7 NATIONAL e-GOVERNANCE PLAN

7.1 Background

7.1.1 During the 1980s and early 1990s, initial attempts towards e-Governance were made with a focus on networking government departments and developing in-house government applications in the areas of defence, economic monitoring, planning and the deployment of IT to manage data-intensive functions related to elections, census, tax administration etc. These applications focused on automation of internal government functions rather than on improving service delivery to citizens.

7.1.2 As discussed in Chapter 4, over the past decade or so, there have been islands of e-Governance initiatives in the country at the national, state, district and even block-level. Some of them have been highly successful and are suitable for replication. A need was therefore felt for taking a holistic view of the several e-Governance initiatives implemented across the country. It was increasingly perceived that if e-Governance was to be speeded up across the various arms and levels of Government a programme approach would need to be adopted, which must be guided by a common vision, strategy and approach. This would have the added advantage of enabling huge savings in costs, in terms of sharing the core and support infrastructure, enable interoperability through standards etc, which would result in the citizen having a seamless view of Government. It was with this background, that the National e-Governance Plan (NeGP) was formulated for implementation across the country.

7.1.3 The National e-Governance Plan (NeGP) has been formulated by the Department of Information Technology (DIT) and Department of Administrative Reforms & Public Grievances (DAR&PG). The Union Government approved the National e-Governance Plan (NeGP), comprising of 27 Mission Mode Projects (MMPs) and 10 components on May 18, 2006. The NeGP aims at improving delivery of Government services to citizens and businesses with the following vision:

“Make all Government services accessible to the common man in his locality, through common service delivery outlets and ensure efficiency, transparency & reliability of such services at affordable costs to realise the basic needs of the common man.”

7.2 Implementation Strategy, Approach & Methodology of NeGP

7.2.1 Implementation of e-Governance is a highly complex process requiring provisioning of hardware & software, networking, process re-engineering and change management. Based on lessons learnt from the past and the experience from successful e-Governance applications, the approach and methodology adopted for NeGP contains the following elements:

i. **Common Support Infrastructure:** NeGP implementation involves setting up of common and support IT infrastructure such as: State Wide Area Networks (SWANs), State Data Centres (SDCs), Common Services Centres (CSCs) and Electronic Service Delivery Gateways.

ii. **Governance:** Suitable arrangements for monitoring and coordinating the implementation of NeGP under the direction of the competent authorities have also been substantially put in place. The programme also involves evolving/laying down standards and policy guidelines, providing technical support, undertaking capacity building, R&D, etc. DIT is required to adequately strengthen itself and various institutions like NIC, STQC, CDAC, NISG, etc., to play these roles effectively.

iii. **Centralized Initiative, Decentralized Implementation:** e-Governance is being promoted through a centralised initiative to the extent necessary to ensure citizen-centric orientation, to realise the objective of inter-operability of various e-Governance applications and to ensure optimal utilisation of ICT infrastructure and resources while allowing for a decentralised implementation model. It also aims at identifying successful projects and replicating them with required customisation wherever needed.

iv. **Public-Private Partnerships (PPP) model** is to be adopted wherever feasible to enlarge the resource pool without compromising on the security aspects.

v. **Integrative Elements:** Adoption of unique identification codes for citizens, businesses and property is to be promoted to facilitate integration and avoid ambiguity.

vi. **Programme Approach at the National and State levels:** For implementation of the NeGP, various Union Ministries/Departments and State Governments are involved. Considering the multiplicity of agencies involved and the need for overall aggregation and integration at the national level, NeGP is being implemented as a programme, with well defined roles and responsibilities of
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each agency involved. For facilitating this, appropriate programme management structures have also been put in place.

vii. **Facilitatory role of DIT:** DIT is the facilitator and catalyst for the implementation of NeGP by various Ministries and State Governments and also provides technical assistance. It serves as a secretariat to the Apex Committee and assists it in managing the programme. In addition, DIT is also implementing pilot/infrastructure/technical/special projects and support components including those indicated in Table-7.4. DAR&PG’s responsibility is towards Government Process Re-engineering and Change Management, which are desired to be realised across all government departments. Planning Commission and Ministry of Finance allocate funds for NeGP through Plan and Non-plan budgetary provisions and lay down appropriate procedures in this regard.

viii. **Ownership of Ministries:** Under the NeGP, various MMPs are owned and spearheaded by the concerned line Ministries (Tables 7.1, 7.2 & 7.3). In case there are any ongoing projects which fall in the MMP category, they would be suitably enhanced to align them with the objectives of NeGP. For major projects like Bharat Nirman, Rural Employment Guarantee Schemes etc., the line ministries concerned are advised to make use of e-Governance as also automation techniques from the inception stage. States have been given the flexibility to identify a few additional state-specific projects, which are relevant for the economic development of the State.

7.2.2 Different Mission Mode Projects conceptualized under NeGP initially, are described in Tables 7.1 to 7.3*:

<table>
<thead>
<tr>
<th>Table 7.1: Mission Mode Projects - Central Government Category</th>
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<tbody>
<tr>
<td><strong>Sl. No.</strong></td>
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*Based on paper furnished by NISG

<table>
<thead>
<tr>
<th>Table 7.2: Mission Mode Projects - State Government Category</th>
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<tr>
<td><strong>Sl. No.</strong></td>
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| Table 7.1 Mission Mode Projects - Central Government Category |
|---|---|
| Sl. No. | Projects | Line Ministry/Department Responsible |
| 1 | Income Tax | Ministry of Finance/Central Board of Direct Taxes |
| 2 | Passport Visa & Immigration | Ministry of External Affairs/Ministry of Home Affairs |
| 3 | MCA21 | Ministry of Corporate Affairs |
| 4 | Insurance | Department of Banking |
| 5 | National Citizen Database | Ministry of Home Affairs/Registrar General of India (RGI) |
| 6 | Central Excise | Department of Revenue/Central Board of Excise & Customs |
| 7 | Pensions | Department of Pensions & Pensioners Welfare and Department of Expenditure |
| 8 | Banking | Department of Banking |
| 9 | e-Office | Department of Administrative Reforms & Public Grievances |

*Based on paper furnished by NISG
7.3 Analysis of NeGP

The Commission has examined the following components of NeGP:

a. The Institutional Structure
b. The Common Support Infrastructure
c. The Mission Mode Projects

7.3.1 The Institutional Structure

7.3.1.1 Macro (National and State) Level: Since the formulation of the NeGP, it has become essential to ensure that the numerous projects being implemented by the Union and State Government departments are consistent with a broad policy and adhere to common standards. This requires empowered institutional arrangements to oversee, drive and manage implementation. The arrangements may vary at different levels but there should be consistency of key roles i.e. formulating and ensuring uniform policies and standards, addressing implementation bottlenecks and monitoring progress and desired outcomes. To ensure this at the national level, NeGP has established well-defined institutional structures as depicted below:
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### Table 7.3: Mission Mode Projects - Integrated Services Category

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Projects</th>
<th>Responsible</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>EDI (E-Commerce)</td>
<td>Ministry of Commerce &amp; Industry / Department of Commerce</td>
</tr>
<tr>
<td>2</td>
<td>E-Biz</td>
<td>Department of Industrial Policy &amp; Promotion / Department of Information Technology</td>
</tr>
<tr>
<td>3</td>
<td>Common Services Centres</td>
<td>Department of Information Technology</td>
</tr>
<tr>
<td>4</td>
<td>India Portal</td>
<td>Department of Information Technology and Department of Administrative Reforms &amp; Public Grievances</td>
</tr>
<tr>
<td>5</td>
<td>EG Gateway</td>
<td>Department of Information Technology</td>
</tr>
<tr>
<td>6</td>
<td>E-Courts</td>
<td>Department of Justice, Ministry of Home Affairs</td>
</tr>
<tr>
<td>7</td>
<td>E-Procurement</td>
<td>Ministry of Commerce &amp; Industry / DGS&amp;D</td>
</tr>
</tbody>
</table>

7.2.3 To sustain the above projects there is also need to create the right governance and institutional mechanisms, set up core infrastructure, formulate key policies, standards and the legal framework for adoption and to channelise private sector technical and financial resources into the National e-Governance efforts. For this purpose, certain key components have also been identified for implementation which are given in Table 7.4 below. These components cut across and support various projects.

