

GOVERNMENT OF INDIA  
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY  
**LOK SABHA**  
**UNSTARRED QUESTION NO. 2946**  
TO BE ANSWERED ON: 03.08.2016

**DIGITAL PENETRATION**

**2946      SHRIMATI V. SATHYA BAMA: SHRI P.R. SUNDARAM: SHRI PR. SENTHIL NATHAN:**

Will the Minister of Electronics and Information Technology be pleased to state: -

- (a) the steps taken by the Government for development of IT education and the penetration of digital India particularly in the villages, remote and backward areas;
- (b) the role of private and public sector IT companies in Digital India; and
- (c) the efforts being made by the Government to provide a level playing field and equal opportunity for companies participating in digital India programme?

**ANSWER**

MINISTER OF STATE FOR MINISTRY OF ELECTRONICS AND  
INFORMATION TECHNOLOGY (SHRI P.P. CHAUDHARY)

(a): The Government of India has undertaken following steps for development of IT education and the penetration of digital India particularly in the villages, remote and backward areas:

1. National Optical Fibre Network (NOFN): The Government has approved, 'National Optical Fibre Network (NOFN)/BharatNet', to establish network infrastructure to connect all the Gram Panchayats (2.5 lakh) in the country by laying incremental fibre to bridge the connectivity gap between Gram Panchayats and Blocks or through radio/satellite for providing broadband connectivity. It is being implemented through a Special Purpose Vehicle (SPV), Bharat Broadband Network Limited (BBNL). Till June, 2016, 50,465 Gram Panchayats have been connected with Optical Fibre Cable (OFC).
2. Under Digital India programme, the Government has launched CSC 2.0 Scheme to set up at least one Common Service Centre (CSC) to cover all the 2.5 lakh Gram Panchayats of the Country for delivery of various electronic services to citizens across rural India. This would include strengthening and integrating the existing 100,000 CSCs under the original CSC scheme and making operational an additional 1.5 lakh CSCs in Gram Panchayats. Till June, 2016 a total number of 1,22,793 CSCs have been rolled out at Gram Panchayat level.
3. The Government is implementing following schemes for providing IT education/digital literacy to the masses in rural, remote and backward areas:-
  - (i) "ICT in School" component of Centrally Sponsored Scheme of Rashtriya Madhyamik Shiksha Abhiyan (RMSA) provides financial support to the States/ UTs to build ICT infrastructure in Government and Government aided secondary and senior secondary schools in the country with emphasis on educationally backward blocks and areas of concentration of SC, ST, minority and weaker sections. 88,078 schools have been approved under the scheme upto 2016-17
  - (ii) Several initiatives such as e-Pathshala portal and mobile App (to showcase and disseminate all educational e-resources), Saransh portal and mobile App (to enhance interaction between schools and parents based on the results and to provide data driven decision support system for CBSE Schools), National Repository for Educational Resources (NROER) (digital repository of educational resources across all stages of school education & teacher education) have been launched, to provide ICT enabled education.
  - (iii) Government is implementing a project viz. "Course on Computer Education in Rural India" for Training and Certification of one lakh Common Service Centre (CSC) Operators/ Village Level Entrepreneurs (VLE) through National Institute of Electronics and Information Technology (NIELIT), an autonomous society. Under this project, a total of 1,00,000 VLEs are targeted to be trained on 'Course on Computer Concepts' (CCC) by March, 2017. Government has also implemented a project viz; "Empowering Women in Rural India through Digital Literacy (WDLP)" through NIELIT, under which 25,000 rural women were trained.

(iv) Digital Empowerment of citizens by providing Universal Digital Literacy is an integral component of the vision of 'Digital India' initiative. Keeping this in view, a scheme entitled 'Digital Saksharta Abhiyan' (DISHA) to make 42.5 lakh persons digitally literate in selected households throughout the country was approved in December 2014. This is in addition to an earlier approved Scheme titled 'National Digital Literacy Mission (NDLM) (in March 2014) with a target to train 10 lakh persons. Under these two schemes, so far around 76.27 lakh candidates have been trained and approximately 37.78 lakh candidates have been certified. A total of 1953 training partners covering around 1.10 lakh training centres are involved under these schemes. Out of these around 69,000 Training Centres (including 47,000 CSCs) exist in rural areas. A new scheme to make 6 crore rural households digitally literate in 3 years has also been drawn up in the current financial year as a follow-up to the budget announcement made by hon'ble Finance Minister.

4. National Knowledge Network (NKN) : The Government is implementing NKN, a PAN India project, intended to interconnect all institutions of higher learning and research with a high speed data communication network to facilitate knowledge sharing and collaborative research in the country. The connectivity is being provided to institutions across the country which includes the institutions located in the North East, backward and remote areas.

5. Government is setting up/upgrading centres of NIELIT to cover rural and remote parts of the country; and has approved 10 new extension centres and upgradation of 8 existing centres NIELIT in North East (NE) and 01 extension centre in Leh district of Jammu and Kashmir.

