 Cr.), Market Development Initiative in Nordic and African Region (Rs. 8.10 Cr.) and Market Outreach Initiative (Rs. 12.04 Cr.)

The Committee appreciate the Government's initiative in giving focused attention to the Information Technology (IT) and IT enabled Services (ITeS) sector, which, in the opinion of the Committee is a

welcome step which was long overdue. The Ministry may inform the Committee the preparatory plan of action under the four proposed schemes and also the detailed future roadmap. The Committee hope that the proposed schemes would achieve their intended objectives. The Committee may be apprised of the progress in the scheme.

State Wide Area Network (SWAN) – J&K

8. The Committee note that SWAN has been implemented in all the States/UTs except Jammu & Kashmir. The States/UTs have been utilizing the core infrastructure of SWAN for connectivity and dedicated close user application access connectivity. SWAN has been integrated with NKN in 30 States/UTs at SHQ level and at 515 district headquarters to provide high bandwidth. Increasing digitization amongst states has led to higher utilization of bandwidth. Presently, most of the States/UTs have upgraded the Statewide Area Network to higher performance and bandwidth capability and are utilizing more than 70% of bandwidth of the existing link capacity. It is strongly felt that in future, with increasing digitization both at Centre and State level, there will be higher bandwidth utilization.

The Committee note that even though there has been notable progress and SWAN has been implemented in all the States/UTs, the Ministry have failed to implement the scheme in Jammu & Kashmir. Even though implementation had been initiated way back in 2007, there is no headway in the scheme as the Ministry have submitted that the State has issued RFP on 4 different occasions in the past but could not finally select System Integrator (SI) due to reason of poor bid response, very limited participation by the vendors and exorbitant higher bid value. The last L1 bid received in 2014 was also very high and Jammu & Kashmir was required to re-bid after necessary modifications in the RFP. The Ministry have informed that RFP has now been finalized and in another one to two months it will be floated for selection of System Integrator (SI). The Committee are perturbed to note that implementation of SWAN in Jammu & Kashmir has been

delayed for so long for no other reason but for the procedural delays till August 5 following which a different set of circumstances may have delayed the project. However, the earlier performance reflects a lack of seriousness on the part of the Ministry in implementation of the project in Jammu and Kashmir. While all States are reaping the benefits of broadband connectivity under SWAN, it is unfortunate that Jammu & Kashmir is lagging behind. The Committee recommend that all necessary steps may be taken to expedite implementation of SWAN in Jammu & Kashmir without any further delay and Committee be apprised of the progress in this regard.

Common Service Centres (CSCs)

9. The Committee note that Common Services Centres (CSCs) are internet enabled access points for delivery of various Digital Services (eServices) to the citizens. The CSCs enable citizens to avail the Government and other services closer to their locality in a transparent and timely manner. The primary objective of the CSC is to provide e-governance services within the reach of the citizen, by creating the physical service delivery ICT infrastructure. It helps in making a transparent service delivery mechanism and eliminating citizens' effort in visiting government offices. The Committee note that at the end of March 2017, the total number of functional CSCs was 2,50,345. At the end of March, 2018, this number rose to 2,92,605 and by March 2019, it increased further to 3,45,246. Out of 3,45,246 CSCs functional by the end of March 2019, 2,28,547 CSCs are at the Gram Panchayat level. The Government of India has launched CSC 2.0 Project in December, 2015 under the pillar-3 of Digital India Programme which aims to set up at least one CSC in every GP across the Country within a duration of 4 years i.e. by November, 2019 thereby envisaging establishment of at least 2.5 lakh CSCs covering all Gram Panchayats of the country by November 2019. The Ministry have cited lack of connectivity & reliable power supply in hilly & remote areas as the major factors affecting rollout of CSCs. Department of Telecommunications (DoT) has assigned

CSC–SPV to extend the BharatNet connectivity up-to last mile and provide Wi-Fi Internet services to the rural population through Wi-Fi Choupal, where there was no reliable connectivity. As on 31st August, 2019, a total 10,091 Gram Panchayats are covered with Wi-Fi internet and by March, 2020 it is expected to cover 90,000 Gram Panchayats.

While the efforts of the Government in setting up new CSCs at an increasing rate to meet the targets set under the CSC 2.0 Project is appreciable, the Committee feel much more needs to be done to meet the target of 2.50 lakh CSCs covering all Gram Panchayats. The Committee recommends that the Ministry work more closely with other Departments and agencies such as DoT and State Governments to address the issue of connectivity and ensure uniform access to e-services delivered through CSCs to all the citizens of the country irrespective of their location/place of stay, including restarting Aadhaar related services. The Committee would also appreciate receiving information on impact assessment of CSCs done by the Ministry, if any, as also the grievance redressal mechanism available to the users.

