

14

**STANDING COMMITTEE ON COMMUNICATIONS
AND INFORMATION TECHNOLOGY
(2024-25)**

EIGHTEENTH LOK SABHA

MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY

**[Action Taken by the Government on the Observations/Recommendations of the
Committee contained in their Fourth Report (Eighteenth Lok Sabha) on 'Demands
for Grants (2024-25)']**

FOURTEENTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

July, 2025/ Sravana, 1947 (Saka)

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Committee contained in their Fourth Report (Eighteenth Lok Sabha) on 'Demands
for Grants (2024-25)']**

Presented to Lok Sabha on 24.07.2025

Laid in Rajya Sabha on 24.07.2025



**LOK SABHA SECRETARIAT
NEW DELHI**

July 2025/ Sravana, 1947 (Saka)

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**Composition of the Standing Committee on Communications and
Information Technology (2024-25)****

**Dr. Nishikant Dubey - Chairperson
Lok Sabha**

2. Shri C.N. Annadurai
3. Shri Anil Baluni
4. Dr. Rabindra Narayan Behera
5. Shri Anup Sanjay Dhotre
6. Shri Gurmeet Singh Meet Hayer
7. Shri Sanjay Haribhau Jadhav
8. Shri S. Supongmeren Jamir
9. Shri Appalanaidu Kalisetti
10. Smt. Poonamben Hematbhai Maadam
11. Ms. Mahua Moitra
12. Shri G. Kumar Naik
13. Shri Shafi Parambil
14. Dr. M.K. Vishnu Prasad
15. Ms. Kangna Ranaut
16. Shri Radheshyam Rathiya
17. Shri Ramasahayam Raghuram Reddy
18. Shri Arun Kumar Sagar
19. Shri Devesh Shakya
20. Shri Vishnu Datt Sharma
21. Shri Rajesh Verma

Rajya Sabha

22. Shri Saket Gokhale*
23. Smt. Priyanka Chaturvedi
24. Shri Ilaiyaraaja
25. Shri Amar Pal Maurya
26. Dr. Sasmit Patra
27. Shri V. Vijayendra Prasad
28. Shri S. Niranjan Reddy
29. Shri Kartikeya Sharma
30. Shri Lahar Singh Siroya
31. Shri K.T.S. Tulsi

SECRETARIAT

- | | | | |
|----|---------------------|---|----------------------|
| 1. | Shri Y.M. Kandpal | — | Additional Secretary |
| 2. | Smt. A. Jyothirmayi | — | Director |
| 3. | Shri Amrish Kumar | — | Deputy Secretary |
| 4. | Shri Salil Saroj | — | Under Secretary |

****Committee constituted w.e.f. 26th September, 2024 vide Para No.833 of Bulletin Part-II dated 26th September, 2024.**

*** Shri Saket Gokhale has been nominated vide Para No. 853 of Bulletin Part –II dated 03rd October, 2024.**

INTRODUCTION

I, the Chairperson, Standing Committee on Communications and Information Technology (2024-25), having been authorized by the Committee, present this Fourteenth Report on Action Taken by the Government on the Observations/Recommendations of the Committee contained in their Fourth Report (Eighteenth Lok Sabha) on 'Demands for Grants (2024-25)' relating to the Ministry of Electronics and Information Technology.

2. The Fourth Report was presented to Lok Sabha and also laid on the Table of Rajya Sabha on 18th December, 2024. The Ministry of Electronics and Information Technology furnished their Action Taken Notes on the Observations/Recommendations contained in the Fourth Report on 21st March, 2025.

3. The Report was considered and adopted by the Committee at their Sitting held on 26th June, 2025.

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

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

NEW DELHI;
21 July, 2025

30 Asadha, 1947 (Saka)

DR. NISHIKANT DUBEY,
Chairperson,
Standing Committee on
Communications and Information Technology.

CHAPTER I

REPORT

This Report of the Standing Committee on Communications and Information Technology (2024-25) deals with the action taken by the Government on the Observations/Recommendations of the Committee contained in their Fourth Report (Eighteenth Lok Sabha) on the 'Demands for Grants (2024-25)' relating to the Ministry of Electronics and Information Technology.

2. The Fourth Report was presented to Lok Sabha/laid in Rajya Sabha on 18th December, 2024. It contained 29 Observations/Recommendations.

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

(i) Observations/Recommendations which have been accepted by the Government:—

Rec. Sl. Nos.: **1,3,4,5, 8, 9, 12, 13, 14, 15, 16, 17, 18, 19, 21, 22, 23, 24, 25, 26, 27 and 28.**

Total: **22**

Chapter:II

(ii) Observations/Recommendations which the Committee do not desire to pursue in view of the replies of the Government:—

Rec. Sl. No.: **2 and 29.**

Total:02

Chapter:III

(iii) Observations/Recommendations in respect of which replies of the Government have not been accepted by the Committee and require reiteration:—

Rec. Sl. No.: NIL

Total: NIL

Chapter:IV

(iv) Observations/Recommendations in respect of which the replies of the Government are of interim in nature:—

Rec. Sl. Nos.: **6, 7, 10, 11 and 20.**

Total:**05**

Chapter:V

4. The Committee trust that utmost importance would be given to the implementation of the Observations/Recommendations accepted by the Government. In case where it is not possible for any reason to implement the recommendations in letter and spirit, the matter shall be reported to the Committee with reasons for non-implementation. The Committee further desire that Action Taken Statement on the Observations/Recommendations contained in Chapter-I and final action taken replies to the Observations/Recommendations contained in Chapter-V of this Report be furnished to them at an early date.

5. The Committee will now deal with action taken by the Government on some of their Observations/Recommendations that require reiteration or merit comments.

Budget Overview and Demands for Grants (2024-25)

Recommendation (Sl. No. 1)

6. The Committee, in their Original Report, had recommended asunder:—

“Demand No.27 pertaining to the Ministry of Electronics & IT has been allocated a total outlay of Rs. 21,936.90 crore for the Financial Year (FY) 2024-25. Out of the total outlay, Rs. 21,355.89 crore has been earmarked for Revenue Expenditure and Rs.581.01 crore under Capital Expenditure. A comparative analysis of the Budget Estimate of the Ministry from FY 2020-21 to FY 2024-25 shows an increasing trend of allocation viz.Rs.6,899.03 crore, Rs.9,720.66 crore, Rs.14,300 crore, Rs.16,549.04 crore and Rs.21,936.90 crore, respectively. The Financial Year-wise allocation percentage indicates variations from 3.68% in 2020-21, 40.90% in 2021-22, 47.11% in 2022-23, 15.73 % in 2023-24 and 32.56% in 2024-25.

The Committee note that during FY 2023-24 even though the Budget Estimate was Rs.16,549.04 crore and Revised Estimate was Rs.14,421.25 crore, the Ministry could utilize Rs.12,847.12 crore only thereby surrendering Rs.1,574.13 crore from the Revised Estimate. Similarly, under Modified Programme for Development of Semi-Conductors and Display Manufacturing Ecosystem in India, during FY 2023-24, out of Rs.1503.36 crore allocated, the Actual Expenses as on 31-3-2024 indicates that the Ministry could spend only Rs.681.11 crore, thus surrendering a staggering 55% of the allotted fund.

Surrendering of funds beyond 50% of the funds allocated reflects upon improper planning by the Ministry. The Committee may be apprised of the reasons for non- utilization of precious allocated funds which could have been allotted to other Ministries for its effective utilisation. The Committee therefore urge the Ministry to ensure that realistic projections are made in future as far as possible and ensure optimal utilization of funds by way of better planning and robust monitoring mechanism with learnings from past experience.”

7. In their Action Taken Reply, the Ministry of Electronics and Information Technology submitted as under:–

“The esteemed Committee has rightly pointed out that there is an under-utilisation of fund amounting to Rs.1574.13 crore w.r.t. RE during the FY 2023-24. It is submitted that the total unutilised amount of Rs.1574.13 crore includes Rs.1097.73 crore that remained unutilised under two schemes, viz. ‘Production Linked Incentive Scheme (PLI)’ (Rs.275.48 crore) and ‘Modified Programme for Development of Semi-Conductors and Display Manufacturing Ecosystem in India’ (Rs.822.25 crore). Hence, about 70% of the total unutilized fund belongs to these two schemes. It is noteworthy that expenditure/disbursement of incentives under these two schemes is dependent upon what the private companies are able to deliver. So, it is beyond the control of the Ministry to ensure optimal utilisation of the allocated fund under these schemes. However, keeping in view of the underutilisation of funds during the last 2-3 years and to ensure optimum utilisation of funds under PLI and Semiconductor schemes, the estimates received from industrial units are being reduced substantially at the Budget Estimate stage itself. The progress of expenditure under all the schemes of MeitY is also being reviewed on weekly basis in the Group Coordinators’ meeting under the chairmanship of Secretary (MeitY).”

8. The Committee in their recommendation had called upon the Ministry to ascertain reasons for non- utilization of funds allocated to it and had urged to make realistic projections so that optimal utilization of funds could be ensured. In their reply, the Ministry has stated that Rs.1097.73 crore remained unutilised under two schemes, viz. ‘Production Linked Incentive Scheme (PLI)’ (Rs.275.48 crore) and ‘Modified Programme for Development of Semi-Conductors and Display Manufacturing Ecosystem in India’ (Rs.822.25 crore), which was about 70% of the total unutilized funds of the Ministry. The Ministry further added that the

expenditure/disbursement of incentives under these two schemes is dependent upon what the private companies are able to deliver and hence, it is beyond the control of the Ministry to ensure optimum utilization of the funds allocated under these schemes. The Committee have been apprised that to mitigate under-utilization of funds in these Schemes, the estimates received from industrial units are being reduced substantially at the Budget Estimate stage itself and the progress of expenditure under all the schemes of MeitY is also being reviewed on weekly basis in the Group Coordinators' meeting under the Chairmanship of Secretary (MeitY). The Committee opine that the Ministry has a larger role and responsibility towards proper monitoring, facilitation and effective implementation of the above mentioned schemes i.e. PLI and Modified Programme for development of Semi- conductors and Display Manufacturing Ecosystem in India which cannot be solely let to private companies. Hence, the submission of the Ministry that the expenditure/disbursement of incentives is dependent upon what the private companies are able to deliver and that it is beyond the control of the Ministry is not understandable. The Committee would like to emphasize that the lacunae and any lack of concerted efforts in non-utilization of funds under the aforesaid Schemes be examined at the earliest through coordination meetings with private companies & stakeholders for reaching realistic and reasonable decisions. The Committee be apprised of the measures adopted in the Group Coordinators' meeting to ensure optimum utilization of funds in future and the Minutes of last five such meetings may be provided to the Committee along with the steps taken to address the problems related to non-utilization of funds under Production Linked Incentive Scheme (PLI)' and 'Modified Programme for Development of Semi-Conductors and Display Manufacturing Ecosystem in India Scheme.

Recommendation (SI. No. 4)

9.The Committee, in their Original Report, had recommended asunder:—

“The Committee do note that primary challenges faced for implementation of Electronics Governance Scheme are digital literacy, digital connectivity, accessibility to services, ease in availing the digital services and the awareness/readiness amongst the Departments to adopt the services and besides these challenges, the digital divide gap is also attributed to the fact that many citizens belonging to the weaker sections are deprived of availing the digital services. The

Committee were given to understand that Common Services Centres (CSCs) have been set up under the initiative of the Ministry of Electronics and Information Technology to deliver e-services to rural citizens through CSCs and expand the CSC network till the Gram Panchayat level and as on August 2024, 5.88 lakh CSCs are functional across the country in rural and urban areas, out of which 4.67 lakh CSCs are functional at the Gram Panchayat/village level (rural). The Committee would like to know the latest status of operationalization of CSCs all across the country. Further, the Committee recommend that apart from current services delivered by CSCs, the Ministry should include more number of services taking into account proliferation of technological changes in day-to-day lives of common man.”

10. In their Action Taken Reply, the Ministry of Electronics and Information Technology submitted as under:–

“Review committee of the project CSC 2.0 i.e. PRSG noted that the objective of the CSC 2.0 was to expand the network of CSC till 2.50 Lakhs GP, however, the total no. of GPs has been increased from 2.50 Lakhs to 2.59 Lakhs during the project implementation. Out of these 2.59 Lakhs GPs, 2.57 Lakhs GPs have been covered with at least one registered CSC. The remaining GPs could not be covered due to certain circumstances as highlighted by the implementing agency and the same were noted by the Reviews Committee. PRSG noted that these GPs are being served through the existing CSCs in the nearby GPs. In view of this, PRSG noted that the objective of setting up of CSCs in 2.5 Lakhs GPs has been achieved.

CSC e-Governance Services India Limited has apprised that as on December 2024, 6,04,825 CSCs are functional across the country (rural + urban), out of which 4,79,449 CSCs are functional at the Gram Panchayat(rural) level. Further, in order to improve the number of services, the PRSG noted that integration of CSC’s portal with the state e-services has been completed in 12 States and 2 UTs. In this regard, MeitY has also written DO letter to all States dated 20th Jan 2025 to expedite the integration of e-Services of State/e- District services/Municipal services with the Digital SevaPortal of Common Service Centres.”

11. The Committee in their recommendation had sought from the Ministry the latest status of operationalization of Common Service Centres (CSCs) across the Country and had recommended to include more number of services apart from the existing services that were offered by CSCs by taking into account proliferation of technological changes in day-to-day lives of the common man. The Ministry has submitted that out of 2.59 Lakh Gram Panchayats (GPs), 2.57 Lakh GPs have been covered with at least one registered CSC and the remaining GPs could not be covered due to certain circumstances as highlighted by the implementing agency. Further, it has been submitted that these issues were noted by the Review Committee. The Ministry has also stated that in order to improve the number of services, the Project Review and Steering Group (PRSG) has noted that integration of CSC's portal with the state e-services has been completed only in 12 States and 2 UTs. MeitY has written DO letter to all States on 20th Jan 2025 to expedite the integration of e-Services of State/e- District services/Municipal services with the Digital Seva Portal of Common Service Centres. The Committee may be apprised of the issues faced by the Ministry in operationalization of CSCs in remaining GPs and the steps taken by/contemplated by the Review Committee to expedite integration of e-services. Further, the Committee would like to know whether one registered CSC is enough to meet the Digital expectations and exigencies of a GP. The Committee may be apprised of the outcome in response to the DO letter of the Ministry and also call upon them to hold meetings with States and UTs periodically so that the process could be expedited.

National Informatics Centre (NIC) – Issues and Challenges

Recommendation (Sl. No. 6)

12. The Committee, in their Original Report, had recommended asunder:—

“Observing that the Operating System developed by India is not as popular and in use as Windows and Android, the Committee would like to be apprised of the possibilities of India developing its own operating system at par with the popular ones so that dependency on other nations can be reduced and protect our vital security documents. Further the Committee would like to be informed about the feasibility of Mobile Voting as India is amongst the largest manufacturer and user of mobile phones.”