### Table 7.4: NeGP Support Components Category

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Support Components</th>
<th>Responsible</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Core Policies</td>
<td>Department of Information Technology</td>
</tr>
<tr>
<td>2</td>
<td>Core Infrastructure (SWAN, NICNET, SDGs, etc.)</td>
<td>Department of Information Technology</td>
</tr>
<tr>
<td>3</td>
<td>Support Infrastructure (CSCs, etc.)</td>
<td>Department of Information Technology</td>
</tr>
<tr>
<td>4</td>
<td>Technical Assistance</td>
<td>Department of Information Technology</td>
</tr>
<tr>
<td>5</td>
<td>R&amp;D</td>
<td>Department of Information Technology</td>
</tr>
<tr>
<td>6</td>
<td>Human Resource Development &amp; Training</td>
<td>Department of Information Technology and Department of Administrative Reforms &amp; Public Grievances</td>
</tr>
<tr>
<td>7</td>
<td>Awareness &amp; Assessment</td>
<td>Department of Information Technology and Department of Administrative Reforms &amp; Public Grievances</td>
</tr>
<tr>
<td>8</td>
<td>Organization structures</td>
<td>Department of Information Technology and Department of Administrative Reforms &amp; Public Grievances</td>
</tr>
</tbody>
</table>

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7.3.1.2 Governance Structures: These are decision-making bodies which are empowered to formulate policies, take decisions, and in general, guide the project implementers. Since they are not involved in implementation, they can take stock of the macro picture and provide proper guidance to the field-level implementation teams. The governance structures for most e-Governance projects are: Apex Committees, High Powered Committees, Project Standing Committees, etc. Given the fact that these governance structures are staffed by officers at senior levels, it is expected that they would devote adequate quality time to project guidance.

7.3.1.3 For implementation of NeGP, the Programme Management Structure is as follows:

i. **Prime Minister’s Office:** To provide leadership to the NeGP; prescribe deliverables and milestones; and monitor periodically the implementation of NeGP.

ii. **National e-Governance Advisory Group:** Under the Chairmanship of the Union Minister for C&IT, it obtains views of external stakeholders, advises the Government on policy issues and strategic interventions necessary for accelerating introduction of e-Governance across Union and State Government Ministries/Departments.

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*Source: Information provided by NeGP PMU (25.08.08)*
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*Source: Information provided by NeGP PMU (25.08.08)*
iii. **Apex Committee (NeGP):** Functions under the Chairmanship of the Cabinet Secretary; oversees the NeGP programme and provides policy and strategic directions for its implementation, resolves inter-ministerial issues; moderates and drives services, process re-engineering and service levels of each MMP; wherever required.

iv. **Planning Commission and Ministry of Finance:** Allocate funds for NeGP through Plan and Non-plan budgetary provisions and lay down appropriate procedures in this regard.

v. **Line Ministries/Departments:** Take ownership of the MMP and conceptualize the project by fixing the objectives, hold consultations with all the stakeholders, prepare comprehensive Project Document including identification of e-services and service levels, obtain sanction for schemes, and implement the project and its various components.

vi. **State Governments/UT Administrations:** Responsible for implementing State Sector MMPs, under the overall guidance of the respective Line Ministries in cases where central assistance is also required. An Apex Committee at the State level headed by the Chief Secretary is constituted to implement the projects.

vii. **Department of Information Technology (DIT) including National Informatics Centre (NIC):** DIT serves as a secretariat to the Apex Committee and assists it in managing the NeGP projects. DIT assists National e-Governance Advisory Group and Prime Minister’s Office; facilitates implementation of NeGP by various Ministries and State Governments; carries out technical appraisal of all NeGP projects; prepares suitable template(s) for preparing project document(s) (e.g. detailed project report), for use by individual departments; provides technical assistance to various Ministries and State Governments either directly or through NIC in collaboration with external professional Consultants; undertakes monitoring of all the MMPs.

viii. **Department of Administrative Reforms & Public Grievances (DAR&PG):** Responsible for generic Process Re-engineering and change Management, which are desired to be realised across all Government departments. However, concerned Line Ministries / Implementing Agencies are primarily responsible for carrying out the required Process Re-engineering and Change Management; promoting initiatives for Human Resource Development, and training and awareness building.

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7.3.1.4 In Chapter 6, the Commission has already recommended that the Departments of Information Technology at the Union and State Government levels should provide institutional support to other departments and organizations at the appropriate level in implementation of e-Governance projects identified and conceptualized by them (paragraph 6.9.5). The Commission re-iterates these recommendations.

7.3.2 The Common Support Infrastructure

The issues related to the implementation of Common Support Infrastructure – SDC, SWAN and CSCs – are discussed in the following paragraphs.

7.3.2.1 State Data Centre (SDC)

7.3.2.1.1 State Data Centres have been identified as one of the important elements of the core infrastructure for supporting e-Governance initiatives under NeGP. These would consolidate services, applications and infrastructure to provide efficient electronic delivery of G2G, G2C and G2B services through common delivery platform seamlessly supported by the State Wide Area Network (SWAN) connecting up to the villages through the Common Service Centres (CSCs). Its key functions would be to act as the Central Repository of the State, provide secure data storage, disaster recovery and remote management functions etc. The DIT has already provided the ‘Guidelines for Technical and Financial Support for Establishment of State Data Centre’, which offer two options before the States: (a) the State/UT and NIC together form a composite team for the State Data Centre, where the NIC team would provide services for infrastructure upkeep, operations etc.; (b) the capabilities of existing commercial internet data centres are leveraged. The Scheme was approved in January 2008 and so far, all the 23 States whose proposals have been approved till now, have opted for the first option.91

7.3.2.1.2 Although the State Data Centres form one of the core elements of NeGP, the absence of any fixed time frame for its implementation has resulted in delays. The Standing Committee on Information Technology had noted this lacuna and recommended in its 22nd Report (December 2005) that “… the Committee feel that absence of fixed time frame in this regard has actually worked as a de-motivator as the States had not been put under any obligation to fulfil the commitment of establishing the SDCs by a prescribed date. The Committee feel that there should not be any laxity and ambiguity in an ambitious and important plan like NeGP. The Committee, therefore, strongly recommend that a definite time frame should be drawn and all the States/UTs should be motivated and persuaded to establish their State Data Centres within the prescribed time schedule.”92 The Committee also noted that policy guidelines for creation of SDCs were only in a formulation stage. In their

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92Source: http://www.parliament.nic.in/interview/interview-details.asp?InterviewId=384 (accessed on 6.08.2006)
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9Source: http://www.govonline.net/interview/interview-details.asp?Title=State-Data-centres:-The-critical-Infrastructure&interviewid=434 (extracted on 6.08.2008)
10Recommendation 24, 22nd Report of the Standing Committee on Information Technology, December 2005
29th Report (July 2006), the Committee while examining Demand for Grants (2006-07) had recommended that “State Data Centres are one of the important components of National e-Governance Plan (NeGP) and is an element of the core-infrastructure. Hence, they are necessarily required to put in effective e-Governance plan and delivery of services to the Citizens on-line. Data Centres are relevant in the form of Central repositories or Common Technology Infrastructure which will avoid duplication or separate computing and store facilities by each department in the State and incur avoidable cost. As considerable time has already been taken to roll out NeGP, the Committee feel that any further delay in establishing the core infrastructure will delay the facilities to be provided to the masses. Hence, the matter requires urgent attention of the appropriate authorities at the highest level.”

In their 37th Report on Action Taken by Government on the Recommendations/Observations of the Committee (December 2006) the Committee expressed their hope that “… as assured by the DIT, SDGs would be ready by the time SWANs and CSCs are established in the States so that work under NeGP does not come to a standstill due to non-creation of SDGs”. In their 58th Report concerned with the Demand for Grants for 2008-09, the Committee found that the scheme for establishing SDGs was originally scheduled to be completed in respect of ten States by March/December 2007 and 20 SDGs were to be operationalised by March, 2008. However, the actual progress indicated that in 23 States/UTs the centres would be ready by March 2009 and for the remaining States/UTs they would be ready only by December 2009. The Committee while expressing their strong disapproval recommended that as ‘the State Data Centre is a crucial Component of core infrastructure of National e-Governance Plan not only from the service delivery perspective but also from strategic point of view as it would involve sovereign data. The Committee are of the opinion that implementation of SDGs should solely be entrusted to the Government agencies like NIC, ERNET etc. to ensure safety and sanctity of data. They, therefore, desire that the Department should clearly highlight national security perspective involved in establishing and operationalising SDGs to all participating States and guide/help them in placing adequate safeguards in this regard”.

7.3.2.1.3 Apart from implementation delays, institutional hurdles have also been cropping up. For example, there has been a tendency in some State departments to set up their own data centre which would give them control over the data and its disaster management and recovery. Further, as many of the departments already have functional website/portals hosted by NIC, they may see no benefit in changing the status quo. (See Box 7.1)

7.3.2.1.4 The Commission is of the view that owing to the nature of data and security concerns, the implementation of SDGs should lie in the domain of government agencies such as NIC. Further, all state-level data centres should be subsumed in the SDGs. Due to the interlinked nature of the core components of NeGP such as SDGs, SWANs and CSCs, implementation of these projects should be co-ordinated in a way that there is no time lag in their operationalisation.