State Data Centre (SDC)

10. The Committee note that State Data Centre (SDC) is one of the three core infrastructure components under the NeGP. Under the SDC scheme, Data Centres are to be established in all the States/UTs to consolidate services, applications and infrastructure in order to provide efficient electronic delivery of Government to Government (G2G), Government to Citizen (G2C) and Government to Business (G2B) services. These services can be rendered by the States through common service delivery platforms seamlessly supported by core connectivity infrastructure, such as, SWAN and CSCs as the front-end delivery outlets at the village level. Some of the key functionalities that can be provided through SDC are central repository for the State, secure data storage, online delivery of services, citizen

information/services portal, State Intranet Portal, disaster recovery, remote management and service integration, etc. SDCs also provide better operation and management control with minimized overall cost of data management, IT resource management, deployment and other costs for States/UTs. As on date 29 SDCs have been declared operational in Tamil Nadu, Puducherry, West Bengal, Andhra Pradesh, Meghalaya, Goa, Karnataka, Manipur, Odisha, Sikkim, Haryana, Kerala, Maharashtra, Gujarat, Tripura, Rajasthan, Nagaland, Uttar Pradesh, Andaman and Nicobar Islands, Madhya Pradesh, Lakshadweep, Chhattisgarh, Jammu and Kashmir, Mizoram, Bihar, Himachal Pradesh, Jharkhand, Punjab and Uttarakhand.

The Committee note that State Data Centres (SDCs) have been declared operational in 29 States/UTs and out of the three pending SDCs (yet to be operational) Assam has already selected Data Centre Operator (DCO) and have started installation. It is expected to be operational by 31st March 2020. In Arunachal Pradesh, in the last bid in August 2019 no vendor had participated and the DCO has not been selected yet and in Dadra & Nagar Haveli and Daman & Diu the DCO was terminated on non-performance issues and they are again coming out with fresh RFP. While noting that SDCs play an important role by consolidating services, applications and infrastructure in order to provide efficient electronic delivery of Government to Government (G2G), Government to Citizen (G2C) and Government to Business (G2B) services, the Committee exhort the Ministry to facilitate setting up of SDCs in the remaining three States/UTs of Assam, Arunachal Pradesh and Dadra & Nagar Haveli and Daman & Diu without any further delay and find ways and means to address the constraints being faced in the execution of the project.

Promotion of Electronics and IT Hardware Manufacturing

11. The Committee note that the demand of Electronics System Design and Manufacturing (ESDM) is expected to rise rapidly to about USD 400 billion by the year 2025. Several policy initiatives under the 'Digital India' and 'Make in India' programmes are designed to facilitate investment, foster innovation, protect intellectual property, and build best-in-class manufacturing infrastructure towards creating conducive environment for attracting investment in the electronics hardware manufacturing sector. The Committee note that during 2018-19, the BE allocation for the scheme was Rs. 864.22 crore which was reduced to Rs. 844.22 crore at RE stage and the actual expenditure was Rs. 727.37 crore. For the year 2019-20, as against the proposed amount of Rs. 1600 crore, there has been an allocation of Rs. 986.00 crore.

The Committee note that the demand for electronics items in India is increasing at a fast pace and rose from Rs. 3,46,728 crore during 2014-15 to Rs. 4,26,057 crore during 2015-16 and stood at Rs. 5,10,258 crore during 2016-17. The demand reached Rs. 6,21,797 crore during 2017-18 and during the year 2018-19, the demand met through domestic production stood at 57% while the imports stood at 43% which translates to total electronics imports in India during 2018-19 at a staggering figure of Rs. 2,98,939.01 crore. The Committee further note that while there has been a gradual decline in the percentage of demand met through imports, the overall increase in demand negates that effect since the volumes are huge and therefore despite a modest increase in domestic production, more and more foreign exchange reserves are being used up to procure electronics hardware from abroad. With the National Policy on Electronics (NPE 2019) in place, the Committee strongly feel that there is a need to adopt a holistic approach in Promotion of Electronics and IT hardware manufacturing in India with special focus on creating an eco-system of a group of industries in the manufacturing sector to form a supply

chain of products as against the existing policy wherein the emphasis has been on promoting individual industries. Encouragement of private sector leadership in this effort, as well as exploration of public-private partnerships in manufacturing, are also essential. There is also a need to reorient the ongoing schemes under Promotion of Electronics and IT hardware manufacturing in India such as M-SIPS, EMC and EDF so as to bring them in tune with the new policy. The Ministry may inform the Committee of the concrete steps taken in this direction and the visible impact on the ground.