13. In their Action Taken Reply, the Ministry of Electronics and Information Technology submitted as under:—

“The observation of the Committee with regard to development of India’s own operating system at par with popular ones so as to reduce dependency on other nations and protect our vital security documents has been noted for further examination and necessary action. So far as Mobile Voting is concerned, the subject matter pertains to Election Commission of India.”

14. The Committee in their Original Report had desired that the Ministry explore the possibilities of India developing its own Operating System at par with the popular ones so that dependency on other nations could be reduced and our vital security documents could be protected. The Committee also wanted to be apprised of the feasibility of Mobile Voting as India is amongst the largest manufacturer and user of mobile phones. The Ministry in its submission, with regard to possibilities of India developing its own Operating System, has stated that it has been noted for further examination and necessary action. The Committee may be apprised of the future course of action planned or envisaged by the Ministry in this regard along with the planning and design of a proper ecosystem. They further wish to be apprised about the role of Artificial Intelligence Technology would expedite development of India’s own Operating System.

Standardisation, Testing & Quality Certification (STQC) – Establishment and Manpower

Recommendation (Sl. No. 9)

15. The Committee, in their Original Report, had recommended as under:—

“Standardization, Testing & Quality Certification (STQC) Directorate, an attached office of the Ministry, provides testing, calibration, training and certification services to the industry and Government for assuring quality and reliability of electronics and Information Technology (IT) products. The Ministry informed the Committee, while deliberating on targets and measures taken to achieve those in Financial Year 2024-25, that approx. 150 Science and Technology (S&T) and Non-S&T candidates are to be recruited in upcoming year on direct recruitment basis and the vacancies have already been forwarded to NIELIT and SSC. The Committee were further informed that in order to construct STQC Building at

Sector, 62, Noida that Structure Stability test has already been completed and CPWD is scheduled to complete the building by November, 2025. Further, a STQC Lab automation project is planned and a New STQC Website to comply with GIGW 3.0 is under development.

The Committee observe that STQC plays a crucial role in assuring quality and reliability of IT products. Considering the shortfall in human resource, the Committee would like to know since when the request for recruitment of 150 Science and Technology and Non- Science and Technology candidates is pending before NIELIT and SSC and action taken by them to follow it up. The Committee desire that the matter may constantly be pursued with them. They may also be informed of the measures contemplated by the Ministry to achieve the set targets under STQC.”

16. In their Action Taken Reply, the Ministry of Electronics and Information Technology submitted as under:–

“Recruitment process of 76 S&T positions under Group “C” category has been completed.

Approximately 100 vacant Group “B” S&T positions have been identified for recruitment through NIELIT. STQC intends to fill Group “A” vacancies caused by retirements up to 31.12.2025. The matter is regularly being followed with NIELIT &SSC for S&T and non S&T posts recruitment respectively.”

17. The Committee in their Original Report had emphasized upon the human resource management in STQC. The Committee note that the recruitment process of 76 S&T positions under Group “C” category has been completed and approximately 100 vacant Group “B” S&T positions have been identified for recruitment through NIELIT. The Ministry has also informed the Committee that STQC intends to fill Group “A” vacancies caused by retirements up to 31.12.2025 and the matter is regularly being followed up with NIELIT & SSC for S&T and non S&T posts recruitment respectively. The Committee urge the Ministry to expedite recruitments in each category so that STQC would be able to optimize its achievements and targets. The Committee may also be apprised about the latest status of construction and completion of STQC Building at Sector 62, Noida, STQC Lab Automation Project and completion of New STQC Website.

Recommendation (Sl. No. 12)

18. The Committee, in their Original Report, had recommended that:—

“The Committee note that in STQC, process of filling up of 78 posts of Scientific Assistants is underway and 76 Group ‘C’ (Technical) recruitment is in process. The Committee recommend that these posts should be filled up at the earliest as these posts are technical in nature and in absence of technical manpower, STQC is unlikely to deliver the desired results/outputs.”

19. In their Action Taken Reply, the Ministry of Electronics and Information Technology submitted as under:—

“STQC has completed recruitment process of 24 Scientist “C”, 4 Scientist “D” and 76 Group ‘C’ (Technical) posts during FY 2024-25. Process of filling up of 100 posts of Scientific Assistants is underway through NIELIT. (Additional vacancies of 22 SA’s have been identified during the year 2025 due to resignation and superannuation during this year.) Advertisement of recruitment is expected in the 3rd week of February, 2025.”

20. The Committee in their Original Report had observed that in STQC, process of filling up of 78 posts of Scientific Assistants was underway and 76 Group ‘C’ (Technical) recruitment was under process. The Committee had recommended that these posts be filled up at the earliest as these posts were technical in nature and in absence of technical manpower, STQC was unlikely to deliver the desired results/outputs. The Ministry in the Action Taken Notes has stated that the process of filling up of 100 posts of Scientific Assistants is underway through NIELIT. The Ministry has also informed that additional vacancies of 22 Scientific Assistants (SA’s) have been identified during the year 2025 due to anticipated resignation and superannuation during the year and advertisement of recruitment was expected in the 3rd week of February, 2025. The Ministry may apprise the Committee about the latest status of filling up of 100 posts of Scientific Assistants and also with respect to advertisement of recruitment which was expected in the 3rd week of February, 2025.

CERT-In and the issues of Manpower

Recommendation (Sl. No. 15)

21. The Committee, in their Original Report, had recommended that:—

“The Committee are also given to understand that CERT-In has operationalized the National Cyber Coordination Centre (NCCC) project in order to generate situational awareness of existing and potential Cyber Security threats for enabling timely information sharing for proactive, preventive and protective actions by individual entities. Under Digital Personal Data Protection (DPDP), the Ministry has initiated two projects for setting up of digital office and awareness and planning an R&D scheme for DPDP followed by a few brainstorming sessions with academicians and eminent experts to filter-in the industry oriented viable areas. Given the need of the hour, the Committee would like to impress upon the Ministry to implement these projects in right earnest and ensure that the intended objectives are achieved on time.”

22. In their Action Taken Reply, the Ministry of Electronics and Information Technology submitted as under:—

“Beta version of Digital Office envisaged under the said project has been developed and 20 awareness workshops on DPDP Act, 2023 and 9 consultation workshops on Draft DPDP Rules, 2025 have been conducted till now. With respect to R&D Scheme, 4 brainstorming sessions were organised with eminent experts in various IITs and it has been found that it is niche area, which need Industry participation for developing potential and promising applications which may further support to various stakeholders towards DPDP compliance in terms of security safeguards etc.

The objective of NCCC project is to generate necessary situational awareness of existing and potential cyber security threats and enable timely information sharing among stakeholders for proactive, preventive and protective actions by individual entities.

The phase-I of NCCC has been operationalized in July 2017. Work is in progress for integrating 250 sites with NCCC under phase II of NCCC to be completed by end of FY 2024-25. Project for Collection, Storage and Analysis of Traffic Flows

(1:1) data from ISP Gateways (phase III) is approved in November 2023 and is under implementation.”

23. The Committee in their Original Report had emphasized on implementing National Cyber Coordination Centre (NCCC) project and Digital Personal Data Protection (DPDP) Act, 2023 in right earnest to ensure that the intended objectives were achieved on time. The Ministry has submitted that the phase-I of NCCC has been operationalized in July 2017 and work was in progress for integrating 250 sites with NCCC under phase II of NCCC and was expected to be completed by the end of FY 2024-25. Project for Collection, Storage and Analysis of Traffic Flows (1:1) data from ISP Gateways (phase III) was approved in November 2023 and is currently under implementation. The Committee would like to be apprised about the progress made in integrating 250 sites with NCCC under phase II of NCCC which was scheduled to be completed by the end of FY 2024-25. The Committee may also be enlightened whether the targets set under NCCC have been met, and if not, what steps have been taken by the Ministry to breach the gaps.

Scheme For Promotion Of Manufacturing Of Electronics Components And Semiconductors (SPECS)

Recommendation (Sl. No. 23)

24. The Committee, in their Original Report, had recommended that:—

“The Committee also learn that under the EMC/EMC 2.0 Scheme, 19 Greenfield EMCs and 3 Common Facility Centres with a project cost of Rs. 3,499 crore including Central Grant-in-aid of Rs. 1,470 crore were accorded approval in 15 States across the country with projected targeted investment of Rs. 46,619 crore from units and employment generation of over 6 lakh persons. The Committee wish to know the status of approved Greenfield EMCs and 3 Common Facility Centres in the said 15 States. The Committee also desire to be enlightened about the experience of the Ministry with the Greenfield EMCs and constraints, if any, being faced in such projects along with the number of people who have been given employment against the said target of 6 lakh persons.”

25. In their Action Taken Reply, the Ministry of Electronics and Information Technology submitted as under:—

“To create quality infrastructure along with common facilities and amenities for attracting electronics manufacturing units, Ministry of Electronics & IT (MeitY)

notified Electronics Manufacturing Cluster (EMC) Scheme in October, 2012 with receipt of applications up to October, 2017 and further period up to March 2026 is available for disbursement of funds to the approved projects. Under the scheme, 19 Greenfield EMCs and 3 CFCs admeasuring an area of 3,464 acres with project cost of Rs. 3,499 crore including Central Grant-in-aid of Rs. 1,470 crore accorded approval in 15 States across the country. These EMCs were poised to attract an investment of Rs. 46,619 crore and are expected to generate 6.30 lakh employment opportunities once fully operational. As of now, a Grant-in-aid of Rs.845.38 crore has been released to these projects. The infra work in all 3 approved CFCs has been completed. 2 CFCs have become fully operational and 1 CFC has also started its commercial activity partially. Further, about 85% infra work has been completed in approved Greenfield EMCs and also at verge of completion. About 78.3% of land parcel have been allotted to 394 companies with their projected investment commitment of Rs. 54,617 crore and employment generation of 2.70 Lakh persons (Direct & Indirect). Out of these, 140 companies have started its production and another 113 companies are in various stages of construction and mobilized an investment of Rs. 19,743 crore and provided employment to 70,242 persons. Further, about 1.5 crore man-days have also been generated in infra development.

Greenfield EMCs are more prone towards infrastructure development and provide ready land for the investors for setting up of their electronics manufacturing activity. Success of such projects is dependent on completion of infra development timely and attaching special provision by State Governments to facilitate the industry to set up their production facility through such clusters. The infra development depends on various associated factors like climatic condition, labour and raw material availability, soil strength, adequate vendor's participation(s) for competitive bids selection, GRAP applicability / NGT Norms (as applicable) etc. Effective implementation of single window clearance with simplified land allotment procedure plays critical role for attracting electronics units in such clusters. The progress of the projects is being reviewed and monitored with concerned implementing agencies as well as State Government to sort out the issue wherever requires."

26. The Committee in their Original Report had entreated the Ministry to provide the status of Greenfield Electronics Manufacturing Clusters (EMCs) and 3

Common Facility Centers which were approved in 15 States. The Committee had also desired to be enlightened about the experience of the Ministry with the Greenfield EMCs and constraints, if any, being faced in such projects along with the number of people who have been given employment against the said target of 6 lakh persons. The Ministry in its reply has stated that the success of Electronics Manufacturing Cluster (EMC) Scheme was dependent on completion of infra development timely and attaching special provision by State Governments to facilitate the industry to set up their production facility through such clusters along with various associated factors like climatic conditions, labour and raw material availability, soil strength, adequate vendor's participation for competitive bids selection, GRAP applicability / NGT Norms (as applicable) etc. The Ministry has further stated that effective implementation of single window clearance with simplified land allotment procedure plays critical role for attracting Electronics Manufacturing Units in such clusters and the progress of the projects was being reviewed and monitored with concerned implementing agencies as well as State Governments to sort out the issues wherever required. The Committee have also been apprised that about 85% infra work has been completed in approved Greenfield EMCs and the same was also on the verge of completion. The Committee desire to be apprised of the current status of completion of approved Greenfield EMCs along with the solutions found as a result of review meetings which could negate the factors which delay the completion of such crucial projects on time.

Production Linked Incentive Scheme (PLI)

Recommendation (Sl. No. 24)

27. The Committee, in their Original Report, had recommended that:—

“The Committee were given to learn that under PLI Scheme for Large Scale Electronics Manufacturing (LSEM) and under the Domestic Category for Mobile phones, only 2 applicants are performing out of 5 approved applicants, while in Specified Electronics Category (SEC), only 1 out of 6 applicants from Round I and 11 out of 16 applicants from Round II are performing. The Committee were further informed that MeitY is actively engaging with the applicants to enhance performance and achieve the set targets under the scheme. The Committee may be apprised of the reason for such a dismal performance of PLI in both the above-

mentioned categories and efforts made by them to ascertain the reasons for the same and to improve the performance of PLI. The Committee urge the Ministry to inform about the progress made in engaging with applicants to achieve the set target.”

28. In their Action Taken Reply, the Ministry of Electronics and Information Technology submitted as under:–

“MeitY has been actively engaging with the applicants through various one-to-one meetings, workshops and stakeholder consultations. It is observed that under PLI Scheme for LSEM, under the domestic category of mobile phones, only 2 applicants are performing out of 5 approved applicants. The other 3 companies have cited that they do not have partnerships with ODMs/OEMs for manufacturing of mobile phones in India. However, the companies have also informed that they are exploring partnerships with the OEMs/ODMs and are hopeful of achieving their targets in the upcoming financial years. Under the Specified Electronic Components, the applicants have attributed the underperformance due to declining demands from European markets, and other geo-political situations. MeitY is regularly engaging with the applicants and issues being faced by them, vis-à-vis facilitation of visas, customs and other stakeholders in the government machinery are addressed.”

29. The Committee in their Original Report had sought reasons for dismal performance of PLI in Large Scale Electronics Manufacturing (LSEM) and under the Domestic Category for Mobile phones categories and also the efforts made by the Ministry to improve the performance of PLI. The Committee had also sought the progress made in engaging with applicants to achieve the set targets. The Ministry, in this regard, has stated that under PLI Scheme for LSEM, under the domestic category of mobile phones, out of 5 approved applicants only 2 applicants are performing and the other 3 companies have cited lack of partnerships with ODMs/OEMs for manufacturing mobile phones in India. Further, the Ministry has conveyed that the companies were exploring partnerships with the OEMs/ODMs. The Ministry was hopeful of achieving its targets in the upcoming financial years. And, under the Specified Electronic Components, the underperformance has been due to declining demands from European markets, and other geo-political situations. The Ministry has stated that it was regularly engaging with the applicants and issues like facilitation of visas, customs and

other stakeholders in the Government machinery are being addressed. The Committee take note of the efforts made by the Ministry at each level and about holding regular talks with stakeholders to address their grievances. The Committee desires to be apprised of the latest status on achieving targets set and further suggest that challenges and constraints faced by mobile companies be addressed timely and effectively. They also feel that the assessment of the Scheme by an Expert Consultancy Firm may be considered by the Ministry to find out the challenges and reasons for dismal performance and for suggesting possible solutions to make it successful through value addition and component ecosystem.