7.3.2.2 State Wide Area Network (SWAN)

7.3.2.2.1 This is aimed at establishing Wide Area Networks in all States and UTs across the country, from the Headquarter of each State/UT to the Blocks. These are expected to be implemented by June 2009 in all States/UTs. It would serve in providing G2G and G2C services, especially for the various Mission Mode Projects contemplated under the National e-Governance Plan. Various other NeGP initiatives of the Department of IT, namely, e-District, State Data Centre, CSC, India Portal, Unique ID etc. would be directly using these Wide Area Networks in addition to all other G2G and G2C initiatives being taken at the Union and State levels. Implementation of the SWAN Scheme is in full swing across the country. Presently, SWAN has been rolled-out in Delhi, Chandigarh, Haryana, Himachal Pradesh and Tamil Nadu. There are various States/UTs, such as Assam, Bihar, Gujarat, Jharkhand, Tripura, Sikkim, Kerala, West Bengal, Maharashtra, MP, Punjab, Puducherry, Manipur, Mizoram, Karnataka, UP, J&K, Uttarakhand where the scheme is at various stages of implementation. In some other States/UTs viz. Orissa, Chhattisgarh, Rajasthan, bid processes have been concluded. In case of States/UTs of Andhra Pradesh, Meghalaya, Nagaland, Arunachal Pradesh, Dadra & Nagar Haveli and Daman & Diu, the bid processes are in progress while for Lakshadweep, the proposal is under submission. Goa and Andaman & Nicobar Island have opted out of the SWAN Scheme with the approval of Government of India.

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Box 7.1: State Data Centres

In Karnataka there is no consensus amongst state departments about using a common infrastructure. The National e-Governance plan envisions the setting up of a state data centres (SDCs) across the country and share infrastructure, allowing departments to access information easily and also cut costs in the process. But the reality is quite different. A draft report prepared by Pricewater Cooperhouse, consultants to the Government for e-Governance projects, lists about 18 state departments that could move their applications and projects to the State Data Centre. The applications range from hosting websites to managing applications using SDC as a back up and for disaster recovery. Almost all departments have given a negative answer.

At present, the SDC hosts several applications like Bhoomi, Nemmadi, Human Resources Management Systems (HRMS), e-procurement and back up for Bangalore One amongst others. Almost all departments ranging from the Agriculture to the Treasury have shown unwillingness to move to the SDC. Reasons vary. Sources in the e-Governance department say that most of the departments have plenty of funds and are keen on setting up their own data centre. There is also a reluctance to hand over the reins to a third party when the application is an interface between the citizen and the department concerned.

(Source: http://deccanherald.com/Content/Aug42008/stan2008008052651.asp)

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*Recommendation 59, 29th Report*
29th Report (July 2006), the Committee while examining Demand for Grants (2006-07) had recommended that "State Data Centres are one of the important components of National e-Governance Plan (NeGP) and is an element of the core infrastructure. Hence, they are necessarily required to put in effective e-Governance plan and delivery of services to the Citizens on-line. Data Centres are relevant in the form of Central repositories or Common Technology Infrastructure which will avoid duplication or separate computing and store facilities by each department in the State and incur avoidable cost. As considerable time has already been taken to roll out NeGP, the Committee feel that any further delay in establishing the core infrastructure will delay the facilities to be provided to the masses. Hence, the matter requires urgent attention of the appropriate authorities at the highest level." In their 37th Report on Action Taken by Government on the Recommendations/Observations of the Committee (December 2006) the Committee expressed their hope that "... as assured by the DIT, SDGs would be ready by the time SWANs and CSCs are established in the States so that work under NeGP does not come to a stand still due to non-creation of SDGs". In their 58th Report concerned with the Demand for Grants for 2008-09, the Committee found that the scheme for establishing SDGs was originally scheduled to be completed in respect of ten States by March/December 2007 and 20 SDGs were to be operationalised by March, 2008. However, the actual progress indicated that in 23 States/UTs the centres would be ready by March 2009 and for the remaining States/UTs they would be ready only by December 2009. The Committee while expressing their strong disapproval recommended that as 'the State Data Centre is a crucial Component of core infrastructure of National e-Governance Plan not only from the service delivery perspective but also from strategic point of view as it would involve sovereign data. The Committee are of the opinion that implementation of SDGs should solely be entrusted to the Government agencies like NIC, ERNET etc. to ensure safety and sanctity of data. They, therefore, desire that the Department should clearly highlight national security perspective involved in establishing and operationalising SDGs to all participating States and guide/help them in placing adequate safeguards in this regard".

7.3.2.1.3 Apart from implementation delays, institutional hurdles have also been cropping up. For example, there has been a tendency in some State departments to set up their own data centre which would give them control over the data and its disaster management and recovery. Further, as many of the departments already have functional website/portals hosted by NIC, they may see no benefit in changing the status quo. (See Box 7.1)

7.3.2.1.4 The Commission is of the view that owing to the nature of data and security concerns, the implementation of SDGs should lie in the domain of government agencies such as NIC. Further, all state-level data centres should be subsumed in the SDGs. Due to the interlinked nature of the core components of NeGP such as SDGs, SWANs and CSCs, implementation of these projects should be co-ordinated in a way that there is no time lag in their operationalisation.

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7.3.2.2 The e-Governance initiatives under the NeGP would run on the connectivity provided by the State Wide Area Networks (SWANs) and NICNET. The SWANs would connect each State/UT headquarters with the District headquarters and each District headquarters with the block headquarters with a minimum 2Mbps leased line. It is expected that seamless connectivity provided by the SWANs could be extended to reach the villages through wireless and other technologies relevant for the last mile connectivity.

7.3.2.3 The guidelines for establishment of SWANs offer two options to the State Governments for their establishment. The first option involves the PPP model for outsourcing the establishment, operation and maintenance of the Network. The second option involves designating NIC as the prime implementation agency for the SWAN as an integral part of NICNET. As per the guidelines, DIT support covers the entire cost of establishment, operation and maintenance of the SWAN for a period of five years on 100% grant basis. In case of the first option, cost of personnel hired by the operator is also covered by the grant support. In case of implementation by NIC (second option), no extra cost was envisaged at NIC headquarters in establishing the SWANs in the States – cost of hiring personnel at district/block level is covered by the grant. However, in spite of these cost benefits and the fact that the NICNET is operational up to the district level in the States, out of the 22 States/UTs where actual implementation is in progress or completed, only 7 have opted for the NIC model while others have opted for the PPP model.88

7.3.2.4 The guidelines also stipulate that while dedicated SWANs are being established by the State Governments, NICNET will also separately operate with upgraded technology up to the district level. Central applications may ride on NICNET up to the district level and through the SWAN or through dial up into the NICNET (or through dedicated lines leased by the Union Department concerned) further up to the block level. However, formulation of the guidelines for standardization, inter-operability and inter-connect requirements between NICNET and the SWANs and also between different SWANs would be the responsibility of the NIC.89

7.3.2.5 The Standing Committee on Information Technology, while examining the Demand for Grants for 2008-09, found that the time limit for implementing the SWAN was December 2007 which is now continuously being extended. Further, they were also informed that at the implementation level also the States/UTs are facing problems of availability of basic telecom infrastructure at the block level.90 The Commission is of the view that the highest priority needs to be given to the simultaneous roll out of SWAN across the country so that the MMPs and other e-Governance initiatives, which would ride on this network, can also be expeditiously implemented.

7.3.2.2.3 Common Service Centres (CSCs)

7.3.2.2.3.1 The Common Service Centre Scheme is one of the three important infrastructural initiatives of the NeGP, the other two being (a) the State Wide Area Network (for connectivity) and (b) the State Data Centre Scheme (for secure hosting of data and applications). These centres are intended to serve as front-end delivery points for government, private and social sector services in an integrated manner to rural citizens of India. This scheme aims at establishing about 100,000 Common Services Centres across the country, one each for every six census villages. The objective is to develop a platform that can enable government, private and social sector organizations to align their social and commercial goals for the benefit of the rural population in the remotest corners of the country through a combination of IT-based as well as non-IT-based services. The placement of a CSC in a cluster of villages is supposed to follow a ‘honey comb’ structure so that the services provided by it are easily accessible to the rural population residing in the cluster. The Scheme is being implemented as a Public-Private Partnership (PPP). The Common Service Centres are designed as ICT-enabled Kiosks having a PC along with basic support equipment like printer, scanner and UPS.

7.3.2.2.3.2 It is already recognized that the implementation of a project of this size and scope would pose significant challenges of project management at the national level as also in exploiting opportunities to achieve significant economies of scale in the identification, customization and implementation of the physical and digital infrastructure required for the project. Further, many of the potential citizen-centric services would lend themselves to aggregation at the national level. To serve the above objectives and to enable the State-specific implementation plans to benefit from such economies of scale, aggregation of best practices etc., DIT has appointed a National Level Service Agency (NLSA) with defined Terms of Reference to coordinate the entire activity.

7.3.2.2.3.3 The CSC Scheme has a 3-tier implementation framework91:

- The local Village Level Entrepreneur (VLE) - loosely analogous to a franchisee constitutes the first level. This would form the cutting edge of the whole scheme, with the responsibility of providing services to the rural customer in a cluster of 5-6 villages.