National Policy on Electronics

12. The Committee note that Electronics industry is a meta sector and supports increasing productivity and efficiency of other sectors of the economy. The National Policy on Electronics 2019 (NPE 2019) has been notified on 25.02.2019, subsequent to the approval by the Union Cabinet in its meeting held on 19.02.2019. The National Policy on Electronics 2019 (NPE 2019) was notified on 25th February, 2019 and was published in the Gazette of India on 2nd March, 2019. The focus of the NPE-2019 is on promoting an eco-system of manufacturing (group of industries) which form supply chain of a product as against emphasis of existing policy on promoting individual industries, thereby increasing value addition and exports. The NPE 2019 replaces the earlier NPE 2012. The National Policy on Electronics (NPE) 2019 has been formulated to Position India as a global Hub in the Electronics System Design and Manufacturing (ESDM) by encouraging and driving capabilities in the country for developing core components, including chipsets and creating an enabling environment for the Industry to compete globally. This would include expanding the scope of the NPE to incorporate robotics and similar subjects.

The Committee need not emphasize that with increasing imports of electronics items in the country which are expected to reach approximately Rs. 2,98,939.01 crore by the end of FY 2018-19, it is

high time that the Government focused exclusively on the Electronics manufacturing sector in India and segregate it from the Software sector which is covered under the National Policy on Software Products, also approved in 2019. The Committee feel that the adoption of NPE 2019 is a correct move in the right direction. The Committee hope that the policy would help stimulate the Electronics System Design and Manufacturing (ESDM) sector in India. The Committee may be apprised of the concrete initiatives undertaken under NPE 2019 and the outcome thereof.

Cyber Security Projects (NCCC & Others)

13. The Committee note that Cyber Security Projects (NCCC & Others) is a sub scheme of the Digital India Programme. During 2018-19, as against the proposed Rs. 325 crore, the scheme was allocated Rs. 110 crore and the actual utilization was Rs. 107.48 crore. Despite almost full utilization in 2018-19, in 2019-20, as against the proposed amount of Rs. 586.05 crore, the scheme has been allotted a meagre amount of Rs. 120 crore which is approximately 20% of the proposed amount. The Committee wonder as to how the requirements for cyber security projects will be met with this paltry sum. Recent reports of security breaches in the Kudankulam nuclear plant, as well as to the social media accounts of individuals, point to the urgency of cyber security needs in our country today.

14. The Committee also note that Government has proposed to set up the National Cyber Coordination Centre (NCCC) to generate near real time macroscopic views of the cyber security threats in the country and provide near real time situational awareness. NCCC will be a multi stakeholder body and will be implemented by Indian Computer Emergency Response Team (CERT-In) at Ministry of Electronics and Information Technology (MeitY). Phase-I of NCCC has been operationalised in July, 2017. CERT-In has engaged C-DAC, Trivandrum as execution partner for implementation of NCCC phase-II Stage 1. The

Request for Proposal (RFP) for phase-II of NCCC is being prepared. The Phase-II Stage 1 is targeted to be operationalised during the year 2019-2020 aimed for collection and analysis of meta data from 15 remote sites.

While taking a strong note of the sharp reduction in allocation *vis-à-vis* the proposed amount in the Cyber Security Projects (NCCC & Others), the Committee recommend that the Ministry need to ensure adequate allocation of funds in this important scheme so that the cyber security needs of the country are not compromised. The provision of up-to-date technology and adequate human resources to pursue cyber-security breaches expeditiously and ward off future threats is indispensable. The Ministry need to take this more seriously, particularly in the backdrop of constant increase in cyber crime and fraud cases. Since these affect ordinary citizens, it is indispensable for the Ministry to publicize widely how a citizen who has been the victim of cyber crime or cyber hacking may report the matter for urgent resolution. At the same time, the Committee welcome the decision of the Ministry for setting up of NCCC as a pro-active agency in dealing with issues relating to cyber space and desire that the above centre may be set up in a time bound manner. The Committee wish to be apprised of the progress in setting up the NCCC.