Artificial Intelligence – The Future Ahead

Recommendation (Sl. No. 28)

30. The Committee, in their Original Report, had recommended that:—

“The Committee urge the Ministry that they should make concerted efforts for roping in the State Governments, IITs, IIMs, IISc etc. to develop Artificial Intelligence in India. It will help them to keep abreast of the best practices in terms of what they need to work on, how they need to ramp up their Information Technology Departments so as to create a conducive atmosphere and make a dedicated strategy for developing Artificial Intelligence in our country.”

31. In their Action Taken Reply, the Ministry of Electronics and Information Technology submitted as under:—

“The Ministry of Electronics and Information Technology is collaborating with multiple State Governments, Academic institutes, Industry partners, researchers and entrepreneurs to develop a robust and inclusive AI ecosystem aligned with India's development goals. Some of the initiatives, MeitY is working on involving other stakeholders are mentioned below.

- IndiaAI has launched a Call for Proposals to support the development of foundational AI models, inviting startups, researchers, and entrepreneurs to collaborate on creating state-of-the-art AI models using Indian datasets. This initiative aims to establish indigenous AI models, which can be Large Multimodal Models, Large Language Models (LLM), or Small Language Models (SLM), to address India-specific challenges across various sectors.

- Under IndiaAI Application Development Initiatives, IndiaAI Innovation challenge was launched to seek and advance the development, deployment, and adoption of AI applications in critical sectors. The challenge was open to Indian innovators, startups, non-profits, students, academic/R&D organizations, and companies. Over 900 applications have been received across the five focus areas- Healthcare, Improved Governance, Agriculture, Assistive Technology for Learning Disabilities and Climate Change and Disaster Management, out of which 30 AI solutions have been shortlisted across themes for refinement, development, and scaling. Additionally, IndiaAI also launched the CyberGuard AI Hackathon: Cybercrime prevention in collaboration with the Indian Cybercrime Coordination Centre (I4C). Participants were expected to develop sophisticated AI solutions leveraging Natural Language Processing (NLP) models that can be used to analyse, classify, and improve the accuracy of citizen-reported cybercrime incidents on NCRP (National Cybercrime Report Portal). Top three teams are taken in the final stage of evaluation.
- IndiaAI is offering IndiaAI Fellowships to students pursuing relevant undergraduate and postgraduate programs at Private / Centrally Funded Technical Institutes (CFTI) under the Government of India or recognized either by the All-India Council for Technical Education (AICTE) / National Board of Accreditation (NBA) / National Assessment and Accreditation Council (NAAC) of the University Grants Commission (UGC) or as per the extant norms. IndiaAI Fellowships are designed for students who have undertaken projects associated with AI/ML or other allied domains, thereby bridging the gap between theoretical knowledge and practical application and ensuring a workforce proficient in essential AI skills. Till date, 150 UG students and 48 PG students have been selected for the IndiaAI Fellowship and the first tranche of the fellowship amount has been released to these students.
- All the 36 States and Union Territories (UTs) have been requested to submit their nominated list of Industrial Training Institutes (ITIs)/Polytechnics located in Tier 2 and Tier 3 cities for setting up of IndiaAI Data Labs. Additionally, IndiaAI in collaboration with NIELIT plans to establish 27 data labs in Tier 2 and Tier 3 cities across the country.
- With this vision of developing a modern platform centered around the requirements of the AI innovation ecosystem, the IndiaAI Datasets Platform(IDP)

has been conceptualized under the IndiaAI Mission. IDP will function as a unified data platform, integrating datasets from all existing data platforms as well as onboarding non-government data contributors and providing new-age AI-centric features. AIKosh- the IndiaAI Datasets Platform was launched on 6th March 2025 to improve access, quality, and use of public sector datasets to make it AI ready. National e-Governance Division (NeGD), MeitY in collaboration with industry partners (Intel & Meta), has launched 'YUVAi: Youth for Unnati and Vikas with AI'- A National Programme for School Students with an objective of enabling school students from classes 8th to 12th with AI tech and social skills in an inclusive manner. A total of 1200+ students were oriented on the basics of AI and the top 200 students were shortlisted. Further, in next phase of the programme MeitY along with All-India Council for Technical Education (AICTE) targets to empower 100,000 students and young developers aged 18-30 across critical sectors such as healthcare, education, agriculture, smart cities, and financial inclusion. Additionally, this initiative will also include the establishment of a Gen AI Resource Hub with courses, case studies, and open datasets; an LLM for Young Developers Course designed by Meta; and Master Training Activation Workshops to introduce participants to foundational AI concepts.

- IndiaAI is establishing Center for Generative AI, Srijan (सृजन) at IIT Jodhpur in collaboration with Meta, for the advancement of open-source artificial intelligence (AI) in India. This GenAICoE aims to advance research and development in AI while fostering the growth of responsible and ethical AI technologies in India. It will support and enhance open science innovation across the AI technology landscape. Through education, capacity building, and policy advisory, the centre will be empowering the next generation of researchers, students, and practitioners with the knowledge and tools necessary for the responsible development and deployment of GenAI technologies.
- India's initiative to promote transparency and accountability in AI algorithms as AI continues to permeate various sectors of society, India is committed to invest in agile mechanisms for developing indigenous governance tools, frameworks, and guidelines that are contextualised to Indian socio-economic realities and reflect its unique challenges, opportunities, and datasets. To support this vision, 8 'Safe & Trusted' AI projects have been selected to promote Responsible AI across a range of critical themes. These include Machine

Unlearning, Synthetic Data Generation, AI Bias Mitigation, Ethical AI Frameworks, Privacy-Enhancing Tools, Explainable AI, AI Governance Testing, and Algorithm Auditing Tools.

- MeitY has launched Visvesvaraya PhD Scheme in 2014, with the objective of enhancing the number of PhDs in the country to compete globally in the knowledge intensive sectors of Electronics System Design and Manufacturing (ESDM) and IT/IT Enabled Services (IT/ITES). Under the scheme, financial support is provided to Full-time & Part-time PhD candidates and Young Faculty who are undertaking research and technology development. The Scheme also provides infrastructure support to institutions. Under the Visvesvaraya PhD Scheme: Phase-I (2014-2023), a total of 1423 PhD candidates have been supported. With the objective of covering more scholars, Phase- II of Visvesvaraya PhD Scheme (2021-2030) has been initiated for a duration of 9 years to support 1000 Full-time PhD candidates, 150 Part-time PhD candidates, 50 Young Faculty Research Fellowships and 225 Post-Doctoral Fellowships.”

32. The Committee in their Original Report had urged the Ministry to make concerted efforts to develop Artificial Intelligence in India to keep abreast with the best practices in the world. The Ministry in their reply has informed that all the 36 States and Union Territories (UTs) have been requested to submit their nominated list of Industrial Training Institutes (ITIs)/Polytechnics located in Tier 2 and Tier 3 cities for setting up of India AI Data Labs. Additionally, India AI in collaboration with NIELIT plans to establish 27 Data Labs in Tier 2 and Tier 3 cities across the Country. The Committee would like to be informed of the progress made with respect to submissions of nominated list of Industrial Training Institutes (ITIs)/Polytechnics located in Tier 2 and Tier 3 cities for setting up of India AI Data Labs. The Ministry may furnish details with respect to establishment of 27 Data Labs in Tier 2 and Tier 3 Cities in each part of the Country and also their operational status.

33. The Ministry in its Action Taken Notes has submitted that India’s initiative to promote transparency and accountability in AI continues to permeate various sectors of society. India is committed to invest in agile mechanism for developing indigenous governance tools, frameworks and guidelines that are conceptualized to Indian socio-economic realities and reflect its unique challenges, opportunities and datasets. In order to materialize the above vision

and to promote Responsible AI across the ranges of critical themes eight 'safe and Trusted' AI projects have been selected. Keeping in view the fact that quantum machines can solve problems in minutes that would take classical computers millennia, the Committee would like to be enlightened about the steps taken by the Ministry to encourage study and development of quantum computing in our Country.

CHAPTER II
OBSERVATIONS/RECOMMENDATIONS WHICH HAVE BEEN
ACCEPTED BY THE GOVERNMENT

(Recommendation Sl. No. 1)

BUDGET OVERVIEW AND DEMANDS FOR GRANTS (2024-25)

Demand No.27 pertaining to the Ministry of Electronics & IT has been allocated a total outlay of Rs. 21,936.90 crore for the Financial Year (FY) 2024-25. Out of the total outlay, Rs. 21,355.89 crore has been earmarked for Revenue Expenditure and Rs.581.01 crore under Capital Expenditure. A comparative analysis of the Budget Estimate of the Ministry from FY 2020-21 to FY 2024-25 shows an increasing trend of allocation viz. Rs.6,899.03 crore, Rs.9,720.66 crore, Rs.14,300 crore, Rs.16,549.04 crore and Rs.21,936.90 crore, respectively. The Financial Year-wise allocation percentage indicates variations from 3.68% in 2020-21, 40.90% in 2021-22, 47.11% in 2022-23, 15.73 % in 2023-24 and 32.56% in 2024-25.

The Committee note that during FY 2023-24 even though the Budget Estimate was Rs.16,549.04 crore and Revised Estimate was Rs.14,421.25 crore, the Ministry could utilize Rs.12,847.12 crore only thereby surrendering Rs.1,574.13 crore from the Revised Estimate. Similarly, under Modified Programme for Development of Semi-Conductors and Display Manufacturing Ecosystem in India, during FY 2023-24, out of Rs.1503.36 crore allocated, the Actual Expenses as on 31-3-2024 indicates that the Ministry could spend only Rs.681.11 crore, thus surrendering a staggering 55% of the allotted fund. Surrendering of funds beyond 50% of the funds allocated reflects upon improper planning by the Ministry. The Committee may be apprised of the reasons for non-utilization of precious allocated funds which could have been allotted to other Ministries for its effective utilisation. The Committee therefore urge the Ministry to ensure that realistic projections are made in future as far as possible and ensure optimal utilization of funds by way of better planning and robust monitoring mechanism with learnings from past experience.

Reply of the Government

The esteemed Committee has rightly pointed out that there is an under-utilisation of fund amounting to Rs.1574.13 crore w.r.t. RE during the FY 2023-24. It is submitted that the total unutilised amount of Rs.1574.13 cr includes Rs.1097.73 cr that remained unutilised under two schemes, viz. 'Production Linked Incentive Scheme (PLI)' (Rs.275.48 cr) and

‘Modified Programme for Development of Semi-Conductors and Display Manufacturing Ecosystem in India’ (Rs.822.25 cr). Hence, about 70% of the total unutilized fund belongs to these two schemes. It is noteworthy that expenditure/disbursement of incentives under these two schemes is dependent upon what the private companies are able to deliver. So, it is beyond the control of the Ministry to ensure optimal utilisation of the allocated fund under these schemes. However, keeping in view of the underutilisation of funds during the last 2-3 years and to ensure optimum utilisation of funds under PLI and Semiconductor schemes, the estimates received from industrial units are being reduced substantially at the Budget Estimate stage itself. The progress of expenditure under all the schemes of MeitY are also being reviewed on weekly basis in the Group Coordinators’ meeting under the chairmanship of Secretary (MeitY).

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

(Recommendation Sl. No. 3)

BUDGET OVERVIEW AND DEMANDS FOR GRANTS (2024-25)

The Committee observe that under Digital India Programme, one of the flagship programmes of Govt of India, shows a gradual decrease in allocation of funds from Budget Estimate 2021-22 to BE 2024-25 and underutilization by the Ministry over the years. For the financial year 2024-25, the Committee observe that out of proposed amount of Rs 5592.75 crores, only Rs 4768.26 crores have been made available. The Committee may be apprised of the reasons for such reduced allocation of funds under the Digital India Programme and underutilization by the Ministry. Since Digital India Programme is an important flagship programme of the Ministry, the Committee would like to know how this reduced allocation is going to affect the digital India Movement.

Reply of the Government

The allocation and expenditure under Digital India Umbrella Programme during the last four years (2021-22 to 2024-25) is as under:

(Rupees in crore)

Year	BE	RE	Actual Exp	Actual Exp as % of RE
2021-22	6806.33	6388.00	4504.36	70.5%
2022-23	5376.18	5400.50	3863.13	71.5%
2023-24	4795.24	4428.01	4174.14	94.3%
2024-25	4768.26	4173.00	3621.82 (as on 17.03.2025)	86.8% (as on 17.03.2025)

The reasons for gradual decrease in allocation of funds from BE 2021-22 to BE 2024-25 and under utilisation by the Ministry are as under:

- Actual expenditure in FY 2021-22 under Digital India Programme was got affected due to post Covid-19 impacts
- Due to less expenditure in FY 2021-22, allocation for the FY 2022-23 was got affected. Further, in view of implementation of Revised Procedure for Flow of Funds for Central Sector and Centrally Sponsored Schemes, the actual expenditure was even less than the previous year.
- Due to launching of two separate incentive schemes, viz. Production Linked Incentive Scheme(PLI) and Modified Programme for Development of Semiconductors and Display Manufacturing Ecosystem in India in FY 2023-24, which were earlier part of Promotion of Electronics and IT Hardware Manufacturing Scheme, the provision for Digital India Programme was got reduced.
- Transfer of Promotion of Digital Payments to Ministry of Finance also caused reduction in allocation under Digital India Programme.
- Allocations under Digital India Programme also corresponds to the total approved amount for the continuation of schemes under this umbrella programme for the XVth Finance Commission period.

However, the reduced allocation is not affecting implementation of the ongoing schemes under this programme as MoF has allocated requisite funds as and when required under any scheme.

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(Recommendation Sl. No. 4)

BUDGET OVERVIEW AND DEMANDS FOR GRANTS (2024-25)

The Committee do note that primary challenges faced for implementation of Electronics Governance Scheme are digital literacy, digital connectivity, accessibility to services, ease in availing the digital services and the awareness/ readiness amongst the Departments to adopt the services and besides these challenges, the digital divide gap is also attributed to the fact that many citizens belonging to the weaker sections are

deprived of availing the digital services. The Committee were given to understand that Common Services Centres (CSCs) have been set up by the initiative of the Ministry of Electronics and Information Technology to deliver e-services to rural citizens through CSCs and expand the CSC network till the Gram Panchayat level and as on August 2024, 5.88 lakh CSCs are functional across the country in rural and urban areas, out of which 4.67 lakh CSCs are functional at the Gram Panchayat/village level (rural). The Committee would like to know the latest status of operationalization of CSCs all across the country. Further, the Committee recommend that apart from current services delivered by CSCs, the Ministry should include more number of services taking into account proliferation of technological changes in day-to-day lives of common man.