- At the second/middle level would be the Service Centre Agency (SCA - loosely analogous to a franchiser) with the responsibility to operate, manage and build the VLE network and business. A SCA would be a private entity and would be given the territorial responsibility for rolling out the CSCs in one or more districts (one district would cover about 100-200 CSCs).

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90Paragraph 48, 58th Report, April 2008
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91Paragraph 48; 58th Report; April 2008
94Paragraph 48, 58th Report, April 2008
At the third level would be an agency designated by the State Government, called the State Designated Agency (SDA), to facilitate implementation of the Scheme within the State and to provide requisite policy, content and other support to the SCAs. The SDA would be a PSU/Society or any other entity controlled by the State Government.

7.3.2.3.4 The Scheme envisages the involvement of two other entities:

• The National Level Service Agency (NLSA), which would provide program management support to the DIT for rolling out the CSC Scheme. It would also monitor implementation of the Scheme to enable DIT to review its progress.

• The Special Purpose Vehicle, which would be for day-to-day monitoring of the Scheme.

7.3.2.3.5 The critical elements of this Scheme, so far as its implementation is concerned and which would influence its outcome, are discussed below:

i. **Role of the State Government:** It is required to provide policy, financial and infrastructural support to the Scheme through the State Designated Agency (SDA). It has to decide on the mode and degree of integration of the Scheme with the existing physical, digital and institutional infrastructure of Government agencies/departments, especially in case of schools, Gram Panchayats, Public Health Centres, Community Information Centres, Post Offices as also in case of development programmes in areas related to education, health, agriculture, employment etc.

ii. **Role of the SDA:** It is required to coordinate, manage and monitor the receipt and utilization of financial support received from the Union and State Governments. It is also required to facilitate the integration of existing ICT enabled and other Government Schemes into the CSC Scheme as also the interaction between the SCA and State Government entities for enabling delivery of Government services through CSCs. It is further required to facilitate e-readiness of the State, awareness campaigns, training and capacity building and the SWAN interface.

iii. **Connectivity:** CSCs are expected to ride on the connectivity provided by the SWAN. Another option is broadband connectivity through Union Department of Telecommunications. The State Government, in conjunction with the DIT, has to formalize a plan for last mile connectivity to the CSCs.

iv. **Location of CSCs:** The State Government has to work out the number of CSCs required to be established in each block at the rate of one CSC for every six census villages. The SDA may locate a CSC anywhere in the block provided not more than one CSC is established in one Gram Panchayat (this would not be the case where the number of Gram Panchayats in the block is less than the number of CSCs worked out for a block).

v. **Revenue support:** It is envisaged that G2C services may take longer to be operational, hence the SCAs are to be provided support in the form of “Guaranteed Provision of Revenue from Governmental Services” over a period of four years, once the CSCs are certified as operational by the SDA. The amount of revenue support is proposed to be 33.33% of the normative value which works out to Rs. 3304/- per CSC per month. This support is to be shared by the Union and State Governments in equal ratio, with the State Governments having the option to meet their share by using their Additional Central Assistance for NeGP provided by the Planning Commission. However, the exact amount of support is to be arrived at through a ‘price discovery mechanism’ discovered through bids (not to exceed 50% of the normative value). The revenue generated from delivery of e-Government services would be offset from the revenue support given to the SCA.

vi. **Integration of existing kiosks:** State Governments are expected to make efforts for subsuming existing kiosks within the CSC Scheme either in the form of SCAs or VLEs. Where they are not able to meet the eligibility criteria, State Governments are expected to consider providing them G2C services, SWAN connectivity etc on terms and conditions similar to those offered to SCAs.

vii. **Enablement plan for G2C services:** Since the revenue support is based on the availability of G2C services, State Governments are expected to develop enablement plans for providing these services including the technology architecture.

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7.3.2.3.6 The present status of rollout of CSCs in various States is presented in Fig 7.3.  

**Fig 7.3: Implementation of CSCs (November 2008)**

As CSCs are reported to have been rolled out in many of the States, it needs to be examined in light of the critical aspects delineated above. As an illustration, its implementation in the State of Uttar Pradesh is discussed below.

7.3.2.3.7 In the State of Uttar Pradesh, the CSCs have been designated as Jan Seva Kendras. For the purpose of establishing the Jan Seva Kendra, the State has been divided into seven zones and for each zone, a SCA has been selected through a transparent open bidding process. The details of the SCA along with revenue support is given Table 7.5.

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Related Divisions</th>
<th>Selected SCA Name</th>
<th>Total No. of Jan Seva Kendras</th>
<th>Revenue Support (Per CSC/Month)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Moradabad</td>
<td>CMS Computers Limited</td>
<td>1615</td>
<td>Rs. 890/-</td>
</tr>
<tr>
<td>2.</td>
<td>Varanasi</td>
<td>SREI Infrastructure Finance Limited</td>
<td>3669</td>
<td>Zero</td>
</tr>
<tr>
<td>3.</td>
<td>Fazilabad</td>
<td>Commat Technologies Private Limited</td>
<td>2601</td>
<td>Rs. 2106/-</td>
</tr>
<tr>
<td>4.</td>
<td>Lucknow</td>
<td>SREI Infrastructure Finance Limited</td>
<td>4449</td>
<td>Rs. 10/- (i.e. SCA to pay to GoUP)</td>
</tr>
<tr>
<td>5.</td>
<td>Bareilly</td>
<td>Commat Technologies Private Limited</td>
<td>2120</td>
<td>Zero</td>
</tr>
<tr>
<td>6.</td>
<td>Agra</td>
<td>3i Infotech Limited</td>
<td>1688</td>
<td>Rs. 14/- (i.e. SCA to pay to GoUP)</td>
</tr>
</tbody>
</table>

7.3.2.3.8 The role for the State departments is as follows:

a. **Service provider for e-Government services** – Departments will identify and inform the Department of IT and Electronics about various departmental Government-to-citizen (G2c) services which can be delivered through Jan Seva Kendras electronically.

b. Departments would do the back-office computerization for the identified services at headquarter, district, tehsil and block levels.

c. Departments will provide the required support for framing policies and in deciding certification process.

d. Departments will take necessary action to make the Jan Seva Kendra scheme a success.

7.3.2.3.9 The role for the district administration in the scheme is defined is as follows:

a. The district administration along with various departments and stakeholders shall organize the awareness and sensitization workshops for the masses.

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*Note: Dehli, Chandigarh, Goa, Andaman as of now are not inclined to implement the CSC scheme of GOI

[98http://mit.gov.in/images/cscstatus_nov08.jpg](http://mit.gov.in/images/cscstatus_nov08.jpg)

[Source: Jan Seva Kendra: Role of Different Stakeholders, http://infotech.up.nic.in/eGov/Role%20of%20Stakeholders%20in%20CSC.pdf (extracted on 25.08.2008)]
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7.3.2.3.9 The role for the district administration in the scheme is defined as follows:

a. The district administration along with various departments and stakeholders shall organize the awareness and sensitization workshops for the masses.
b. The district administration shall provide help to SCAs in identifying the space for establishing the Jan Seva Kendra and in the selection of VLEs.

c. They will identify and ensure the delivery of the district level G2C services to be delivered through the Jan Seva Kendra.

d. They will help in certifying the district level G2C services to be delivered through Jan Seva Kendra.

e. The district administration shall give priority in resolving the problems/issues of the rollout of the Jan Seva Kendra Scheme.

7.3.2.3.10 The SCAs will provide all the services of ‘Lokvani’ through the Jan Seva Kendra. Since the revenue support is based on the availability of G2C services, the State has to develop appropriate G2C service enablement plans, at least for key government services. The services and revenue to be provided by the Jan Seva Kendra has been decided as given in Table 7.6:

<table>
<thead>
<tr>
<th>Type of Transaction</th>
<th>Charge to Citizen (per sale)</th>
<th>GoUP’s share</th>
<th>SCA/ VLE’s share (per sale)</th>
<th>Utility provider to pay</th>
</tr>
</thead>
<tbody>
<tr>
<td>E-Governance Services</td>
<td>Rs.10/-</td>
<td>Rs.0</td>
<td>Rs.10/-</td>
<td>Rs.0</td>
</tr>
<tr>
<td>Utility Collection</td>
<td>Rs.0</td>
<td>Rs.0</td>
<td>Rs.4/-</td>
<td>Rs.4/-</td>
</tr>
<tr>
<td>Land Record</td>
<td>Rs.25/-</td>
<td>Rs.10/-</td>
<td>Rs.15/-</td>
<td>Rs.0</td>
</tr>
</tbody>
</table>

7.3.2.3.11 The Jan Seva Kendra would offer a multitude of services ranging in the areas of e-Governance, education, health, agriculture, commercial, retail, etc. The delivery of government services would be mandatory for the Jan Seva Kendra. Some of the possible service areas are listed as follows:

Prospective Key Government (G2C) Services

- Land records
- Registration of vehicles
- Issue of certificates / Government schemes
- Employment exchange

7.3.2.3.12 It is evident from the above that there is no role for the local governments in the implementation of the CSCs. In fact, the Standing Committee on Information Technology was of the view that “monitoring bodies of elected representatives should be set up at each level i.e. Central, State, district and local levels to monitor and review the implementation progress as well as operationalisation of CSCs and other components of NeGP.”