Pradhanmantri Gramin Digital Saksharta Abhiyaan (PMGDISHA)

15. The Committee note that PMGDISHA is a sub scheme of the Digital India Programme. During 2018-19, out of the proposed Rs. 1551 crore, the scheme was allocated Rs. 400 crore which was increased to Rs. 438 crore at RE stage and the actual utilization was Rs. 438 crore. Despite full utilization in 2018-19, in 2019-20, out of the proposed Rs. 1175.69 crore, the scheme has been allotted Rs. 518 crore which is approximately 44% of the proposed amount.

The Committee are disappointed to note that cumulative target of the PMGDISHA Scheme was digital literacy training of 6 crore persons. However, due to reduced fund allocation in FY 2017-18 (Rs 100 Cr) and FY 2018-19 (Rs. 438 crore), the target of FY 2017-18 and FY 2018-19 had to be redistributed to subsequent year(s). During the current F.Y. 2019-20, the Ministry propose to achieve a target of providing digital literacy training to 1.75 crore beneficiaries subject to availability of funds. Keeping in view the importance of digital literacy to transform India into a digitally empowered society and knowledge economy, the Committee recommend that adequate funds are allocated to the Pradhan Mantri Gramin Digital Saksharta Abhiyaan (PMGDISHA) scheme under the Digital India Programme so that the targets are not deferred due to want of funds. The Committee may also be informed as to how many Gram Panchayats or Districts have been covered under PMGDISHA scheme. Further, since it has been three years since the scheme was launched, the Committee recommend the Ministry to carry out an evaluation of the scheme to ascertain its success and outreach and Committee be apprised of the same.

Unique Identification Authority of India (UIDAI)

16. The Committee note that Unique Identification Authority of India (UIDAI) was established in 2009 as an attached office under the aegis of the erstwhile Planning Commission to operate a Central Plan Scheme aimed at providing a Unique Identification number to every resident of the country. UIDAI is a transformational initiative that involves establishing identity infrastructure for providing unique digital identity in the form of an Aadhaar number (a twelve-digit random number) to all residents of India. From September 2015 onwards, UIDAI has been shifted under Ministry of Electronics and Information Technology. As on 30th September 2019, over 124.48 crore residents of India have been issued Aadhaar. It is estimated that of these about 120.91 crore are LIVE against an estimated population of 135.39 crore (Projected 2019). More than 35,000 enrollment centers are operational across the country in post offices, bank branches and Government offices

providing Aadhaar enrollment and updation services. During 2018-19, as against the proposed Rs. 1965 crore, the scheme was allocated Rs. 1375 crore and the actual utilization was Rs. 1344.99 crore. For 2019-20, against the proposed Rs. 1650 crore, UIDAI has been allocated Rs. 1227 crore. The targets for the financial year 2019-20 include issuing Unique Identification Number to every resident, provide robust, ubiquitous and cost-effective online authentication services, provide updation services, aid financial inclusion and continue with Aadhaar enrolment of residents to achieve universal enrolment. Besides acting as a unique identification for every resident of the country, Aadhaar finds tremendous application in Digital Payments space and e-KYC. Aadhaar acts as financial address, when it has been seeded/linked with a bank account. As on 30th Sept. 2019, 67.26 crore individuals have linked their Aadhaar to over 100 crore bank accounts against an estimated 110+ crore active bank accounts. Aadhaar is used for Direct Benefit Transfer (DBT) using Aadhaar Payment Bridge (APB). As on 30th Sept 2019, 549.21 crore successful remittances have been done to disburse over Rs. 2,37,381 crores since its inception. Presently, about 14 crore such transactions are happening every month paying out DBT of about Rs.9000 crores. Aadhaar is also being used for doing merchant transactions to electronically pay merchants directly from the bank account using BHIM Aadhaar Pay. Aadhaar is also used to provide last mile basic banking services (Balance enquiry, Mini statement, Account opening, Cash withdrawals and Cash deposits) to Account holders using Aadhaar Enabled Payment Services (AEPS). As on 30th Sept.2019, over 748.04 crore such e-KYCs have been successfully transmitted to such service providers. Out of this over 41.18 crore e-KYCs have been done at about 108 Banks to either open Aadhaar linked bank accounts or link Aadhaar to existing bank accounts.

From the aforesaid observation, it is clear that the initial task of Aadhaar enrolment is reaching saturation levels and with this, online authentication and updation service requests are going to increase multifold, which would require significant infrastructure support.