Reply of the Government

Review committee of the project CSC 2.0 i.e. PRSG noted that the objective of the CSC 2.0 was to expand the network of CSC till 2.50 Lakhs GP, however, the total no. of GPs has been increased from 2.50 Lakhs to 2.59 Lakhs during the project implementation. Out of these 2.59 Lakhs GPs, 2.57 Lakhs GPs have been covered with at least one registered CSC. The remaining GPs could not be covered due to certain circumstances as highlighted by the implementing agency and the same were noted the reviews committee. PRSG noted that these GPs are being served through the existing CSCs in the nearby GPs. In view of this, PRSG noted that the objective of setting up of CSCs in 2.5 Lakhs GPs has been achieved.

CSC e-Governance Services India Limited has appraised that as on December 2024, 6,04,825 CSCs are functional across the country (rural + urban), out of which 4,79,449 CSCs are functional at the Gram Panchayat (rural) level. Further, In order to improve the number of services, the PRSG noted that integration of CSC's portal with the state e-services has been completed with 12 States and 2 UTs. In this regard, MeitY has also written DO letter to all states dated 20th Jan 2025 to expedite the integration of e-Services of State/e- District services/Municipal services with the Digital Seva Portal of Common Service Centres.

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

(Recommendation Sl. No. 5)

NATIONAL INFORMATICS CENTRE (NIC) - ISSUES AND CHALLENGES

NIC has been responsible for country-wide implementation of various e-Governance projects including many Mission Mode Projects of the Department. Jeevan Pramaan Portal, e-Shram, e-Challan, e-Invoice system, One Nation One Card, PM Kisan, e-Hospital, e-Office, National Generic Document Registration System (NGDRS), e-Courts, Case Information System (CIS), National Judicial Data Grid (NJDG) , e-Filing 3.0, National e-Vidhan Application (NeVA), Digital Sansad etc are some of the major ICT initiatives taken up by NIC. The Ministry informed the Committee about the upgradation of Data Centres, procurement of ICT equipment for cyber security initiatives by NIC for setting up of Security Operation Centres and security audit of all ICT assets of the Ministry. Further, NIC is making best efforts for utilizing the funds allocated for upgradation of Data Centres, procurement of ICT equipment for cyber security, setting up of Security Operation Centres and security initiatives during the Financial Year 2024-25.

The Committee observe that the Capital provision in BE 2024-25 has been increased by Rs.212.33 crore from that provided in BE 2023-24 due to projection of more funds by NIC for the abovesaid requirements. The Committee recommend that the increased amount must be used optimally and surrender of funds be avoided to the maximum extent possible. The Ministry may submit a copy of existing policy guidelines regarding E-mails and also update regarding latest developments in this field.

Reply of the Government

Copy of the policy guidelines for emails along with PPT showing latest development is enclosed at **Annexure-I**.

(Ministry of Electronics and Information Technology
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(Recommendation Sl. No.8)

NATIONAL INFORMATICS CENTRE (NIC) - ISSUES AND CHALLENGES

As NIC is implementing many important schemes of the Government of India under the digital India Programme, the Committee desire that the Ministry may look into the possibility of creating a separate IT Cadre under it for effective supervision and implementation of the schemes and also to augment skilled IT professionals who can develop and manage advanced ICT projects and support Digital initiatives of the Government.

Reply of the Government

National Informatics Centre (NIC) is an Attached Office of the Ministry of Electronics and Information Technology (MeitY) having sanctioned strength of 4831 employees. It has been the Government of India's technology partner since its establishment in 1976. Expanding to state and district levels in 1988, NIC provides technology-driven solutions across key areas including core ICT infrastructure, whole of Government oriented digital services, cyber and information security, sectoral applications, and propagates the adoption of emerging technologies. The mandate for NIC includes:

- Technology partner of the Government
- Design and develop IT systems for the Government
- Provide ICT infrastructure to the Government
- Explore & advise on the use of emerging technologies

NIC already has a separate scientific cadre of officers specialised in IT. In fact, Meity is attempting to embed NIC officials in different Ministries as embedded internal IT teams similar to the Internal Finance Division. In this context, there is perhaps no need to create a separate IT cadre for NIC as it already exists.

(Ministry of Electronics and Information Technology
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(Recommendation Sl. No. 9)

STANDARDISATION, TESTING & QUALITY CERTIFICATION (STQC) – ESTABLISHMENT AND MANPOWER

Standardization, Testing & Quality Certification (STQC) Directorate, an attached office of the Ministry, provides testing, calibration, training and certification services to the industry and Government for assuring quality and reliability of electronics and Information Technology (IT) products. The Ministry informed the Committee, while deliberating on targets and measures taken to achieve those in Financial Year 2024-25, that approx. 150 Science and Technology (S&T) and Non-S&T candidates are to be recruited in upcoming year on direct recruitment basis and the vacancies have already been forwarded to NIELIT and SSC. The Committee were further informed that in order to construct STQC Building at Sector, 62, Noida that Structure Stability test has already been completed and CPWD is scheduled to complete the building by November, 2025.

Further, a STQC Lab automation project is planned and a New STQC Website to comply with GIGW 3.0 is under development.

The Committee observe that STQC plays a crucial role in assuring quality and reliability of IT products. Considering the shortfall in human resource, the Committee would like know since when the request for recruitment of 150 Science and Technology and Non- Science and Technology candidates is pending before NIELIT and SSC and action taken by them to follow it up. The Committee desire that the matter may constantly be pursued with them. They may also be informed of the measures contemplated by the Ministry to achieve the set targets under STQC.

Reply of the Government

- Recruitment process of 76 S&T positions under Group “C” category has been completed.
- Approximately 100 vacant Group “B” S&T positions have been identified for recruitment through NIELIT. STQC intends to fill Group “A” vacancies caused by retirements up to 31.12.2025. The matter is regularly being followed with NIELIT & SSC for S&T and non S&T posts recruitment respectively.

(Ministry of Electronics and Information Technology
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Comments of the Committee

(Please see Para No. 17 of Chapter I)

(Recommendation Sl. No. 12)

STANDARDISATION, TESTING & QUALITY CERTIFICATION (STQC) – ESTABLISHMENT AND MANPOWER

The Committee note that in STQC, process of filling up of 78 posts of Scientific Assistants is underway and 76 Group ‘C’ (Technical) recruitment is in process. The committee recommend that these posts should be filled up at the earliest as these posts are technical in nature and in absence of technical manpower, STQC is unlikely to deliver the desired results/outputs.

Reply of the Government

STQC has completed recruitment process of 24 Scientist “C”, 4 Scientist “D” and 76 Group ‘C’ (Technical) posts during FY 2024-25. Process of filling up of 100 post of Scientific Assistants is underway through NIELIT. (Additional vacancies of 22 SA’s have

been identified during the year 2025 due to resignation and superannuation during this year.) Advertisement of recruitment is expected in the 3rd week of February, 2025.

(Ministry of Electronics and Information Technology
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Comments of the Committee

(Please see Para No. 20 of Chapter I)

(Recommendation Sl. No. 13)

**STANDARDISATION, TESTING & QUALITY CERTIFICATION (STQC) –
ESTABLISHMENT AND MANPOWER**

The Committee observe that STQC is in the process of seeking exemption from “Make in India” in GFR for high value procurements. The Committee urge to be apprised of developments made in this regard.

Reply of the Government

STQC has been consolidating a list of Test/Calibration facilities and IT tools for getting “Make in India” exemption from the competent authority.

(Ministry of Electronics and Information Technology
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(Recommendation Sl. No. 14)

CERT-IN AND THE ISSUES OF MANPOWER

According to the Ministry, CERT-In is a Government Organisation designated to serve as a national agency for incident response. It operates 24*7 incident response Help Desk for providing timely response to reported Cyber Security incidents. It is to provide Incident Prevention and Response Services as well as Security Quality Management Services. For performing functions in the area of Cyber Security it collects, analyses and disseminates information on Cyber Security incidents; forecasts and alerts Cyber Security incidents; formulates emergency measures for handling Cyber Security incidents, co-ordinates Cyber Security incident response activities; issues guidelines, advisories, vulnerability notes and white papers relating to information security practices, procedures, prevention, response and reporting of cyber incidents. To the query of the Committee regarding the major impediments that were being encountered by the Ministry in respect of its functioning, it was stated that CERT-In is in urgent need of additional

manpower to keep up with rapid increase in the incidents of Cyber Security attacks/threats. Further, the Ministry also submitted that manpower crunch has been felt owing to the urgent nature of incident response activities including onsite response, to sustain key current as well as planned new activities/projects and to address Cyber Security issues pertaining to emerging technologies and areas. The Committee are given to understand that in order to meet the challenge, CERT-In has moved a proposal for creation of additional posts at various levels. Further, the Committee are also informed that Department of Expenditure after examining the proposal has sought certain details from MeitY which has been submitted. The Committee are of the view that a lot more need to be done to improve our cyber security through several initiatives and policies including capacity building and training programmes. However, these efforts would remain inadequate and fragmented unless India is equipped with adequate technical staff, cyber forensics facilities, cyber security standards and coordination amongst various stakeholders. The Committee therefore, urge the Ministry to pay adequate attention to these suggestions take timely action and update them accordingly.

Reply of the Government

For capacity building in cyber security, CERT-In regularly conducts trainings / workshops to train officials of Government, Public and Private sector organizations across all sectors on focused topics of Cyber Security. The training/workshop programs focus on technical topics with technology presentations & demonstration/Hands-on sessions for technical cyber community. A total of 12,014 officials have been trained in 23 training programs in 2024.

Under Security Quality Management Services, Indian Computer Emergency Response Team (CERT-In) has empanelled 200 'IT security auditing organizations' for auditing, including vulnerability assessment and penetration testing of computer systems, networks & applications of various organizations of the Government, critical infrastructure organizations and those in other sectors of Indian economy.

CERT-In has also setup State-of-the art Cyber Forensic lab to support incident response operation of CERT-In as well as the needs of various Law Enforcement agencies. The Cyber Forensics Laboratory at the Indian Computer Emergency Response Team (CERT-In) has been notified as 'Examiner of Electronic Evidence' under section 79A of the Information Technology Act, 2000.

(Ministry of Electronics and Information Technology
O.M. No. 2(1)/2024- Budget (Vol.II) dated 21.03.2025

(Recommendation Sl. No. 15)

CERT-IN AND THE ISSUES OF MANPOWER

The Committee are also given to understand that CERT-In has operationalized the NCCC project in order to generate situational awareness of existing and potential Cyber Security threats for enabling timely information sharing for proactive, preventive and protective actions by individual entities. Under Digital Personal Data Protection (DPDP), the Ministry has initiated two projects for setting up of digital office and awareness and planning an R&D scheme for DPDP followed by a few brainstorming sessions with academicians and eminent experts to filter-in the industry oriented viable areas. Given the need of the hour, the Committee would like to impress upon the Ministry to implement these projects in right earnest and ensure that the intended objectives are achieved on time.

Reply of the Government

Beta version of Digital Office envisaged under the said project has been developed and 20 awareness workshops on DPDP Act, 2023 and 9 consultation workshops on Draft DPDP Rules, 2025 have been conducted till now. With respect to R&D Scheme, 4 brainstorming sessions were organised with eminent experts in various IITs and it has been found that it is niche area, which need Industry participation for developing potential and promising applications which may further support to various stakeholders towards DPDP compliance in terms of security safeguards etc.

The objective of NCCC project is to generate necessary situational awareness of existing and potential cyber security threats and enable timely information sharing among stakeholders for proactive, preventive and protective actions by individual entities.

The phase-I of NCCC has been operationalized in July 2017. Work is in progress for integrating 250 sites with NCCC under phase II of NCCC to be completed by end of FY 2024-25. Project for Collection, Storage and Analysis of Traffic Flows (1:1) data from ISP Gateways (phase III) is approved in November 2023 and is under implementation.

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Comments of the Committee

(Please see Para No. 23 of Chapter I)

(Recommendation Sl. No. 16)

CERT-IN AND THE ISSUES OF MANPOWER

The Ministry apprised the Committee that CERT-In has setup State-of-the art Cyber Forensic Lab to support incident response operation of CERT-In as well as the needs of various Law Enforcement agencies. The Committee wish to know how far this Lab has been able to meet the pre-requisite demand. Further, the Committee wish to know whether the private agencies as well as an individual can also have the benefit of incident response operation done by Cyber Forensic Lab.

Reply of the Government

The Cyber Forensics Laboratory, Indian Computer Emergency Response Team (CERT-In) was earlier notified under section 79A of the IT Act 2000 in the year 2020 with Mobile Forensics and Disk Forensics as the scope. With the ever increasing and dynamic scope of digital forensics, the Central Government had notified the Cyber Forensics Laboratory, CERT-In vide S.O. 5191(E). dated 27th November, 2024, as Examiner of Electronic Evidence in exercise of the powers conferred by section 79A of the information Technology Act, 2000 having Mobile Forensics, Disk Forensics, Cloud forensics, DVR forensics and Drone Forensics as the scope.

The Cyber Forensic Lab of CERT-In supports analysis of computer hard discs, mobiles etc for cyber security incidents handled by CERT-In as well as for critical cyber crime cases investigated by Law Enforcement agencies.

Cyber crimes reported by citizens are investigated by state police / Law Enforcement agencies which are supported by central and state Cyber Forensic Labs.

(Ministry of Electronics and Information Technology
O.M. No. 2(1)/2024- Budget (Vol.II) dated 21.03.2025

(Recommendation Sl. No. 17)

CERT-IN AND THE ISSUES OF MANPOWER

The Committee have been informed by the Ministry that CERT-In has setup National Cyber Coordination Centre (NCCC) to generate necessary situational awareness of existing and potential cyber security threats and enable timely information sharing for proactive, preventive and protective actions by individual entities. The phase I

of NCCC has been operationalized in July 2017. The Committee note that it has been 8 years since the operationalization of phase I of NCCC and in view of that, the Committee wish to know whether the Ministry have any plan to roll out next phases of NCCC. The Committee also would like to know the experience of the Ministry about Phase I of NCCC and a few cases where the common man could be benefitted by this initiative.

Reply of the Government

The phase-I of NCCC project has been operationalized in July 2017. Work is in progress for integrating 250 sites with NCCC under phase II of NCCC to be completed by end of FY 2024-25. Project for Collection, Storage and Analysis of Traffic Flows (1:1) data from ISP Gateways (phase III) is approved in November 2023 and is under implementation.