On the other hand, it needs to be kept in mind that:

i. The SCAs are entitled to the revenue support as per the bid amount accepted by the State Government upon completion of the rollout as per the MSA timelines irrespective of the G2C readiness in the State. In fact, the SCA is entitled for full revenue support irrespective of the number of G2C services available to be delivered through the CSCs.

ii. Further, the revenue support is not linked to the actual use of the centres by the citizens. The SCA is entitled to get the revenue support if it is deemed to be operational and certified as per the MSA.

These facts suggest that State Governments must be in a position to make more and more G2C services available to the citizens for proper utilization of the CSCs and further, the Gram Panchayats should play a proactive role in making the people aware about the services provided by the CSCs so that the revenue support is not wasted.

7.3.2.3.13 In fact, the CSCs have not been formulated as a purely ‘e-Governance’ scheme. The Guidelines for Implementation of CSCs state that the CSC Scheme is ‘not about rolling out IT hardware in rural areas, but building 100,000 rural businesses in hitherto untapped and unchartered areas of the country, besides promoting rural entrepreneurship and involving community participation.’ Thus, even after implementation of the CSC Scheme, the need for e-Governance structures at the panchayat level would remain as the

96 Recommendation 13; 58th Report; April 2008
97 Source: Information provided by NeGP PMU
b. The district administration shall provide help to SCAs in identifying the space for establishing the Jan Seva Kendra and in the selection of VLEs.
c. They will identify and ensure the delivery of the district level G2C services to be delivered through the Jan Seva Kendra.
d. They will help in certifying the district level G2C services to be delivered through Jan Seva Kendra.
e. The district administration shall give priority in resolving the problems/issues of the rollout of the Jan Seva Kendra Scheme.

7.3.2.3.10 The SCAs will provide all the services of ‘Lokswati’ through the Jan Seva Kendra. Since the revenue support is based on the availability of G2C services, the State has to develop appropriate G2C service enablement plans, at least for key government services. The services and revenue to be provided by the Jan Seva Kendra has been decided as given in Table 7.6:

<table>
<thead>
<tr>
<th>Type of Service</th>
<th>Charge to Citizen (per sale)</th>
<th>GoUP’s share</th>
<th>SCA/ VLE’s share (per sale)</th>
<th>Utility provider to pay</th>
</tr>
</thead>
<tbody>
<tr>
<td>E-Governance Services</td>
<td>Rs.10/-</td>
<td>Rs.0</td>
<td>Rs.10/-</td>
<td>Rs.0</td>
</tr>
<tr>
<td>Utility Collection</td>
<td>Rs.0</td>
<td>Rs.0</td>
<td>Rs.4/-</td>
<td>Rs.4/-</td>
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<tr>
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Thus, even after implementation of the CSC Scheme, the need for e-Governance structures at the panchayat level would remain as the
CSCs are basically business centres. The Gram Panchayat Mission Mode Project (to be implemented by the State Governments) promises to fill this gap as it includes providing proceedings of Gram Sabha meetings, details of funds transfer, data regarding BPL, digitization of village infrastructure on a map, certificates of births and deaths, information about internal processes of Panchayats etc. as its proposed services. However, this MMP is still in its formulation stage.

7.3.2.3.14 The Commission has considered these issues. It agrees with the view of the Standing Committee that the CSCs need to be monitored by the local governments, especially during the first four years of operation when they are receiving revenue support for provision of G2C services. The Gram Panchayats should also make the people aware about the services made available by the CSCs and encourage them to utilize these services. State Governments should also see to it that an ever expanding bouquet of G2C services is made available through the CSCs. Further, it is also of the view that the CSCs are not a substitute for enabling the Panchayats in providing e-Governance solutions to rural population. The last mile connectivity achieved in case of CSCs should also be utilized to establish panchayat based kiosks. Also, as the CSC model is based on user charges, it may not be very effective in providing services to persons below the poverty line and other disadvantaged sections of rural society. The Commission has already recommended the following in its Sixth Report entitled ‘Local Governance’:

- Local governments should become one point service centres for providing various web-based and satellite-based services. This would, however, require capacity building in the local governments (paragraph 3.10.2.8 b).
- Steps should be taken to set up Information and Communication Technology (ICT) and Space Technology enabled Resource centres at the Village and Intermediate Panchayat levels for local resource mapping and generation of local information base. These Resource centres should also be used for documenting local traditional knowledge and heritage (paragraphs 4.5.5.6 a&b).

7.3.2.3.15 Thus, the Commission is of the view that the MMP on Gram Panchayats should be formulated in a way that it includes these aspects and is implemented with a focused approach. The development of related capacities, such as rural electrification and rural road networks should accompany its implementation.

7.3.2.3.16 Recommendations

a. As recommended by the Standing Committee on Information Technology in its 58th Report, the State Data Centres (SDCs) should be maintained by Government agencies such as NIC as it involves handling of sovereign data. Further, all data centres at the State level should be subsumed in the SDCs.

b. The implementation of SDCs, SWANs and CSCs should be co-ordinated to prevent significant time-lag between their operationalisation. Last mile connectivity issues involved in operationalisation of CSCs should also be addressed in a time-bound manner.

c. Gram Panchayats should be involved in monitoring the operation of the Common Services Centres in the first four years of their operation when they are receiving revenue support from government for providing ‘Government to Citizen’ services. They should proactively engage in making citizens aware of the services provided through the CSCs and encourage them to make use of them.

d. State Governments should make available a large bouquet of G2C services through the CSCs. In doing so, they should adopt the approach outlined in this Report while discussing identification and prioritization of e-Governance projects.

e. The Mission Mode Project on Gram Panchayats should be finalized and implemented in a time-bound manner. The MMP should incorporate the recommendations made by the Commission in its Sixth Report entitled ‘Local Governance’, in paragraphs 3.10.2.8 and 4.5.5.6.

7.3.3. Mission Mode Projects

The present status of implementation of the MMPs at the Union and State Government levels and the integrated MMPs is described below.95

7.3.3.1 Union Government MMPs

1. **MCA 21:** The MMP is in its post-implementation stage and is providing electronic services to the Companies registered under the Companies Act for their related activities such as allocation and change of name, incorporation, etc.

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online payment of registration charges, change in address of registered office, viewing of public records and other related services. The benefits being made available to the citizens are continuously monitored.

2. **Pension:** The Pensioners’ portal launched in March 2007 provides updated information on government pension rules and regulations; helps facilitating registration of pensioners’ grievances; enables monitoring timely sanction of pension/gratuity; maintains a database of Pensioners and providing links to the websites of the Directorates of Pensions and the AGs of various States.

3. **Income Tax:** This MMP which is under implementation offers a set of 17 e-services of the Income Tax Department to the taxpayers. Some of the important e-services being offered include facility for downloading of various forms, online submission of applications for PAN and TAN, query-based services for allotment of PAN and TAN, e-filing of Income Tax Returns, e-filing of TDS returns, online payment of Taxes, issue of refunds through Electronic Clearance Scheme (ECS) and Refund Banker, etc. The Primary Data Centre and the Business Continuity Planning sites for the project have been installed and commissioned.

4. **Passport, Visa and Immigration:** The implementation of the Passport & Visa MMP has streamlined the process for issuance of passport and other related services like providing efficient immigration services to people visiting India. The e-services being offered under the MMP include re-issue of Passport, issue of duplicate Passport, issue of Tatkal Passport, change in name, address, ECNR/ECR suspensions, passport status enquiry etc. The immigration services are in design and development phase.

5. **Central Excise:** The MMP is under implementation and is facilitating availability of e-services related to indirect taxation for industry, importers and exporters, inbound travellers etc. The important e-services being offered include e-filing of Import and Export documentation, electronic processing of declarations, facilities for e-filing of Central Excise and Service Tax returns, e-registration services, digital signatures, e-payment of Customs Duties etc.

6. **Banking:** The MMP which is being implemented by the banking industry aims at streamlining various e-services initiatives undertaken by individual banks. e-Governance implementation is being done by the banks concerned, with the Banking Department providing a broad framework and guidance to them. Out of three components of the MMP, the component on Electronic Mass Payment System may not be taken-up for implementation because banks are independently taking up their own initiatives on this front. The other two components i.e. Electronic Central Registry and One India One Account for Public Sector Banks have been referred to the Indian Banks Association.

7. **MNIC:** The Pilot project of MNIC was completed and brought to a close on 31.03.2008. Distribution of smart cards to citizens is still under progress. The 20 MNIC Centres, set up in each tehsil/ block, will remain functional till 31.03.2009 for maintenance and updating of database.