Keeping in view the widespread adoption of Aadhaar and its varied uses in financial transactions and authentication services, the Committee recommend that the budgetary allocation to UIDAI should correspond to the activities being carried out by the Authority. Awareness programs need to be launched and carried out at frequent intervals for Aadhaar based applications such as AEPS, Aadhaar Pay and Pay-to-Aadhaar to increase their popularity and to facilitate digital payments using the Aadhaar platform.

Unified Mobile Application for New-Age Governance (UMANG)

17. The Committee note that Unified Mobile Application for New-Age Governance (UMANG) has been developed as a single mobile platform to deliver major Government services and it was released on 23rd November, 2017. UMANG has been developed as a single mobile platform to deliver major Government services with Core Platform integrated with PayGov, Aadhaar, DigiLocker and Rapid Assessment System (RAS). About 490 services from 104 departments of Central/State Governments across 21 States/UTs through 93 different applications are already available on UMANG and the count is increasing every day. It supports around 12 Indian languages, in addition to English and has been hosted on cloud. The Committee have been apprised that since its launch on 23rd November, 2017 and till 28th October, 2019 *i.e.* in a span of approximately two years, the total number of downloads of the UMANG app have been a mere 1.93 Crore. While the Ministry were hopeful of reaching the target of 2 crore downloads by the end of 2018, the number of downloads has still not reached 2 crores even by the end of 2019.

While the Ministry's efforts in launching the UMANG Mobile App is laudable, it is disquieting to find tepid response to the UMANG Mobile App from the general public resulting in less than expected number of downloads. In other words, while the launching of app has been received well among the users, it has failed to sustain their interest in

the application. This certainly calls for an introspection as to why an App which now offers 490 services on a single platform is yet to achieve 2 crore downloads even after two years of its release in 2017. The Committee, therefore, recommend that an assessment and evaluation survey may be conducted to ascertain reasons for such tepid/lukewarm response to the App and lack of repeated use after download, prior to incurring any further expenditure on the project. The Committee further desire that a comprehensive user study of the UMANG Mobile App may be submitted to the Committee within three months.

**New Delhi;
06 December, 2019
15 Agrahayana, 1941 (Saka)**

**DR. SHASHI THAROOR,
Chairperson,
Standing Committee on
Information Technology.**

Appendix-I

MINUTES OF THE FIFTH SITTING OF THE STANDING COMMITTEE ON INFORMATION TECHNOLOGY (2019-20) HELD ON 25th OCTOBER, 2019

The Committee sat on Friday, the 25th October, 2019 from 1200 hours to 1345 hours in Committee Room No. 2, Extension to Parliament House Annexe, New Delhi.

PRESENT

Dr. Shashi Tharoor – Chairperson

MEMBERS

Lok Sabha

2. Smt. Locket Chatterjee
3. Shri Karti P. Chidambaram
4. Dr. Nishikant Dubey
5. Ms. Mahua Moitra
6. Shri P.R. Natarajan
7. Shri Santosh Pandey
8. Shri Nisith Pramanik
9. Shri M.V.V. Satyanarayana
10. Shri L.S. Tejasvi Surya

Rajya Sabha

11. Dr. Anil Agrawal
12. Shri Md. Nadimul Haque
13. Shri Syed Nasir Hussain
14. Dr. Narendra Jadhav
15. Shri D. Kupendra Reddy
16. Shri Ronald Sapa Tlau

Secretariat

- | | | | |
|----|-----------------------|---|----------------------|
| 5. | Shri Ganapati Bhat | - | Additional Secretary |
| 6. | Shri Y.M. Kandpal | - | Director |
| 7. | Dr. Sagarika Dash | - | Additional Director |
| 8. | Smt. Geeta Parmar | - | Additional Director |
| 9. | Shri Shangreiso Zimik | - | Deputy Secretary |

Representatives of the Ministry of Electronics and Information Technology

| | Name | Designation |
|-----|---------------------------|--|
| 1. | Shri Ajay Prakash Sawhney | Secretary |
| 2. | Shri Pankaj Kumar | CEO, Aadhaar |
| 3. | Smt. Jyoti Arora | Additional Secretary & Financial Advisor |
| 4. | Shri Gopalakrishnan S. | Additional Secretary |
| 5. | Shri Rajiv Kumar | Joint Secretary |
| 6. | Shri Sanjay Goel | Joint Secretary |
| 7. | Shri Jaideep Kumar Mishra | Joint Secretary |
| 8. | Smt. Simmi Chaudhary | Economic Advisor |
| 9. | Shri Rakesh Maheshwari | Scientist 'G' |
| 10. | Smt. Neeta Verma | Director General, NIC |
| 11. | Shri Hemant Darbari | Director General, C-DAC |