NCCC is has enabled to strengthen the cyber security ecosystem in the country by helping in prevention and detection of cyber-threats. NCCC facilitates coordination among different agencies by sharing with them the metadata from cyberspace for taking actions to mitigate cyber security threats. NCCC is generating alerts to various Internet Service Providers, State Data Centres and organisations across sectors to enable detection and prevention of malware outbreaks, Distributed Denial of Service attacks, phishing, scanning and probing of internet facing systems etc. NCCC systems have been leveraged to detect cyber attacks on financial institutions, energy sector entities and government websites and preventive and response measures coordinated by CERT-In with concerned entities to ensure essential services are available to citizens. NCCC has played a crucial role in threat detection during various national level events like during G20 Presidency of India, Elections, Mahakumbh 2025 etc.

(Ministry of Electronics and Information Technology
O.M. No. 2(1)/2024- Budget (Vol.II) dated 21.03.2025

(Recommendation Sl. No. 18)

ELECTRONIC GOVERNANCE AND THE FUTURE COURSE OF ACTION

While examining Electronic Governance in India, the Ministry informed that it is currently facing multipronged problems i.e., the issues of digital literacy, digital connectivity, accessibility to services, and ease in availing the digital services and the awareness / readiness amongst the Departments to adopt the services. Besides these

challenges, the digital divide gap is also attributed to the fact that many citizens belonging to the weaker sections are deprived of availing the digital services.

The Committee note that the Government has already taken necessary measures to tackle these challenges through implementing “Pradhan Mantri Gramin Digital Saksharta Abhiyan (PMGDISHA)” to usher in digital literacy in rural India and BharatNet project with the aim to connect all 2,50,000 Gram Panchayats (GPs) in the country with 100 Mbps connectivity. Along with it, the Government is also providing the services in assisted mode through Common Service Centres (CSCs) to digitally illiterate people and taking steps through various other channels also. Moreover, Government is striving hard to create awareness amongst citizens through various modes including social media platforms as well as the departments for on boarding and consumption of the digital services. The Committee also observe that as on August 2024, 5.88 lakh CSCs are functional across the country in rural and urban areas, out of which 4.67 lakh CSCs are functional at the Gram Panchayat/village level (rural).

To transform India into a digitally empowered society and knowledge economy, the Committee understand the importance of the role of Electronic Governance Scheme which is not only pivotal but also inevitable. Taking into cognizance the fact that the Ministry is implementing myriad schemes for digital empowerment of the citizens of the country, they would like to know by when all the Gram Panchayats of the country would be provided with Net Connectivity and how the Ministry intends to overcome the resultant challenges. The Committee also recommend that the Ministry may look into the feasibility of using popular means of communications like street plays, folk arts and cultural programmes so as to attract and digitally empower common man. Further, the Committee would like to call upon the Ministry to expedite the process of making CSCs functional in all 2,50,000 Gram Panchayats in the country within a stipulated time frame.

Reply of the Government

Review and steer committee of the project CSC2.0 i.e. PRSG, in its meeting held on 29.11.2024 noted that the Implementation agency and MeitY are making continuous effort to cover the remaining GP's with at least one registered CSC. Further PRSG noted that these remaining GP's are being covered through the CSC's present in the nearby GP's. It is also submitted that the project has been completed as on March 2024.

(Ministry of Electronics and Information Technology
O.M. No. 2(1)/2024- Budget (Vol.II) dated 21.03.2025

(Recommendation Sl. No. 19)

CAPACITY BUILDING & SKILL DEVELOPMENT SCHEME

The Committee note that under the Capacity Building & Skill Development Scheme, the activities are targeted to ensure availability of trained human resources for the manufacturing & service sectors of Electronics and IT industry. The initiatives taken by the Ministry in this regard include identifying gaps emerging from the formal sector and planning programmes in non- formal and formal sectors for meeting these gaps. This includes Skill Development in the domain of Electronics & IT and related areas. The Ministry has submitted that various schemes/projects pertaining to Human Resource Development for Electronics and IT sector were approved/under implementation. The Committee would like the Ministry to implement the schemes/projects that have been approved at the earliest and those that are under implementation, be completed within the set timelines. Further, with respect to challenges regarding connectivity and availability of infrastructure in hilly/sparse/remote areas, the Committee have been apprised that Wifi-Chaupals have been established at remote locations, rural schools have been engaged for training and the promotional and awareness activities have been scaled through workshops. The Committee would like to be apprised of the outcome of those measures and how far the challenges have been overcome.

Reply of the Government

Capacity Building & Skill Development Scheme activities of MeitY are targeted to ensure availability of trained human resources for the manufacturing & service sectors of electronics and IT industry. Initiatives include identifying gaps emerging from the formal sector and planning programmes in non-formal and formal sectors for meeting these gaps. This includes Skill Development in the domain of Electronics & IT and related areas. In the succeeding sections, brief details about various ongoing initiatives including skill development and indicative list of major Schemes/Projects are presented. The Skill Development activities of the Ministry are primarily being taken up by its two autonomous societies viz. National Institute of Electronics and Information Technology (NIELIT) and Centre for Development of Advanced Computing (C-DAC). In addition, the various organizations / attached offices under the Ministry viz. ERNET India, Media Lab Asia, CSC E-Governance Services India Limited, STQC, NIC etc. are also engaged in training of various stakeholders in small numbers. So far 55,19,071 beneficiaries are trained under E&IT domain in last 5 years. Also, more than 6 Crore beneficiaries trained in

Digital Literacy and More than 5 Crore Citizen covered under Information Security Awareness through direct/indirect mode in 5 years.

(Recommendation Sl. No. 21)

NATIONAL KNOWLEDGE NETWORK

The Ministry apprised the Committee that the National Knowledge Network (NKN) aimed to encourage sharing of resources and collaborative research by inter-connecting all knowledge institutions across the country through a high-speed data communication network and as of now, there are total 1796 institutes under NKN with 96 core links and 620 district links. The Committee would like to know what progress has been made to bring all the districts of India under NKN and whether the institutes based in rural areas are given priority to gain from this scheme. The Committee urge the Ministry to ensure that all the stakeholders and beneficiaries should have access to high-speed data communication network to get benefit of NKN Scheme.

Reply of the Government

NKN carries the digital-traffic of National/state Data Centres (NDCs/SDCs), State-Wide Area Networks (SWANs) and provides connectivity to various Digital India initiatives, and carry digital-traffic of various G2G (Government to Government) and G2C (Government to Citizen) services, District Connectivity, etc. NKN also inter-connect all knowledge institutions across the country through high-speed data communication network to encourage sharing of resources and collaborative research. A high-speed data communication network has been established to interconnect Institution of higher learning, and research. Eventually, NKN fulfils the needs of the government network [National Government Network (NGN)], and the Research & Education Network (REN) both. Status as on 31st January, 2025:

- 1,809 links to Institutions have been commissioned and made operational under NKN. (this includes 371 links to institutions migrated from NMEICT [National Mission on Education through Information and Communication Technology a project of Ministry of Education] to NKN).
- 651 NKN links have been connected to NIC District Centers across India. This facilitates the Digital Governance data-traffic to ride over NKN.

NKN is a pan India project, hence agnostic to rural/ urban bifurcation. Accordingly, it interconnects Institution of higher learning, and research all over India.

(Ministry of Electronics and Information Technology
O.M. No. 2(1)/2024- Budget (Vol.II) dated 21.03.2025

(Recommendation Sl. No. 22)

SCHEME FOR PROMOTION OF MANUFACTURING OF ELECTRONICS COMPONENTS AND SEMICONDUCTORS (SPECS)

The Scheme for Promotion of Manufacturing of Electronics Components and Semiconductors (SPECS) was notified way back on 1st April, 2020 to offset disability in the Electronics Components Manufacturing Ecosystem in India. The scheme provides subsidy for capital expenditure of 25% for identified list of electronic goods. The scheme envisaged New Investment in the electronics sector to the tune of Rs. 20,000 crore and generation of nearly 1.5 lakh jobs. The scheme duration is till 31.03.2029.

Further, Electronics Manufacturing Clusters Scheme was notified on 22nd October, 2012 and the modified EMC was notified on 1st April, 2022 to provide financial support for development of quality infrastructure along with common facilities and amenities for attracting electronics manufacturing units in the country through such clusters. The scheme duration is up to March, 2028 and is expected to provide employment to about 10.00 lakh persons. Submitting measures taken to achieve the targets, the Ministry has stated that workshop/meeting with applicant to address their disbursement/appraisal issues are being organized. While being aware of the needs and importance of the Semiconductor industry the Committee desire that the focus should be centred on training and creating the highly skilled human resources required for the industry with an emphasis on R&D and strengthening partnership with countries for necessary supply of raw material and exchange of technology and encourage production of semi-conductors in India. The Committee may be apprised of the achievements made and conducive environment created in this direction.

Reply of the Government

Inputs related to SPECS: The scheme provided capex subsidy to help offset the disability in manufacturing of electronics components and semiconductors. Under the vertical, *"Engineering, R&D, Testing and Tool Prototyping for capital goods for manufacturing of semiconductors / displays covered under SPECS"* two applications with project investment of Rs. 348 crore have been approved with total employment generation potential of **785 persons** creating the highly skilled human resources required for the semiconductor industry.

Status: As on February 2025, 58 applications have been approved under the scheme with total proposed investment of Rs.22,081 crore. Further, the SPECS scheme is closed to receive new applications on 31.03.2024. The achievements under the scheme are as under (as per the Quarterly progress report submitted by applicant):

- **Investment by units covered under the Scheme** (in Rs. crore): 10,368.45 •
- **Production by units covered under the scheme** (in Rs. crore): 26693.56 •
- **Employment generated by units covered under the scheme:** 37243
- **Taxes Paid to Government** (in Rs. crore): 1226.57

Inputs w.r.t. Semicon India programme: Government has approved Semicon India programme with a total outlay of Rs. 76,000 crore for the development of semiconductor and display manufacturing ecosystem in the country. Semiconductor manufacturing is very complex and Technology intensive sector which requires specialized skilled manpower. To address this, the following measures have been taken by the Government:

1. All India Council for Technical Education (AICTE) has launched the new curriculum for B. Tech in Electronics Engineering (Very Large-Scale Integration (VLSI) Design and Technology), Diploma in Integrated Circuit (IC) manufacturing and Minor Degree in Electronics Engineering (VLSI Design and Technology), as a step towards creation of Talent pool in Semiconductor domain.
2. Government has launched the Chips to Startup ('C2S') programme which plans to train 85,000 industry ready workforce at about 113 participating institutions in VLSI and Embedded System Design. More than 43,000 engineering students have been onboarded for training at 113 organizations under C2S Programme till date.
3. A Skilled Manpower Advanced Research and Training (SMART) Lab has been setup in NIELIT Calicut in 2022 with an aim to train one lakh engineers nation-wide within 5 years in VLSI and Embedded System design. More than 42,000 engineers have been trained nationwide using the SMART Lab.
4. Further, the following collaborations/ partnerships have been entered into by India Semiconductor Mission (ISM) to encourage skill development:
 - i. **MoU between ISM with IISc and Lam Research:** To train ~60,000 Indian engineers in the upcoming 10 years through Lam Research's Semiverse platform.

- ii. **MoU between ISM and IBM:** To facilitate Indian students/professionals to build a broad skill base by gaining access to laboratories and research focal centers and establishing internship and fellowship programs.
- iii. **MoU between ISM with Purdue University:** To promote the cutting-edge research and development and commercialization thereof, curating skilled talent pool and investment opportunities in India enabling the Indian professionals to explore their potential in the semiconductor and display space.

(Ministry of Electronics and Information Technology
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(Recommendation Sl. No. 23)

SCHEME FOR PROMOTION OF MANUFACTURING OF ELECTRONICS COMPONENTS AND SEMICONDUCTORS (SPECS)

The Committee also learn that under the EMC/EMC 2.0 Scheme, 19 Greenfield EMCs and 3 Common Facility Centres with a project cost of Rs. 3,499 crore including Central Grant-in-aid of Rs. 1,470 crore were accorded approval in 15 states across the country with projected targeted investment of Rs. 46,619 crore from units and employment generation of over 6 lakh persons. The Committee wish to know the status of approved Greenfield EMCs and 3 Common Facility Centres in the said 15 States. The Committee also desire to be enlightened about the experience of the Ministry with the Greenfield EMCs and constraints, if any, being faced in such projects alongwith the number of people who have been given employment against the said target of 6 lakh persons.

Reply of the Government

To create quality infrastructure along with common facilities and amenities for attracting electronics manufacturing units, Ministry of Electronics & IT (MeitY) notified Electronics Manufacturing Cluster (EMC) Scheme in October, 2012 with receipt of applications up to October, 2017 and further period up to March 2026 is available for disbursement of funds to the approved projects. Under the scheme, 19 Greenfield EMCs and 3 CFCs admeasuring an area of 3,464 acres with project cost of Rs. 3,499 crore including Central Grant-in-aid of Rs. 1,470 crore accorded approval in 15 states across the country. These EMCs were poised to attract an investment of Rs. 46,619 crore and are expected to generate 6.30 lakh employment opportunities once fully operational. As of now, a Grant-in-aid of Rs.845.38 crore has been released to these projects. The infra work in all 3 approved CFCs has been completed. 2 CFCs have

become fully operational and 1 CFC has also started its commercial activity partially. Further, about 85% infra work has been completed in approved Greenfield EMCs and also at verge of completion. About 78.3% of land parcel have been allotted to 394 companies with their projected investment commitment of Rs. 54,617 crore and employment generation of 2.70 Lakh persons (Direct & Indirect). Out of these, 140 companies have started its production and another 113 companies are in various stages of construction and mobilized an investment of Rs. 19,743 crore and provided employment to 70,242 persons. Further, about 1.5 crore man-days have also been generated in infra development.

Greenfield EMCs are more prone towards infrastructure development and provide ready land for the investors for setting up of their electronics manufacturing activity. Success of such projects is dependent on completion of infra development timely and attaching special provision by State Governments to facilitate the industry to set up their production facility through such clusters. The infra development depends on various associated factors like climatic condition, labour and raw material availability, soil strength, adequate vendor's participation(s) for competitive bids selection, GRAP applicability / NGT Norms (as applicable) etc. Effective implementation of single window clearance with simplified land allotment procedure plays critical role for attracting electronics units in such clusters. The progress of the projects is being reviewed and monitored with concerned implementing agencies as well as State Government to sort out the issue wherever requires.