8. **UID:** The strategy for collation of UID and MNIC schemes was approved in January 2008 and a decision to constitute an UID Authority under the Planning Commission was taken. The timelines for the intermediate milestones of the UID MMP were: approval of UID scheme by March 2008 and notification of UID Authority by the Planning Commission by April 2008. It is expected that implementation of UID project will be undertaken by the notified UID Authority and further milestones and timelines including those for linkage with MoRD/PDS database would be firmed up by the Authority. A pilot project is required to be undertaken by DIT and Registrar General of India to determine the feasibility of enumeration and creation of the National Population Register using UID database.

9. **e-Office:** The MMP is being conceptualised and project consultants have been appointed.

10. **Insurance:** The MMP is an industry initiative (by public sector insurance companies) and is in the conceptualisation stage. The MMP aims at facilitating customer services, automating grievance redressal mechanism and, creating a holistic database of insurance users.

### 7.3.3.2 Integrated MMPs

1. **CSC:** The MMP is a part of the core and support infrastructure of NeGP. These CSCs will offer e-Governance services to rural citizens. In many States, Service Centre Agencies (SCAs) have been selected. In the remaining States/UTs, action is also progressing well. The implementation of this massive project is likely to be completed by the end of second quarter of 2009.
online payment of registration charges, change in address of registered office, viewing of public records and other related services. The benefits being made available to the citizens are continuously monitored.

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2. **e-Courts**: The MMP aims at utilising technology for improved provisioning of judicial services to citizens. In the first phase of this project, 700 courts in metro cities and 900 courts in capital cities barring those in the North-Eastern region, Ahmedabad and Patna have already been computerized and funds have been sanctioned for computerisation of the remaining 13000 district and subordinate courts and for upgrading the ICT infrastructure at High Courts and the Supreme Court. Site estimates of 618 court complexes have been prepared. The second phase of the MMP is in the implementation stage in which the services, which are proposed to be offered include availability of copies of judgments and staggered cause list, e-filing of cases, video conferencing of outstation witnesses, issue of notices to clients through e-mail etc. The network plan and the strategy for integrating it with SWAN are also being worked out. Pilot implementation will be undertaken at the High Courts of Chennai, Mumbai, Cochin, Gwalior, Dehradun and Nagaland.

3. **Electronic Data Interchange/e-Trade (EDI)**: The MMP aims at facilitating Electronic Data Interchange amongst various agencies involved in the process of Imports and Exports. This project is currently under implementation and offers services like electronic filing and clearance of EXIM documents and e-Payments of duties and charges etc. At present, 85% of EXIM business is being conducted by electronic facilities created under the project. Various licenses issued by DGFT are being done electronically. The drawback payments through net banking of exporters have started at 35 locations. e-Payment of duties for the top 50 clients of customs Department at Nava Sheva Port at Mumbai has been made compulsory from 1.4.2008.

4. **India Portal**: This MMP is in post-implementation stage and is providing a single window access to information and services of Government at all levels, in a multilingual form. National Portal Coordinators in 35 States/UTs and 63 Central Ministries are responsible for the content development, compilation, etc. The portal is available in Hindi and English. Launched in November 2005, the India Portal has been awarded the Website Quality certificate by Standardisation, Testing and Quality Certification (Quality Level I). Special web interfaces pertaining to “NGO Partnership” and “RTI Complaints & Appeals” have been introduced.

5. **National Service Delivery Gateway**: The MMP aims at providing a common interface between the service seekers and service providers (Government Departments). The project is in implementation stage. CDAC has finalised the implementation approach for NSDG and a pilot has been implemented and tested. NSDG portal has been launched in mid August, 2008.

6. **e-Biz**: The MMP aims at expediting the process for setting-up a commercial enterprise by offering an integrated platform of services across various departments both at the Union and State levels. The MMP is under conceptualization. Stakeholder workshops have been held for the project.

7. **e-Procurement**: This MMP of the Ministry of Commerce aims at rolling-out IT-enabled procurement by Government Departments. The project is currently in the conceptualisation stage. Preparation of DPRs in respect of three States viz. Kerala, Madhya Pradesh, Himachal Pradesh and Ministry of Health and Family Welfare is under progress. The Core Scope Document has been approved by the Department of Commerce and circulated to all the stakeholders.

7.3.3.3 State MMPs

1. **Land Records**: This is one of the projects pertaining to pre-NeGP phase which covers computerisation of Land Records. In the pre-NeGP phase, two schemes of the Ministry of Rural Development – Computerisation of Land Records (CLR) and Strengthening of Revenue Administration and Updation of Land Records (SRA & ULR) – were being implemented. These are fully operational in 13 States. These two schemes – CLR and SRA&ULR – have been merged into a new scheme called the National Land Records Modernisation Programme (NLRMP). This scheme aims at providing integrated land related information and services to citizens.

2. **Road Transport**: This MMP proposes to offer many e-Services and some of its components are under implementation from the pre-NeGP period. The MMP aims to induct technology in transport offices across India to offer vehicle registration, driving licenses and Smart Card based RCs (Registration Certificates) to citizens. Out of a total 763 RTOs, 486 have started offering vehicle registration services, while 440 RTOs are offering driving license related services. Six States are offering Smart Card based RCs and driving licenses.

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National e-Governance Plan

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Promoting e-Governance – The SMART Way Forward

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3. **Agriculture**: The MMP aims at providing information regarding farm practices, market trends, agricultural and technical know-how and other related
services to the farming community. The pre-NeGP MMP has two continuing components i.e. AGRISNET and AGMARKNET. AGMARKNET aims at creating an information network which will capture/update information at various agricultural produce markets. As on date, 2500 plus mandis have been computerized for capturing information regarding prices and arrival of various agricultural commodities. The other component aims at back-end computerization of State Agriculture departments and selected districts in States for delivery of afore-mentioned services. Already, 17 States have been sanctioned money for implementation. A new initiative has also been started by the Department of Agriculture and Cooperation to systematically improve the delivery of services.

The work order for Phase-II of the MMP was issued to NISG on 7th February, 2008 and an agreement was signed on 25th February, 2008. The first phase of the study has already been conducted and 23 services have been prioritised for delivery to farmers. In the second phase, the timelines have been compressed and the project is moving from the design and development stage to the scheme preparation stage.

4. Police: Earlier the Mission Mode Project of the Police aimed at facilitating the process of civil policing and law enforcement by utilizing ICT effectively. Under this project, more than 1200 police stations were to be computerized which were expected to create an information base on crimes and criminals. Work is still going on for computerization of the remaining police stations across the country. However, the Planning Commission has been approached to include the MMP as a new scheme called Crime and Criminal Tracking Network and System (ccTNS) in the Eleventh Plan period instead of providing Grants-in-Aid for the earlier project called CIPA. The Planning Commission has agreed and has approved a provision of Rs. 2,000 crore in the Eleventh Plan period with an outlay of Rs. 210 crore in the FY 2008-09.

5. Treasuries: This MMP aims at computerisation of treasuries involving common set of standards for seamless integration of participating agencies. Some States like Uttarakhand, UP, Maharashtra, Mizoram and Karnataka have achieved considerable progress.

6. Municipalities: The MMP aims at providing various services offered by Urban Local Bodies (ULBs) to residents electronically. The Planning Commission has decided that the scheme would be a part of Jawaharlal Nehru National Urban Renewal Mission (JNNURM) for 35 cities with populations of over 10 lakh and it would be a new Centrally Sponsored Scheme (CSS) for other cities and towns. However, the new CSS for cities and towns other than the 35 big cities would wait till the implementation is assessed in 35 cities as part of JNNURM. MoUD has released the guidelines on the National Mission Mode Project (NMMP) on e-Governance as a part of the Jawaharlal Nehru National Urban Renewal Mission.

7. e-District: This MMP aims at delivery of high volume, citizen-centric services through CSCs. These would primarily be services not covered by other specific MMPs. A minimum of 7 services have been identified to be delivered in every State. The MMP is currently in the design and development stage and pilots have been approved for 14 States. This MMP is being regularly monitored so as to synchronize it with the CSC and SWAN rollout. In UP and Bihar, the BPR study has been completed and identification of vendor for data digitization, application development, etc. is underway. In Assam, the BPR is being finalized. For the rest of the States, BPR study has been initiated. In UP, the application is under development by NIC and the process for data digitization is in progress. In Maharashtra, the BPR is complete.

8. Commercial Taxes: The MMP, which aims at providing electronic services to commercial taxes payers, is being formulated. The consultation process with the States is on-going and the Ministry of Finance has been asked to expedite the consultation process for taking it to the next logical stage and initiate implementation on the ground.

9. Gram Panchayat: This massive MMP aims at improving governance at the grass roots and providing various e-services at the Panchayat level. In the near future, pilots projects are being planned in some States. The Core Scope Document was submitted in January 2008. The total cost implication estimated by the Ministry of Panchayati Raj, is Rs 6833 crore with timelines of three years for which the sanction of Planning Commission is yet to be obtained.