2. After the welcome address by the Chairperson, the Secretary in the Ministry of Electronics and Information Technology made a power-point presentation covering the mandate of MeitY, its key organizations, progress so far, the way forward and highlights of Budget 2019-20. The presentation also highlighted prominent achievements of the Ministry in Digital India Programme, Digital infrastructure, Digital empowerment and skilling and Electronics Manufacturing. It also covered initiatives such as vision for Digital India 2.0, Digital inclusion initiatives, steps towards creating a Digital Economy and identification of priority areas having the potential to create a \$1 Trillion economic value for India by the year 2025 etc.

3. Thereafter, Members sought clarifications on issues *viz.* significant reduction in allocation *vis-à-vis* the proposed amount despite good utilization during the last year, impact of reduced allocation on the ongoing schemes such as National Knowledge Network, PMGDISHA, Cyber Security Projects (NCCC & others) and Promotion of Digital Payments, job creation in the electronics manufacturing sector in India, increasing electronics imports in India, number of Gram Panchayats covered by PMGDISHA, usage and popularity of NIC email and UMANG App etc.

4. Members also raised issues such as need to commercialize/monetize basic research, need to have a separate electronics policy, promotion of indigenous electronics & IT hardware manufacturing, need to improve look and

feel of Government websites, promotion of digital payments and formulation of policy on Artificial Intelligence (AI) and Robotics etc. which were responded to by the representatives of the Ministry.

5. The Chairperson, then, thanked the representatives of the Ministry for deposing before the Committee.

The witnesses then withdrew.

Verbatim Proceedings of the sitting have been kept on record.

The Committee, then, adjourned.

**MINUTES OF THE TENTH SITTING OF THE STANDING COMMITTEE
ON INFORMATION TECHNOLOGY (2019-20) HELD ON
4TH DECEMBER, 2019**

The Committee sat on Wednesday, the 4th December, 2019 from 1500 hours to 1735 hours in Committee Room No. 62, Parliament House, New Delhi.

PRESENT

Dr. Shashi Tharoor – Chairperson

MEMBERS

Lok Sabha

2. Smt. Locket Chatterjee
3. Shri Karti P. Chidambaram
4. Shri Sunny Deol
5. Dr. Nishikant Dubey
6. Choudhary Mehboob Ali Kaiser
7. Smt. Raksha Nikhil Khadse
8. Dr. Sukanta Majumdar
9. Shri Dhairyasheel Sambhajirao Mane
10. Shri P. R. Natarajan
11. Shri Santosh Pandey
12. Shri Nisith Pramanik
13. Dr. Gaddam Ranjith Reddy
14. Shri L.S. Tejasvi Surya
15. Dr. T. Sumathy (A) Thamizhachi Thangapandian
16. Shri Bhanu Pratap Singh Verma

Rajya Sabha

17. Shri Y. S. Chowdary
18. Shri Suresh Gopi
19. Shri Md. Nadimul Haque
20. Shri Syed Nasir Hussain
21. Shri D. Kupendra Reddy

SECRETARIAT

- | | | | |
|----|-----------------------|---|----------------------|
| 1. | Shri Ganapati Bhat | - | Additional Secretary |
| 2. | Shri Y.M. Kandpal | - | Director |
| 3. | Dr. Sagarika Dash | - | Additional Director |
| 4. | Shri Shangreiso Zimik | - | Deputy Secretary |

2. At the outset, the Chairperson welcomed the Members to the sitting of the Committee convened to consider and adopt Draft Report on Demands for Grants (2019-20) relating to the Ministry of Electronics and Information Technology andXXXX....XXXX...XXXX...XXXX.....XXXX....XXXX...XXXX...XXXX XXXX....XXXX...XXXX

3. The Committee took up the draft Report for consideration. After due deliberations, the Committee adopted the above Report with slight modifications.

4. The Committee, then, authorized the Chairperson to finalize the Draft Report, incorporating changes therein arising out of factual verification, if any, by the Ministry and present the same to the House during the current session of Parliament.

5.XXXX....XXXX...XXXX...XXXX.....

6.XXXX....XXXX...XXXX...XXXX.....

7.XXXX....XXXX...XXXX...XXXX.....

8.XXXX....XXXX...XXXX...XXXX.....

The Committee, then, adjourned.

....XXXX....Matters not related to Report.