(Ministry of Electronics and Information Technology
O.M. No. 2(1)/2024- Budget (Vol.II) dated 21.03.2025

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

(Recommendation Sl. No.24)

PRODUCTION LINKED INCENTIVE SCHEME (PLI)

The Committee were given to learn that under PLI Scheme for Large Scale Electronics Manufacturing (LSEM) and under the Domestic Category for Mobile phones, only 2 applicants are performing out of 5 approved applicants, while in Specified Electronics Category (SEC), only 1 out of 6 applicants from Round I and 11 out of 16 applicants from Round II are performing. The Committee were further informed that MeitY is actively engaging with the applicants to enhance performance and achieve the

set targets under the scheme. The Committee may be apprised of the reason of such a dismal performance of PLI in both the above-mentioned categories and efforts made by them to ascertain the reasons for the same and to improve the performance of PLI. The Committee urge the Ministry to inform about the progress made in engaging with applicants to achieve the set target.

Reply of the Government

MeitY has been actively engaging with the applicants through various one-to-one meetings, workshops and stakeholder consultations. It is observed that under PLI Scheme for LSEM, under the domestic category of mobile phones, only 2 applicants are performing out of 5 approved applicants. The other 3 companies have cited that they do not have partnerships with ODMs/OEMs for manufacturing of mobile phones in India. However, the companies have also informed that they are exploring partnerships with the OEMs/ODMs and are hopeful of achieving their targets in the upcoming financial years. Under the Specified Electronic Components, the applicants have attributed the underperformance due to declining demands from European markets, and other geo-political situations. MeitY is regularly engaging with the applicants and issues being faced by them, vis-à-vis facilitation of visas, customs and other stakeholders in the government machinery are addressed.

(Ministry of Electronics and Information Technology
O.M. No. 2(1)/2024- Budget (Vol.II) dated 21.03.2025

Comments of the Committee

(Please see Para No. 29 of Chapter I)

(Recommendation Sl. No. 25)

PRODUCTION LINKED INCENTIVE SCHEME (PLI)

The Ministry informed the Committee that the PLI Scheme 2.0 for IT Hardware is in its nascent phase and companies are taking longer time to meet the threshold criteria. However, MeitY is actively engaging with stakeholders to improve performance and ensure the achievement of the set targets under the PLI Scheme 2.0. The Committee recommend that the Ministry should think for out of box ideas to improve performance of PLI Scheme 2.0 for I.T. Hardware and get the targets in stipulated time period without any further delay. The Ministry may apprise the Committee about the course of action planned by them.

Reply of the Government

PLI Scheme 2.0 for IT hardware was notified on 29.05.2023 with an objective to boost domestic manufacturing and attract large investments in the value chain. In a short span of time, i.e. till March 2024, this scheme was able to achieve cumulative Investment of ₹427.63 crore against projected investment of ₹40 crore. This investment resulted in Production of ₹8,967.58 crore against projected investment of ₹375 crore. Further, the scheme also generated employment of 3,854 against projected employment of 132. Major companies, i.e Dell and HP, are yet to start production under the scheme and will start production in the year FY 2025-26. MeitY is proactively resolving the issues being faced by the companies, including Dell and HP, to enhance performance and drive the successful achievement of the targets outlined under the PLI Scheme 2.0 for IT hardware.

(Ministry of Electronics and Information Technology
O.M. No. 2(1)/2024- Budget (Vol.II) dated 21.03.2025

(Recommendation SI. No. 26)

UIDAI – EACH ONE, REACH ONE

The Committee observe that the Ministry is facing a huge challenge of Mandatory Biometric Update (MBU), alternative mode of authentication for individuals who were unable to use their fingerprint or IRIS due to worn-out finger minutiae (common with manual labours) and IRIS template issues. The Committee also note that a study was conducted to find the best practices in finger print biometric authentication. The Committee learn that the Ministry has chalked out targets under UIDAI like a) to map 100+ DBT and Good Governance based Schemes under Central and State Governments based Ministries, Departments and other entities; b) to aim to cover and onboard respective Department of each and every State/ UT as AUA/KUA - Authentication User Agency/e-KYC User Agency; and c) to effectively implement Demographic de-duplication (DDC) as part of enrolment processing used primarily to catch trivial duplicates (non-fraudulent cases where certain demographic fields are identical) that are inadvertently submitted to the system, e.g., when a resident has not received Aadhaar number in a few days and decides to re-enrol at an enrolment station again. It is also used to de-duplicate children under the age of 5 years as biometrics data is not captured for children of that age and residents for whom no biometrics data is captured (genuine biometric exception cases). Taking note of the abovementioned issues, the Committee would like to be apprised of the strategies of the Ministry to issue

Aadhaar cards to only genuine citizens of India and freezing duplicate and forged Aadhaar cards. The Committee would also like to know about the action taken against forged Aadhaar cards being made/issued in connivance with the staff/agencies.

Reply of the Government

UIDAI will map more DBT and Good Governance based Schemes under Central and State Government based ministries, departments and other entities and aim to cover and onboard respective department of every state/UT as AUA/KUA.

So far as demographic de-duplication (DDC) as part of enrolment processing used primarily to catch trivial duplicates is concerned, UIDAI has taken the following actions:

- a) AI-based face de-duplication has been deployed since January 2023 as an additional means of biometric de-duplication, in addition to fingerprints and iris based de-duplication.
- b) As against the earlier practice of use of only one biometric identification system to check a particular set of biometrics in the enrolment process, since April 2023, three distinct biometric identification systems are being used to de-duplicate an individual adult enrolment packet.
- c) AI-capable infrastructure has been installed in August 2024 and an exercise initiated to de-duplicate past enrolments using improved de-duplication technology.

UIDAI's strategy to strengthen the de-duplication process for enrolment of an under-five-year-old children consists of the following three prongs:

- a) As against the Aadhaar number of one parent, since April 2024 Aadhaar numbers of both parents are being captured at the time of enrolment.
- b) The list of documents acceptable for enrolment of such children has been rationalised in January 2023 to restrict it to only birth certificate, passport and legal guardianship document. Further, pursuant to an amendment to the Registration of Births and Deaths Act, 1969 and related amendments to the Aadhaar enrolment regulations, the birth certificate is now the sole document relating to date of birth that is accepted for Aadhaar issuance in respect of children born on or after 1.10.2023. As a result, almost all such enrolments are now based on the birth certificate, which, since 2020, are being issued using the Civil Registration System of the Registrar General of India, which has in-built checks to avoid issuance of

duplicate birth certificates. Further, such birth certificates are verifiable online and UIDAI is now issuing Aadhaar only after verifying the same.

As against the demographic de-duplication undertaken earlier on the basis of name, gender, date of birth and State, since 2020, such de-duplication is being done with the address PIN, details contained in the “C/o” [care of] portion of the address field as well. Further, a technological superior matching solution is being used for the de-duplication.

Unique Identification Authority of India (UIDAI) takes necessary actions against fraudulently obtained Aadhaar numbers.

- a. Aadhaar numbers obtained on the basis of fabricated/ forged documents or on the basis of capture of biometrics in a manner that violates the law applicable to Aadhaar enrolment/ update and procedures specified by UIDAI, such Aadhaar numbers are deactivated under Regulation 28 of the Aadhaar (Enrolment and Update) Regulations, 2016. Till date UIDAI has deactivated 52,086 Aadhaar numbers under afore-mentioned regulation.
- b. In addition, wherever UIDAI is satisfied that the Aadhaar number has been generated without capturing the biometrics of an individual above 5 years of age at the time of enrolment, such Aadhaar numbers are omitted under Regulation 27 2 (b) of the Aadhaar (Enrolment and Update) Regulations, 2016. Till date UIDAI has omitted 767 Aadhaar numbers under afore-mentioned regulation.
- c. Aadhaar number holders (ANHs) are intimated of the deactivation/omission of their Aadhaar numbers under Regulation 30 of the Aadhaar (Enrolment and Update) Regulations, 2016.
- d. The deactivation/omission under the above mentioned regulations shall not result into automatic reactivation. In case of deactivation, if on receipt of valid supporting documents and justification, UIDAI is satisfied that the grounds which led to the deactivation have changed then such Aadhaar numbers are reactivated under Regulation 31(2) of the Aadhaar (Enrolment and Update) Regulations, 2016.
- e. However, in case of omission under the afore-mentioned regulation, individuals are required to re-enrol under Regulation 31(1) of the Aadhaar (Enrolment and Update) Regulations, 2016.

(Ministry of Electronics and Information Technology
O.M. No. 2(1)/2024- Budget (Vol.II) dated 21.03.2025

(Recommendation Sl. No. 27)

ARTIFICIAL INTELLIGENCE – THE FUTURE AHEAD

Noting that Artificial Intelligence (AI) is making inroads in modern day owing to its efficiency, accuracy, quick decision making and automating repetitive tasks, the Committee observe that in order to keep pace with global competitiveness and to encourage growth of Artificial Intelligence startups and R&D in India, the Government of India have approved the IndiaAI Mission on 7th March, 2024. Accordingly, a new scheme, IndiaAI Mission has been initiated during financial year 2024-25. The Committee would like to be enlightened about IndiaAI Mission for development of AI in the country.

Reply of the Government

The Union Cabinet has approved the IndiaAI Mission on March 7, 2024. IndiaAI Mission aims to propel innovation and build domestic capacities to ensure the tech sovereignty of India. It will also create highly skilled employment opportunities to harness the demographic dividend of the country. IndiaAI Mission will help India demonstrate to the world how this transformative technology can be used for social good and enhance its global competitiveness.

This strategic initiative is designed to build a robust and inclusive AI ecosystem aligned with India's development goals. The mission emphasizes India's tech sovereignty through seven foundational pillars:

IndiaAI Compute Capacity: The IndiaAI compute pillar envisions building a high-end scalable AI computing ecosystem comprising AI compute infrastructure of 10,000 or more Graphics Processing Units (GPUs).

Under this initiative, an invitation for application for empanelment of AI services on cloud was published on August 16th, 2024. The bid submission closed on 28th of November 2024 and bids were opened on 2nd December 2024. 19 bidders had submitted a proposal offering AI services including GPUs and AI platforms for developing AI solutions. Post technical evaluation, 10 bidders have been empaneled at discovered L1 rates have been for all the AI cloud services.

IndiaAI Innovation Centre (IAIC): The AI Innovation Centre aims to develop and deploy indigenous Large Multimodal Models (LMMs) trained on India-specific data.

A Call for Proposals has been published by IndiaAI on 30th Jan 2025, inviting proposals from startups, researchers, and entrepreneurs to collaborate on building state-of-the-art foundational AI models trained on Indian datasets. In the first month, IndiaAI Mission has received a total of 67 proposals till February 15.

IndiaAI Datasets Platform: The IndiaAI Datasets Platform (IDP) seeks to enhance access, quality, and utilization of public sector datasets to make them AI-ready.

AIKosh- the IndiaAI Datasets Platform was launched on 6th March 2025 to improve access, quality, and use of public sector datasets to make it AI ready

IndiaAI Application Development Initiative: The IndiaAI Application Development Initiative aims to develop, scale, and promote the adoption of impactful AI solutions to tackle significant problem statements effectively.

Under the IADI pillar, IndiaAI has launched the IndiaAI innovation challenge, which seeks to promote impactful AI solutions in critical sectors. The challenge has received over 900 applications, out of which 30 AI solutions have been shortlisted across themes for refinement, development, and scaling.

IndiaAI FutureSkills: IndiaAI Future Skills Pillar envisions to augment the number of graduates, post-graduate and PhDs in AI domain. Further, it envisions setting up Data and AI Labs in Tier 2 and Tier 3 cities across India, to impart foundational-level courses in Data and AI.

IndiaAI Fellowships are being offered to students pursuing relevant undergraduate and postgraduate programs at Private / Centrally Funded Technical Institutes (CFTI) under the Government of India or must be recognized either by the All-India Council for Technical Education (AICTE) / National Board of Accreditation (NBA) / National Assessment and Accreditation Council (NAAC) of the University Grants Commission (UGC) or as per the extant norms. Till date, 150 UG students and 48 PG students have been selected for the IndiaAI Fellowship and the first tranche of the fellowship amount has been released to these students. Additionally, IndiaAI in collaboration with NIELIT is establishing 27 IndiaAI data labs in Tier 2 and Tier 3 cities across the country.

IndiaAI Startup Financing: The IndiaAI Startup Financing Pillar envisions for providing support to AI startups at all stages.

The IndiaAI Mission in collaboration with Station F (Paris, France) and HEC Paris, had announced an ambitious acceleration program for Indian AI startups. This program will

support 10 Indian AI startups in scaling globally by leveraging the European market's vast opportunities.

Safe & Trusted AI: This pillar enables the implementation of Responsible AI projects including the development of indigenous tools and frameworks, self-assessment checklists for innovators, and other guidelines and governance frameworks.

A call for Expression of Interest (EOI) for building tools and frameworks on Responsible AI, with a focus on 10 themes was launched and over 2000 responses were received for the first Expression of Interest (Eoi) from which eight Responsible AI Projects have been selected. IndiaAI has launched the 2nd Eoi for Safe & Trusted AI Projects, inviting organizations to submit proposals on key themes, including Watermarking and Labelling, Ethical AI Frameworks, AI Risk Assessment & Management, Stress Testing Tools, and Deepfake Detection Tools.

(Ministry of Electronics and Information Technology
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(Recommendation Sl. No. 28)

ARTIFICIAL INTELLIGENCE – THE FUTURE AHEAD

The Committee urge the Ministry that they should make concerted efforts by roping in the State Governments, IITs, IIMs, IISc etc. to develop Artificial Intelligence in India. It will help them to keep abreast of the best practices in terms of what they need to work on, how they need to ramp up their information Technology Departments so as to create a conducive atmosphere and make a dedicated strategy for developing Artificial Intelligence in our country.

Reply of the Government

The Ministry of Electronics and Information Technology is collaborating with multiple state governments, Academic institutes, Industry partners, researchers and entrepreneurs to develop a robust and inclusive AI ecosystem aligned with India's development goals. Some of the initiatives, MeitY is working on involving other stakeholders are mentioned below.

- IndiaAI has launched a Call for Proposals to support the development of foundational AI models, inviting startups, researchers, and entrepreneurs to collaborate on creating state-of-the-art AI models using Indian datasets. This

initiative aims to establish indigenous AI models, which can be Large Multimodal Models, Large Language Models (LLM), or Small Language Models (SLM), to address India-specific challenges across various sectors.