10. Employment Exchange: This MMP of the Ministry of Labour aims at providing e-services to employment seekers and employers. The process of engaging the services of a consultant for preparation of the Detailed Project Report has commenced and the techno-commercial proposal of the Consultant is being vetted.
services to the farming community. The pre-NeGP MMP has two continuing components i.e. AGRISNET and AGMARKNET. AGMARKNET aims at creating an information network which will capture/update information at various agricultural produce markets. As on date, 2500 plus mandis have been computerized for capturing information regarding prices and arrival of various agricultural commodities. The other component aims at back-end computerization of State Agriculture departments and selected districts in States for delivery of afore-mentioned services. Already, 17 States have been sanctioned money for implementation. A new initiative has also been started by the Department of Agriculture and Cooperation to systematically improve the delivery of services.

The work order for Phase-II of the MMP was issued to NISG on 7th February, 2008 and an agreement was signed on 25th February, 2008. The first phase of the study has already been conducted and 23 services have been prioritised for delivery to farmers. In the second phase, the timelines have been compressed and the project is moving from the design and development stage to the scheme preparation stage.

4. **Police**: Earlier the Mission Mode Project of the Police aimed at facilitating the process of civil policing and law enforcement by utilizing ICT effectively. Under this project, more than 1200 police stations were to be computerized which were expected to create an information base on crimes and criminals. Work is still going on for computerization of the remaining police stations across the country. However, the Planning Commission has been approached to include the MMP as a new scheme called Crime and Criminal Tracking Network and System (CCTNS) in the Eleventh Plan period instead of providing Grants-in-Aid for the earlier project called CIPA. The Planning Commission has agreed and has approved a provision of Rs. 2,000 crore in the Eleventh Plan period with an outlay of Rs. 210 crore in the FY 2008-09.

5. **Treasuries**: This MMP aims at computerisation of treasuries involving common set of standards for seamless integration of participating agencies. Some States like Uttarakhand, UP, Maharashtra, Mizoram and Karnataka have achieved considerable progress.

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9. **Gram Panchayat**: This massive MMP aims at improving governance at the grass roots and providing various e-services at the Panchayat level. In the near future, pilot projects are being planned in some States. The Core Scope Document was submitted in January 2008. The total cost implication estimated by the Ministry of Panchayati Raj, is Rs 6833 crore with timelines of three years for which the sanction of Planning Commission is yet to be obtained.

10. **Employment Exchange**: This MMP of the Ministry of Labour aims at providing e-services to employment seekers and employers. The process of engaging the services of a consultant for preparation of the Detailed Project Report has commenced and the techno-commercial proposal of the Consultant is being vetted.
7.3.3.4 The present timelines and the stage of implementation of all the Mission Mode Projects implemented under NeGP are presented in the Table below:

<table>
<thead>
<tr>
<th>Sl.No</th>
<th>MMP Scheme</th>
<th>Sanction Status</th>
<th>Project Stage</th>
<th>Completion date</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ACTIVITY STATUS OF CENTRAL MMPs</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.</td>
<td>MCA 21</td>
<td>Sanctioned</td>
<td>Post Implementation</td>
<td>September 2006 (Completed)</td>
</tr>
<tr>
<td>2.</td>
<td>Pensions</td>
<td>-do-</td>
<td>Post Implementation</td>
<td>March 2007 (Completed)</td>
</tr>
<tr>
<td>4A</td>
<td>Passport and Visa</td>
<td>-do-</td>
<td>Implementation</td>
<td>September 2009 (T+ 19 months) (T is contract award date)</td>
</tr>
<tr>
<td>4B</td>
<td>Immigration</td>
<td>Sanction expected by August 2008</td>
<td>Design &amp; Development</td>
<td>October 2009</td>
</tr>
<tr>
<td>5</td>
<td>Central Excise</td>
<td>Sanctioned</td>
<td>Implementation</td>
<td>December 2009</td>
</tr>
<tr>
<td>6</td>
<td>Banking</td>
<td>Industry Initiative</td>
<td>Implementation</td>
<td>--</td>
</tr>
<tr>
<td>7A</td>
<td>MINIC (Pilot)</td>
<td>Sanctioned</td>
<td>Implementation</td>
<td>--</td>
</tr>
<tr>
<td>7B</td>
<td>UID</td>
<td>Draft scheme under discussion and EFC note for appointment of UID authority under preparation by Planning Commission.</td>
<td>Design &amp; Development</td>
<td>(T is appointment of UID authority) T+15 months</td>
</tr>
<tr>
<td>8</td>
<td>e-Office (Pilot)</td>
<td>To be prepared</td>
<td>Design &amp; Development</td>
<td>Pilots under conceptualisation</td>
</tr>
<tr>
<td>9</td>
<td>Insurance</td>
<td>Industry Initiative</td>
<td>Conceptualisation</td>
<td>--</td>
</tr>
<tr>
<td><strong>ACTIVITY STATUS OF INTEGRATED MMPs</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>CSC</td>
<td>Sanctioned</td>
<td>Implementation</td>
<td>June 2009</td>
</tr>
<tr>
<td>2A</td>
<td>e-Courts (Pilot NeGP)</td>
<td>Ongoing scheme</td>
<td>Implementation</td>
<td>Operational</td>
</tr>
<tr>
<td>2B</td>
<td>e-Courts</td>
<td>Sanctioned</td>
<td>Implementation</td>
<td>December 2008</td>
</tr>
<tr>
<td>3</td>
<td>EDI</td>
<td>Sanctioned</td>
<td>Implementation</td>
<td>December 2008</td>
</tr>
<tr>
<td>4</td>
<td>India Portal</td>
<td>Sanctioned</td>
<td>Post Implementation</td>
<td>Operational</td>
</tr>
<tr>
<td>5</td>
<td>NSDG</td>
<td>Sanctioned</td>
<td>Implementation</td>
<td>August 2008</td>
</tr>
</tbody>
</table>

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**National e-Governance Plan**

**Table 7.7: Activity Status of Mission Mode Projects under NeGP**

<table>
<thead>
<tr>
<th>Sl.No</th>
<th>MMP Scheme</th>
<th>Sanction Status</th>
<th>Project Stage</th>
<th>Completion date</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>e-Biz # Pilot</td>
<td>Sanctioned</td>
<td>Design &amp; Development</td>
<td>#</td>
</tr>
<tr>
<td>7</td>
<td>e-Procurement++</td>
<td>Scheme was to be prepared by March 2008, now it is communicated as NA</td>
<td>Design &amp; Development</td>
<td>March 2010</td>
</tr>
<tr>
<td><strong>ACTIVITY STATUS OF STATE MMPs</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Land Records Ph.I (Pil NeGP)</td>
<td>Operational</td>
<td>Operational in 12 States</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Land Records Ph.II &amp; Reg. (NLRMP)</td>
<td>Recommended for sanction by EFC</td>
<td>Conceptualisation</td>
<td>To be firmed up</td>
</tr>
<tr>
<td>3</td>
<td>Road Transport</td>
<td>Sanctioned</td>
<td>Implementation</td>
<td>October 2010</td>
</tr>
<tr>
<td>4A</td>
<td>Agriculture (Pil NeGP)</td>
<td>Operational</td>
<td>Operational</td>
<td></td>
</tr>
<tr>
<td>4B</td>
<td>Agriculture</td>
<td>Scheme to be approved by July, 2008</td>
<td>Conceptualisation</td>
<td>December 2011</td>
</tr>
<tr>
<td>5</td>
<td>Police</td>
<td>EFC note under circulation; being vetted by DIT</td>
<td>Conceptualisation</td>
<td>December 2010</td>
</tr>
<tr>
<td>6A</td>
<td>Treasuries (Pil NeGP)</td>
<td>Implementation</td>
<td>Under operation</td>
<td></td>
</tr>
<tr>
<td>6B</td>
<td>Treasuries++</td>
<td>Pilot implementation from April, 2008</td>
<td>Design &amp; Development</td>
<td>March 2010</td>
</tr>
<tr>
<td>7</td>
<td>Municipality+++</td>
<td>Approved</td>
<td>Design &amp; Development</td>
<td>2008-2013</td>
</tr>
<tr>
<td>8</td>
<td>e-District (Pilot)</td>
<td>Pilot in 14 States sanctioned</td>
<td>Design &amp; Development</td>
<td>T+18 months (T is date of approval)</td>
</tr>
<tr>
<td>9</td>
<td>Commercial Taxes</td>
<td>To be prepared</td>
<td>Design &amp; Development</td>
<td>To be firmed up</td>
</tr>
<tr>
<td>10</td>
<td>Gram Panchayat</td>
<td>EFC note for the scheme vetted by DIT and observations communicated to the Ministry</td>
<td>Conceptualisation</td>
<td>To be firmed up</td>
</tr>
<tr>
<td>11</td>
<td>Employment Exchange</td>
<td>To be prepared</td>
<td>Conceptualisation</td>
<td>To be firmed up</td>
</tr>
</tbody>
</table>