(b) and (c): The Government is implementing various projects/schemes under the Digital India programme. These projects/schemes have their own project implementation approach and methodologies. As per the requirements of individual project/scheme's implementation, Central/State Government organizations, private and public sector IT companies are providing their services. Various Government initiatives being taken up *inter-alia* includes the following:-

1. Under the 'Software Technology Parks' (STP) and 'Electronics Hardware Technology Park' (EHTP) Schemes, approved units are allowed duty free import of goods required by them for carrying on export activities, CST reimbursement and excise duty exemption on procurement of indigenously available goods, as per the Foreign Trade Policy.

2. Promotion of electronics hardware manufacturing is one of the pillars of Digital India campaign of the Government. The National Policy on Electronics (NPE 2012) was notified in October 2012 with the vision to create a globally competitive electronics design and manufacturing industry to meet the country's needs and serve the international market. As a follow-up, a number of Schemes and initiatives *inter-alia* include the following:

- (i) Modified Special Incentive Package Scheme (M-SIPS) which provides financial incentives to offset disability and attract investments in the Electronics Systems Design and Manufacturing (ESDM) sector. The scheme was notified in July 2012. The scheme provides subsidy for investments in capital expenditure - 20% for investments in SEZs and 25% in non-SEZs. The scheme is available for both new projects and expansion projects. For high technology and high capital investment units like Fabs, production subsidy @ 10% is also provided. The incentives are available for investments made in a project within a period of 10 years;
- (ii) Electronics Manufacturing Clusters (EMC) Scheme provides financial assistance for creating world-class infrastructure for electronics manufacturing units. The assistance for the projects for setting up of Greenfield Electronics Manufacturing Clusters is 50% of the project cost subject to a ceiling of Rs. 50 Crore for 100 acres of land. For larger areas, pro-rata ceiling applies. For lower extent, the extent of support would be decided by the Steering Committee for Clusters (SCC) subject to the ceiling of Rs. 50 Crore. For setting up of Brownfield Electronics Manufacturing Cluster, 75% of the cost of infrastructure, subject to a ceiling of Rs.50 Crore is provided;
- (iii) Policy for providing preference to domestically manufactured electronic products in Government procurement is under implementation.
- (iv) Approvals for all foreign direct investment up-to 100% in the electronic hardware manufacturing sector are under the automatic route.
- (v) Tariff Structure has been rationalized to promote indigenous manufacturing of electronic goods.
- (vi) Electronic Development Fund (EDF) policy has been operationalized to support Daughter Funds in the area of Electronics System Design and Manufacturing, Nano-electronics and IT. The fund is housed in Canbank Venture Capital Fund Ltd. and letters of commitment have already been given to 16 daughter funds. The supported Daughter Funds will promote innovation, R&D, product development and within the country.
- (vii) Keeping in view the huge indigenous requirement on account of roadmap for digitalization of the broadcasting sector, Conditional Access System, entitled iCAS has been developed to promote indigenous manufacturing of Set Top Boxes

(STBs). The iCAS is available to domestic STB manufacturers at a price of USD 0.5 per license for a period of three years as against market price of USD 4-5 per license for other competing products. The implementation of iCAS in the cable networks has already started.

(viii) An Electropreneur park has been approved for providing incubation for development of ESDM sector which will contribute IP creation and Product Development in the sector.

(ix) A project has been approved for implementation by Global Innovation and Technology Alliance (GITA) to promote Innovation, Intellectual Property (IP), Research and Development (R&D) and commercialization of products, etc. in the ESDM sector by providing funding support to an Industry, for doing collaborative research with an Academic Institute in the priority areas with a timeline of not more than two years.

3. The North East BPO Promotion Scheme (NEBPS) has been approved, to incentivize BPO/ITES Operations in North East Region (NER) for creation of employment opportunities for the youths and growth of IT-ITES Industry. The NEBPS aims to incentivize establishment of 5000 seats, with financial support in the form of Viability Gap Funding (VGF), with an outlay of Rs. 50 crore for remaining period of 12<sup>th</sup> Five Year Plan i.e. upto 31.03.2017.

4. The Government has approved India BPO Promotion Scheme (IBPS) , for promotion of BPO/ITES operations across the country including small towns and rural areas and creation of employment opportunities for ~1,45,000 persons, with an outlay of about Rs. 493 crore during the remaining period of 12<sup>th</sup> Five Year Plan i.e., upto 31.03.2017. About 48,300 seats have been planned with distribution across State(s)/UT(s) based on population percentage as per Census 2011, excluding metro cities along with their urban agglomeration viz. Bangalore, Chennai, Hyderabad, Kolkata, Mumbai, NCR (Delhi, Gurgaon, Noida, Faridabad) and Pune and States of North East Region (NER).

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