- Under IndiaAI Application Development Initiatives, IndiaAI Innovation challenge was launched to seek and advance the development, deployment, and adoption of AI applications in critical sectors. The challenge was open to Indian innovators, startups, non-profits, students, academic/R&D organizations, and companies. Over 900 applications have been received across the five focus areas- Healthcare, Improved Governance, Agriculture, Assistive Technology for Learning Disabilities and Climate Change and Disaster Management, out of which 30 AI solutions have been shortlisted across themes for refinement, development, and scaling. Additionally, IndiaAI also launched the CyberGuard AI Hackathon: Cybercrime prevention in collaboration with the Indian Cybercrime Coordination Centre (I4C). Participants were expected to develop sophisticated AI solutions leveraging Natural Language Processing (NLP) models that can be used to analyse, classify, and improve the accuracy of citizen-reported cybercrime incidents on NCRP (National Cybercrime Report Portal). Top three teams are taken in the final stage of evaluation.
- IndiaAI is offering IndiaAI Fellowships to students pursuing relevant undergraduate and postgraduate programs at Private / Centrally Funded Technical Institutes (CFTI) under the Government of India or recognized either by the All-India Council for Technical Education (AICTE) / National Board of Accreditation (NBA) / National Assessment and Accreditation Council (NAAC) of the University Grants Commission (UGC) or as per the extant norms. IndiaAI Fellowships are designed for students who have undertaken projects associated with AI/ML or other allied domains, thereby bridging the gap between theoretical knowledge and practical application and ensuring a workforce proficient in essential AI skills. Till date, 150 UG students and 48 PG students have been selected for the IndiaAI Fellowship and the first tranche of the fellowship amount has been released to these students.
- All the 36 States and Union Territories (UTs) have been requested to submit their nominated list of Industrial Training Institutes (ITIs)/Polytechnics located in Tier 2 and Tier 3 cities for setting up of IndiaAI Data Labs. Additionally, IndiaAI in collaboration with NIELIT plans to establish 27 data labs in Tier 2 and Tier 3 cities across the country.

- With this vision of developing a modern platform centered around the requirements of the AI innovation ecosystem, the IndiaAI Datasets Platform(IDP) has been conceptualized under the IndiaAI Mission. IDP will function as a unified data platform, integrating datasets from all existing data platforms as well as onboarding non-government data contributors and providing new-age AI-centric features. AIKosh- the IndiaAI Datasets Platform was launched on 6th March 2025 to improve access, quality, and use of public sector datasets to make it AI ready. National e-Governance Division (NeGD), MeitY in collaboration with industry partners (Intel & Meta), has launched 'YUVAi: Youth for Unnati and Vikas with AI'- A National Programme for School Students with an objective of enabling school students from classes 8th to 12th with AI tech and social skills in an inclusive manner. A total of 1200+ students were oriented on the basics of AI and the top 200 students were shortlisted. Further, in next phase of the programme MeitY along with All-India Council for Technical Education (AICTE) targets to empower 100,000 students and young developers aged 18-30 across critical sectors such as healthcare, education, agriculture, smart cities, and financial inclusion. Additionally, this initiative will also include the establishment of a Gen AI Resource Hub with courses, case studies, and open datasets; an LLM for Young Developers Course designed by Meta; and Master Training Activation Workshops to introduce participants to foundational AI concepts.
- IndiaAI is establishing Center for Generative AI, Srijan (सृजन) at IIT Jodhpur in
- collaboration with Meta, for the advancement of open-source artificial intelligence (AI) in India. This GenAI CoE aims to advance research and development in AI while fostering the growth of responsible and ethical AI technologies in India. It will support and enhance open science innovation across the AI technology landscape. Through education, capacity building, and policy advisory, the center will be empowering the next generation of researchers, students, and practitioners with the knowledge and tools necessary for the responsible development and deployment of GenAI technologies
- India's initiative to promote transparency and accountability in AI algorithms as AI continues to permeate various sectors of society, India is committed to invest in agile mechanisms for developing indigenous governance tools, frameworks, and guidelines that are contextualised to Indian socio-economic realities and reflect its unique challenges, opportunities, and datasets. To support this vision, 8 'Safe & Trusted' AI projects have been selected to promote Responsible AI

across a range of critical themes. These include Machine Unlearning, Synthetic Data Generation, AI Bias Mitigation, Ethical AI Frameworks, Privacy-Enhancing Tools, Explainable AI, AI Governance Testing, and Algorithm Auditing Tools.

- MeitY has launched Visvesvaraya PhD Scheme in 2014, with the objective of enhancing the number of PhDs in the country to compete globally in the knowledge intensive sectors of Electronics System Design and Manufacturing (ESDM) and IT/IT Enabled Services (IT/ITES). Under the scheme, financial support is provided to Full-time & Part-time PhD candidates and Young Faculty who are undertaking research and technology development. The Scheme also provides infrastructure support to institutions. Under the Visvesvaraya PhD Scheme: Phase-I (2014-2023), a total of 1423 PhD candidates have been supported. With the objective of covering more scholars, Phase- II of Visvesvaraya PhD Scheme (2021-2030) has been initiated for a duration of 9 years to support 1000 Full-time PhD candidates, 150 Part-time PhD candidates, 50 Young Faculty Research Fellowships and 225 Post-Doctoral Fellowships.

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Comments of the Committee
(Please see Para No. 32 & 33 of Chapter I)

CHAPTER III

OBSERVATIONS/RECOMMENDATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE REPLIES OF THE GOVERNMENT

(Recommendation No. 2)

BUDGET OVERVIEW AND DEMANDS FOR GRANTS (2024-25)

A comparison of the allocation of funds for the Unique Identification Authority of India (UIDAI) from Budget Estimates during last five years shows a gradual decline. While comparing BE 2023-24 with the BE 2024-25, it is observed that the percentage reduction is from Rs.940 crore to Rs.600 crore which comes to 36%. In the light of this observation, the Committee not only would like to know the reasons for such a huge reduction in allocation of funds under UIDAI but also advise the Ministry to have better planning so that such a steep reduction be countered in coming Financial Years. The Committee would also like to know how this steep reduction under this Head would affect the performance of the Ministry under various components of this scheme.

Reply of the Government

The budget allocation in respect of UIDAI was reduced from Rs.940 cr in BE 2023-24 to Rs.600 cr in BE 2024-25. The reason for such steep reduction in budget is due to the decision taken by Ministry of Finance, based on Pre-Budget discussions, to adopt gap funding procedure for UIDAI. It is stated that UIDAI generates revenue receipts amounting to approx. Rs.1000 crore per year through the services like authentication, enrolment, etc being rendered by them. Hence, MeitY would provide only the balance requirement of funds so that the functioning and performance of UIDAI would not be affected.

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(Recommendation No.29)

ARTIFICIAL INTELLIGENCE – THE FUTURE AHEAD

The Committee understand that AI technologies are already revolutionizing almost every sector today and huge amount of money involved in promoting and developing this technology, would like to know about the action plan of the Government to rope in Private Sector willing to contribute by investing in fundamental research in AI. The Committee also urge the Government to enhance expenditure in R& D activities in the

field and engage some of the best brains of the country for research purposes with attractive packages. The Committee desire to know whether the Ministry propose to build a research innovations on the lines of IIT, in near future to foster innovation through research. The Committee may also be apprised of the highlights and the gains attained by India during two Summit meetings on AI held recently in India.

Reply of the Government

The IndiaAI Innovation Center aims to enable the development and deployment of indigenous Large Multimodal Models (LMMs) and domain-specific foundational models in critical sectors. India presently has a thriving ecosystem of innovators working on creating India-first foundational models that are contextualized to our social, cultural, and linguistic diversity.

A Call for Proposals was published by IndiaAI on 30th Jan 2025, inviting proposals from startups, researchers, and entrepreneurs to collaborate on building state-of-the-art foundational AI models trained on Indian datasets. This initiative aims to establish indigenous AI models that align with global standards while addressing unique challenges and opportunities within the Indian context. In the first month, IndiaAI Mission has received a total of 67 proposals till February 15 aimed at building India's foundation models, with contributions from both established startups and new teams of researchers & academia. 22 are focused on Large Language Models (LLMs) & Large Multimodal Models (LMMs), while the remaining 45 are centered on domain-specific models (SLMs). The majority of SLMs target key sectors such as healthcare, education, and financial services. Along with funding support, a wide range of GPUs have been requested by teams submitting these proposals.

India, the Chair of the **Global Partnership on Artificial Intelligence (GPAI)**, successfully hosted the GPAI Summit from December 12 - 14, 2023, at the Bharat Mandapam in New Delhi. Over the past three days, around 30 sessions were organized, which were graced by the global AI experts from GPAI, International Organizations, Industry / Startups, and Academia. Some of these sessions were held in closed door meetings having delegates and experts of GPAI. Other sessions were held in public and live streamed for the wider participation. More than 22,000 persons attended the summit and out of these 15,000+ AI enthusiasts participated in the summit virtually.

The **Global IndiaAI Summit** was held at Bharat Mandapam, New Delhi from July 3-4, 2024. This year, the summit saw the participation from more than 13,500+ attendees from over 50 countries, including Global South. The summit played host to 100+ high-level speakers from governments, multilateral organizations, industry, academia and research institutions across 12 inspiring sessions. 16 Deep-tech startups showcased their AI applications and products during the Summit.

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

-Nil-

CHAPTER V

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

(Recommendation Sl. No. 6)

NATIONAL INFORMATICS CENTRE (NIC) – ISSUES AND CHALLENGES

Observing that the Operating System developed by India is not as popular and in use as Windows and Android, the Committee would like to be apprised of the possibilities of India developing its own operating system at par with the popular ones so that dependency on other nations can be reduced and protect our vital security documents. Further the Committee would like to be informed about the feasibility of Mobile Voting as India is amongst the largest manufacturer and user of mobile phones.

Reply of the Government

The observation of the Committee with regard to development of India's own operating system at par with popular ones so as to reduce dependency on other nations and protect our vital security documents, has been noted for further examination and necessary action. So far as Mobile Voting is concerned, the subject matter pertains to Election Commission of India.

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Comments of the Committee

(Please see Para No. 14 of Chapter I)

(Recommendation Sl. No. 7)

NATIONAL INFORMATICS CENTRE (NIC) – ISSUES AND CHALLENGES

The Committee were apprised by the Ministry that NIC is trying its level best for utilizing the funds allocated for up-gradation of Data Centres, procurement of ICT equipments for cyber security, setting up of Security Operation Centres and security initiatives during the Financial Year 2024-25. The Committee feel that NIC needs sufficient funding to maintain its ICT infrastructure and support constant innovations. Therefore, the Committee desire the Ministry may seek additional funds as and when required so as to ensure seamless flow of work under these schemes. The Committee

also desire to know how many Data Centres have been upgraded and whether the equipments procured for cyber security have been fully utilized and operationalized. If not, the Ministry may furnish a detailed reply highlighting the reasons and the corrective measures taken/proposed to be taken by them. The Committee further seek to know the details of working of Security Operation Centres and security initiatives undertaken during financial year 2024-25 by the Ministry.

Reply of the Government

Existing Cloud capacity at three NDCs at Delhi, BBSR and Pune were increased in terms of Compute servers and Storage under Meity funded Cloud enhancement project.

Racks were installed at NDC Hyderabad and BBSR and have been populated with infrastructure as required for "pay as you use" model cloud.

National Data Centre - North-Eastern Region (NDC-NER) is likely to be operational at Guwahati with Cloud service by June this year.

A comprehensive tender for procuring equipments for cyber security is under process on GEM.

Status of cyber security equipment procured by NIC Cyber and Information Security Group for FY 2024-25:

Sr. No	Equipment Details	Status
1	Threat Intelligence Feed	Fully utilised by NIC CERT
2	Batch data feed (IP and Web reputation feed)	Fully utilised by NIC CERT
3	Unified Intelligence Platform (Darkwe/Deepweb monitoring and Attack surface management tool)	Fully utilised by NIC CERT
4	50 No. of Laptops and 120 No. of PCs	Fully utilised by NIC Cyber Security Group.

Details of working of of Cyber and Information Security Group and security initiatives undertaken during financial year 2024-25 are as given below:

1. NIC-CERT

NIC-CERT operates round the clock to detect, analyse, and respond to security incidents in real-time. The other key activities undertaken by the NIC-CERT team are as follows:

- (a). Continuous Monitoring: NIC's CERT actively monitors security event logs, network traffic, and endpoint activities 24/7. This ensures early detection of any suspicious activities, unauthorized access attempts, or security threats across the NIC network.
- (b). Threat Detection: Leveraging machine learning, behavioural analytics, and threat intelligence platforms, NIC's CERT proactively identifies emerging cyber threats. Automated threat correlation techniques help detect potential attacks before they escalate, allowing for swift mitigation.
- (c). Incident Response: NIC's CERT follows a structured incident response framework to address security incidents promptly and effectively. The response process includes identifying threats, containing the impact, mitigating risks, and ensuring system recovery to minimize operational disruption.
- (d). Incident Classification: Incidents are classified based on severity, impact, and urgency to ensure proper prioritization and response.
- (e). Incident reporting: NIC's CERT ensures continuous coordination with IT teams, government agencies. Alerts, advisories, and reports are shared with stakeholders regularly to enhance overall security awareness and response readiness.
- (f). Red team: The Red Team under NIC CIS assessment division performs comprehensive security assessments of critical applications to detect potential threats, simulate real-world attack scenarios, and evaluate system resilience against adversarial tactics. This proactive approach helps in strengthening the overall security posture of NIC's digital infrastructure.

2. Leveraging Operational Tools and Technologies:

Various advanced security tools including Threat Intelligence Platform has been deployed by NIC to identify the security issues associated with Government network. AI and Machine Learning (ML)-based predictive analytics to identify and counter cyber threats proactively. To ensure robust cybersecurity monitoring and incident management, NIC CERT employs a range of advanced security tools and technologies:

- (a). **Security Information and Event Management (SIEM):** NIC's SIEM solutions aggregate, analyse, and store security event logs from multiple sources, enabling real-time threat detection, correlation, and forensic analysis for proactive security monitoring.
 - (b). **Threat Intelligence Platform:** CERT leverages threat intelligence platforms to gather, analyse, and disseminate real-time information about emerging cyber threats, vulnerabilities, and attack indicators, enhancing threat detection and response capabilities.
 - (c). **Forensic Analysis:** Dedicated forensic capabilities allow CERT to conduct in-depth investigations using forensic image acquisition and analysis. These enable the examination of compromised systems, malware behaviour, and attack footprints for evidence-based response and security reinforcement.
 - (d). **VA & PT: Periodic Vulnerability Assessment & Penetration Testing (VAPT) and Risk Assessments of NIC's ICT infrastructure.**
3. The Request for Proposal (RFP) "Empanelment of Managed Service Providers for providing Cyber Security Professionals and Cyber Security Services" was floated with the objective of enhancing the cybersecurity posture of the Government and to provide Cybersecurity Services in coordination with NIC Cyber and Information Security Group. The empanelled MSPs are responsible for managing security monitoring, cybersecurity incident monitoring and resolution for assigned tickets and, facilitating application security, and ensuring compliance activities (such as security and performance audit), develop business continuity and disaster recovery plans for the portals and applications of the respective ministries/departments through respective stakeholders in that Organisation.

In this regard, tentatively 47 teams of Cybersecurity Professionals were envisaged to be deployed at ministries/departments covering the First Schedule to the Government of India (Allocation of Business) Rules, 1961 listed in tender document. Initially 17 teams of Cybersecurity Professionals from various empanelled MSPs have been deployed to provide cybersecurity service to 50+ ministries/departments and deployment of teams for remaining ministries/departments is under process.

4. Log Management:

Collecting, processing and analysing logs from various sources for following:

- a. Threat Detection: Cyber threat detection across log sources for uncovering threats
- b. AI/ML Research (DHRISTI): Developing custom models for finding anomalies and behavioural patterns
- c. Compliance Adherence: Extracting & sharing raw logs with law enforcement agencies
- d. Threat Intelligence Platform (TIP) : Integrating cyber intelligence feeds from govt. agencies etc
- e. Incident Response : Providing actionable insights and reports based on log data analysis
- f. Backend API Services: Providing custom log analytics support (via API) to various platforms
- g. Infrastructure :Managing, administrating & monitoring ICT infra belonging to CIS group
- h. Hardening :Hardening and auditing of ICT infra based on CIS benchmarks

SN	Function	Current Status
1.	Log Management	<ul style="list-style-type: none"> • Log Collection : 4.2 Petabytes • Log Analysis & Dashboarding • Threat Detection & Incident Response from NIC firewall, DNS, 1000+ web portals, end-points through EDR logs, application, SSO, email • Enabling real-time security alerting • 8 AI/ML models in production • Accuracy of models between 72-88% • Custom API for providing log insights • TIP integrated with various feeds • SIEM solution are limited to only security devices that include firewalls, WAF ,IPS and a few other servers like antivirus and update servers deployed in NDC (Shastri Park, Bhuvneshwar, Hyderabad, Pune), bhawans in New Delhi and a few security devices in states

2.	Compliance Adherence	<ul style="list-style-type: none"> Completed 200 log requests in 2024 17TB data shared with LEAs Sharing live Email logs with LEAs
4.	ICT Infrastructure	<ul style="list-style-type: none"> Asset Management, provisioning, patching and audit of 140 Servers, 15 Devices, 700 VMs & 396 Endpoints 218 hardened & 160 audited endpoints Monitoring, administrating & deployment of ICT infra under CIS group

- Procurement of ICT to setup log analytics platform through GeM
- On-boarding of new log sources. On-boarding for Tamil Nadu firewall in process
- On-boarding of email logs from new Email setup (Zoho)
- Central Logging policy is being drafted
- R&D using AI/ML for log analytics and threat detection
- Custom dashboard for querying multiple threat intelligence (TIs) available with NIC

The EDR/UEM are mandatory cybersecurity requirements that are required to be implemented to protect their digital assets from cyber threats.

Sr. No	Equipment Details	Status
1	Renewal of UEM licenses	Fully utilised
2	Renewal of EDR licenses	Fully utilised

5. Data Centre Security

- Strategic Planning & Implementation: Develop and execute security strategies to safeguard NIC's network perimeter.
- Security Infrastructure Management: Oversee deployment, configuration, and maintenance of security tools, including Anti-DDoS, Firewalls, SSL Offloaders, IPS, Anti-APT, and WAF.
- Capacity Building & Training: Provide guidance and training to cybersecurity personnel on best practices and emerging security technologies.

- Collaboration & Coordination: Work with ministries, NIC Cybersecurity teams, and government agencies to enhance security measures, including firewall port openings and vulnerability assessments.
 - Technology Demonstration: Conduct Proof of Concept (PoC) evaluations for emerging security technologies.
 - ICT Infrastructure Testing: Perform rigorous testing of the ICT infrastructure to ensure security and performance.
 - Procurement & Policy Management: Prepare and evaluate RFPs and tender documents for perimeter security ICT infrastructure.
 - Process Improvement: Optimize security processes and procedures.
 - Cyber Threat Analysis & Mitigation: Analyze intelligence from NIC-CERT, CERT-IN, and the Cybersecurity Division to prevent cyberattacks.
- i. Major Technology Solutions Managed to Secure Data Centres by CISG

The CISG oversees the implementation and management of various security technologies across different locations. Below is a breakdown:

Technology	Quantity	Locations
DDoS Protection	6	NDC Shastri Park, Hyderabad, Pune
Next-Generation Firewalls (NGFW)	119	NDCs, CGO, LNDC, States
Web Application Firewall (WAF)	18	NDCs
Intrusion Prevention System (IPS)	34	NDCs, States
SSL Offloaders	12	NDCs
UTM Devices	42	NDCs, States
APT Devices	10	NDC Shastri Park
Vulnerability Assessment	30,000+	Across all NDCs
Deep Security	7,500	Across all NDCs
Total	241	

ii. Major Activities & Impact (2024-2025)

Activity	Impact
Firewall Rule Implementation	1.5 lakh rules reviewed and implemented

Web Application Firewall (WAF)	Prevented 20 million attacks
Intrusion Prevention System (IPS)	Blocked 61 million attacks (approx. 2 lakh/day)
DDoS Mitigation	Prevented 7.4 million attacks
APT Protection	Blocked 104,672 attacks
Vulnerability Assessments Conducted	42,000 reports generated
Malware Detection & Quarantine	1.5 million threats mitigated
Host-based Intrusion Prevention	Prevented 1.75 million attacks
Geolocation-Based IPS Policies	185 policies implemented
CVE Signatures Created	690 CVE IDs provided for signature creation
SSL/TLS Offloading	1,500+ certificates managed
DDoS Signature Deployment	510 signatures implemented

iii. Key Upgrades & Optimizations

- Firewall Upgrades: Migration of multiple firewall setups, enhancing throughput from 20G to 40G.
- DDoS Protection Enhancements: Increased capacity from 50Gbps to 100Gbps, deployed new signatures, and conducted firmware upgrades.
- IPS Improvements: Deployed 3,280 new signatures in Trellix and Radware IPS devices.
- Automation & Monitoring: Implemented Zabbix for real-time Web Application monitoring behind WAF.
- Enhanced Security Policies: Segregation of policies for audited and unaudited websites (15,000+ sites optimized).
- Election Security Support: Provided cybersecurity measures on election counting days (08/10/2024, 23/11/2024 and 08/02/2025)

iv. Innovations in Cybersecurity

- Evaluated PoC for innovative security technologies, including Wi-Jungle IPS, FourCore and AlgoSec
- Created 22 user-defined security signatures.
- Developed 118 custom IPS & DDoS signatures based on emerging cyber threats.
- Identified 5,870 IoCs, 500+ vulnerabilities, and 100+ critical threats.
- Discovered over 3,000 unique vulnerabilities.
- Provided 690 CVE IDs for signature development.

- Established a Zabbix-based real-time security monitoring system for critical web applications

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(Recommendation Sl. No. 10)

**STANDARDISATION, TESTING & QUALITY CERTIFICATION (STQC) –
ESTABLISHMENT AND MANPOWER**

The Committee would also like the Ministry to update about the status of work of STQC Building in Noida as it is scheduled to be completed by November, 2025. Further, the status of constitution of autonomous project of STQC Lab and STQC website may also be furnished along with the launching of Data Centres Certification Scheme. The Committee would also like to know whether the Ministry would be able to complete these important projects within the allocated funds or they require additional funds for the same. In latter case, the Committee desire that the matter may be taken up with the Ministry of Finance timely so that there is no time and cost overrun.

Reply of the Government

- The construction of the STQC building in Sector 62, Noida by CPWD, is underway and is expected to be completed by February 2026.
- Administrative approval for implementation of Lab Automation Process has been obtained from Competent Authority for an amount of Rs.7.0 Crore and work order has been issued to Implementing Agency i.e. CDAC, Noida. Phase I roll out is expected in July, 2025 followed up by Phase 2 roll out by the end of next Financial Year 2025-26.
- Data Centres Certification Scheme has been formulated & submitted to MeitY for its approval and Launching will be planned accordingly.

Further, as the current financial year (2024-25) is closing soon, the budget provision required for completion of the above-mentioned activities has been reflected in the BE for the next FY. As desired by the Committee requisite action for seeking funds for these activities beyond allocation would be taken up with MoF in a timely manner.

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(Recommendation Sl. No. 11)

STANDARDISATION, TESTING & QUALITY CERTIFICATION (STQC) – ESTABLISHMENT AND MANPOWER

The Committee observe that under STQC, procurement of environmental test facilities for 11 centres is in progress and remaining test facilities such as EMI/EMC (Electromagnetic Interference/ Electromagnetic Compatibility), safety, smart energy meter are proposed to be procured during this year. The Committee wish to know about the progress made in this regard in all 11 centres and the status of remaining test facilities at the earliest.

Reply of the Government

Procurement of environmental test facilities for 11 centres is in progress. Tender has been floated for procurement of Environmental Test facilities for an amount of Rs.5.0 Crore(appx), Procurement of Test/Calibration facility at a cost of Rs.1.5 Cr. Has been completed. STQC aims to procure remaining Environmental Test facilities in the second phase, with an investment of Rs. 12.0 Crores in the next FY 2025-26. An upgrade of EMI/EMC Safety Test and Smart Energy Meter facilities is planned, amounting to Rs. 8.0 Crore in the next FY 2025-26.

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(Recommendation Sl. No. 20)

NATIONAL KNOWLEDGE NETWORK

National Knowledge Network (NKN) approved by Cabinet Committee of Infrastructure (CCI) in March, 2010, is an innovative, cutting-edge, robust and secured network. It aims to provide a centralized multi-gigabit high-speed digital connectivity backbone for research and educational institutions and Government organisations spread across India. NIC is the implementing agency and it was to be implemented over a period of 10 years at an outlay of Rs. 5990 crore. Subsequently, it has been extended till 31st March, 2025 with a revised outlay of Rs. 6956.88 crore. Further, it is seen that during Financial Year 2024-25, against the proposed BE of Rs. 925.00 crore, only Rs. 240.26 crore has been allotted. The Ministry has informed the Committee that in order to ensure adequate availability of funds, efforts would be made to seek additional funds in RE 2024-25. The Committee opine that this Network should be adequately funded and the intended objectives be achieved. Since the proposed deadline is 31st March, 2025,

the Committee would like to be enlightened about the present status of the Network and the expected time of its completion.

Reply of the Government

During the FY 2024-25, a provision of Rs 240.26 crore was made at BE level, The fund to the tune of Rs 925 cr was required for minimum operational expenses & for replacement of end-of-life equipment [like: routers/ switches (for core, distribution and edge connectivity), data centre equipment, DDoS Protection System- & Firewalls, the hardware required for making the network 100G ready etc. During the RE FY 2024-25 effective allocation was enhanced to Rs 490.26 cr.

The file is under process for further one year extension of the NKN project (i.e. from 01.04.2025 to 31.03.2026). The network consisting of core links, over 1800 links to Institutions, and over 650 links to districts would be kept operational. The proposal for NKN phase II is under process of approval.

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NEW DELHI;
21 July, 2025

30 Asadha, 1947 (Saka)

DR. NISHIKANT DUBEY,
Chairperson,
Standing Committee on
Communications and Information Technology.

**STANDING COMMITTEE ON COMMUNICATIONS AND
INFORMATION TECHNOLOGY (2024-25)**

MINUTES OF THE TWENTIETH SITTING OF THE COMMITTEE

The Committee sat on Thursday, the 26th June, 2025 from 1100 hours to 1410 hours in Main Committee Room, Parliament House Annexe, New Delhi.

PRESENT

Dr. Nishikant Dubey- Chairperson

MEMBERS

Lok Sabha

2. Shri Anil Baluni
3. Dr. Rabindra Narayan Behera
4. Shri Anup Sanjay Dhotre
5. Shri S. Supongmeren Jamir
6. Shri G. Kumar Naik
7. Shri Radheshyam Rathia
8. Shri Ramasahayam Raghuram Reddy
9. Shri Arun Kumar Sagar
10. Shri Devesh Shakya
11. Shri Vishnu Datt Sharma

Rajya Sabha

12. Shri Saket Gokhale
13. Shri Amar Pal Maurya
14. Dr. Sasmit Patra
15. Shri Kartikeya Sharma
16. Shri Lahar Singh Siroya

Secretariat

1. Shri Y. M. Kandpal - Additional Secretary
2. Shri Amrish Kumar - Deputy Secretary

Welcoming members to the sitting of the Committee, the Chairperson drew their attention to the Agenda for the sitting which included consideration and adoption of the 4 Draft Action Taken Reports (ATRs) on DFG (2025-26) and evidence of the representatives of Ministry of Electronics and Information and Technology (MeitY), Ministry of Home Affairs, Ministry of Defence and Ministry of Power on the Subject 'Impact of emergence of Artificial Intelligence and related issues'.

The Committee then considered and adopted the following Draft Action Taken Reports:-

- (i) XXXX....XXXX..... XXXX....XXXX..... XXXX....XXXX..... XXXX....XXXX
 - (ii) XXXX....XXXX..... XXXX....XXXX..... XXXX....XXXX..... XXXX....XXXX
 - (iii) Draft Report on Action Taken by the Government on the Observations/Recommendations of the Committee contained in their Fourth Report (18th Lok Sabha) on "Demands for Grants (2024-25)" relating to the Ministry of Electronics and Information Technology.
 - (iv) XXXX....XXXX..... XXXX....XXXX..... XXXX....XXXX..... XXXX....XXXX
2. The Committee also authorized Chairperson to finalize the reports and present/lay them in Lok Sabha/Rajya Sabha during the Monsoon Session of Parliament.
3. XXXX....XXXX..... XXXX....XXXX..... XXXX....XXXX..... XXXX....XXXX

The Committee, then, adjourned.

XXXX....XXXX Matter not related to the Report.

**ANALYSIS OF ACTION TAKEN BY THE GOVERNMENT ON THE
OBSERVATIONS/RECOMMENDATIONS CONTAINED IN THEIR
FOURTH REPORT**

(EIGHTEENTH LOK SABHA)

[Vide Paragraph No. 5 of Introduction]

(i)	Observations/Recommendations which have been accepted by the Government:—	
	Recommendation S.I No.	
	1,3,4,5,8,9,12,13,14,15,16,17,18,19,21,22,23,24,25,26,27 and 28	22
	Percentage of total:	75.86%
(ii)	Observations/Recommendations which the Committee do not desire to pursue in view of the replies of the Government:—	
	Recommendation Sl. No.: 2 and 29	02
	Percentage of total:	6.90%
(iii)	Observations/Recommendations in respect of which replies of the Government have not been accepted by the Committee and require reiteration:—	
	Recommendation Sl. Nos.: NIL	00
	Percentage of total:	0%
(iv)	Observations/Recommendations in respect of which the replies of the Government are of interim in nature:—	
	Recommendation Sl. Nos.: 6,7,10,11 and 20	05
	Percentage of total:	17.24%