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**Source:** Based on information provided by NeGP (Programme Management Unit 16-10-2008)

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**Notes:**
- Earlier tender cancelled; new timelines under finalization.
- New timelines for preparation of scheme to be firmed up.
- EFC note under circulation; being vetted by DIT.
- EFC note under preparation by Planning Commission.
- To be implemented in 4 States.
### ACTIVITY STATUS OF CENTRAL MMPs

<table>
<thead>
<tr>
<th>Sl.No</th>
<th>MMP</th>
<th>Scheme Sanction Status</th>
<th>Project Stage</th>
<th>Completion date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>MCA 21</td>
<td>Sanctioned</td>
<td>Post Implementation</td>
<td>September 2006 (Completed)</td>
</tr>
<tr>
<td>2</td>
<td>Pensions</td>
<td>-do-</td>
<td>Post Implementation</td>
<td>March 2007 (Completed)</td>
</tr>
<tr>
<td>3</td>
<td>Income Tax</td>
<td>-do-</td>
<td>Implementation</td>
<td>December 2008</td>
</tr>
<tr>
<td>4A</td>
<td>Passport and Visa</td>
<td>-do-</td>
<td>Implementation</td>
<td>September 2009 (T+ 19 months) (T is contract award date)</td>
</tr>
<tr>
<td>4B</td>
<td>Immigration</td>
<td>Sanction expected by August 2008</td>
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<td>October 2009</td>
</tr>
<tr>
<td>5</td>
<td>Central Excise</td>
<td>Sanctioned</td>
<td>Implementation</td>
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<td>6</td>
<td>Banking</td>
<td>Industry Initiative</td>
<td>Implementation</td>
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<td>Insurance</td>
<td>Industry Initiative</td>
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</table>

### ACTIVITY STATUS OF INTEGRATED MMPs

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<tr>
<th>Sl.No</th>
<th>MMP</th>
<th>Scheme Sanction Status</th>
<th>Project Stage</th>
<th>Completion date</th>
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<tr>
<td>1</td>
<td>CSC</td>
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<td>June 2009</td>
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<td>Ongoing scheme</td>
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### ACTIVITY STATUS OF STATE MMPs

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<th>Sl.No</th>
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<th>Scheme Sanction Status</th>
<th>Project Stage</th>
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<td>Land Records Ph.I (Pre NeGP)</td>
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<td>Recommended for sanction by EFC</td>
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<td>Implementation</td>
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[9]Source: Based on information provided by NeGP Programme Management Unit (16.10.2008)
7.3.3.5 The table shows that while a number of projects are still in the conceptualization or design and development phase, others would be completed after 2008 (only the Central MMP pertaining to Income Tax and Integrated MMPs on EDI and NSDG are expected to be completed by 2008). Thus, in the post-NeGP scenario, only the Central MMPs pertaining to MCA 21 (Ministry of Corporate Affairs) and Pensions (Ministry of Personnel, Public Grievances and Pensions) have been completed. It is evident that e-Governance initiatives have been launched on a wide spectrum at one go which has possibly resulted in their slow progress. Projects related to technical tasks such as data architecture, standardization, inter-operability, data centres etc. are proceeding in tandem with those related to providing connectivity across the country as well as those pertaining to providing G2C, G2B and G2G services and information.

7.3.3.6 Of the three broad components of NeGP, the third one viz. the Mission Mode Projects have the potential of creating a direct impact on citizens. Often these are sectors where the citizens’ interaction with the Government produces maximum dissatisfaction and grievances. Unfortunately, these are the very sectors where progress in implementation in NeGP is lagging. There has been an absence of a clear strategy for governance reforms based on the development of a road-map for major e-Governance projects. Poor progress is due to a variety of factors including the volume and breadth of the transactions involved, prevalence of outdated and cumbersome procedures, inertia and resistance to change, the overhang of old and outdated records, inadequate attention to BPR and lack of clear demarcation of responsibility of the project authorities.

7.3.3.7 Most of the State level e-Governance projects under NeGP are still at the conceptual stage. The Union and State Governments have not been able to give momentum to these projects despite their best efforts. The Commission is of the view that many of these projects have pre-maturely gone ahead with the ICT component of the project without first prioritizing the governance reforms that are a pre-requisite for these projects. This would result in automation of the existing inefficiencies in the system. As mentioned earlier, the success of all these projects is heavily dependant on a radical overhaul of the existing systems and procedures. These projects also seem to suffer from absence of clear-cut division of responsibility and accountability as well as inadequate empowerment of the project management authorities.

7.3.3.8 Recommendations:

a. State Governments should first provide a clear mandate for governance reforms that must precede the e-Governance initiatives. This would involve, if necessary, changing procedures and even structures and statutes. Therefore as a first step, these issues need to be analysed, decision points identified and political approval taken.

b. The major decisions involved in (a) above should be identified by the State Level Apex Committee and approval of the State Government obtained within six months.

c. The Secretaries of the concerned departments should be entrusted with the responsibility of project implementation in unambiguous terms. They should be provided with the requisite authority and resources for project implementation.

d. Thereafter, the business process re-engineering and capacity building exercise should be completed by the concerned department within a maximum period of one year. The IT component of these projects should not be funded until this step is completed.

e. The Annual Performance Appraisal Report (APR) of public servants entrusted with the responsibility of project implementation under NeGP should have a separate entry for evaluation of their performance in this regard.

7.3.4 Analysis of Some Mission Mode Projects

In order to highlight the issues emerging out of the implementation of these Mission Mode Projects on e-Governance, the Commission has examined some of the projects. These are discussed below.
7.3.3.5 The table shows that while a number of projects are still in the conceptualization or design and development phase, others would be completed after 2008 (only the Central MMP pertaining to Income Tax and Integrated MMPs on EDI and NSDG are expected to be completed by 2008). Thus, in the post-NeGP scenario, only the Central MMPs pertaining to MCA 21 (Ministry of Corporate Affairs) and Pensions (Ministry of Personnel, Public Grievances and Pensions) have been completed. It is evident that e-Governance initiatives have been launched on a wide spectrum at one go which has possibly resulted in their slow progress. Projects related to technical tasks such as data architecture, standardization, inter-operability, data centres etc. are proceeding in tandem with those related to providing connectivity across the country as well as those pertaining to providing G2C, G2B and G2G services and information.

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e. The Annual Performance Appraisal Report (APR) of public servants entrusted with the responsibility of project implementation under NeGP should have a separate entry for evaluation of their performance in this regard.

7.3.4 Analysis of Some Mission Mode Projects

In order to highlight the issues emerging out of the implementation of these Mission Mode Projects on e-Governance, the Commission has examined some of the projects. These are discussed below.
7.3.4.1 Mission Mode Project on Computerization of Land Records

7.3.4.1.1 Background: Computerisation of land records in India has been going on for quite some time and the delays and problems associated with it highlight the major issues involved in implementation of e-Governance projects involving complex data bases and dealing with more than one statute. Government of India had initiated two Centrally Sponsored Schemes in the form of (a) Strengthening of Revenue Administration & Updating of Land Records (SRA&ULR) and (b) Computerization of Land Records (CLR).

7.3.4.1.2 The first scheme (i.e. SRA&ULR) was launched in 1987-88 with the objective of assisting the States and UTs in updating and maintaining land records, setting up and strengthening the survey and settlement institutions including the survey training infrastructure, modernization of the survey & settlement operations, and strengthening of the revenue machinery. Initially, the Scheme was approved for the States of Bihar and Orissa which was extended to other States/UTs, during 1989-90. While Central assistance to the States has been 50% on cost-sharing basis, in the case of the UTs, 100% assistance has been provided. About Rs. 41,000 crore has been released under this scheme since its inception; however, only 67.85% of the funding was utilized. Larger States where utilization was low are Chhattisgarh, Orissa, Gujarat, Bihar and Rajasthan with percentage utilization of 10.77, 22.75, 41.26, 45.27 and 48.80 respectively.

7.3.4.1.3 The second scheme (CLR) was launched in 1988-89 with pilot projects in 8 districts of 8 States with 100% Central assistance and was subsequently extended to cover the rest of the country. The main objective of the scheme was to ensure that the landowners get computerized copies of the RoRs (Records of Rights) on demand. The phased coverage of this scheme has already been discussed in Chapter 4.

7.3.4.1.4 The activities covered under this scheme included (1) undertaking data entry work, (2) setting up computer centres at the taluk/tehsil/block/circle levels and sub-divisional level, (3) establishing District Land Records Data Centres, (4) imparting training on computer awareness and application software to revenue officials for regular updating of record of rights and smooth operation of computer centres, (5) setting up of a monitoring cell at the State Headquarters and (6) digitization of cadastral maps. The present status of computerization of land records in the States and UTs, ‘as assessed through a detailed sizing exercise’, is presented in Table 7.8 below:

<table>
<thead>
<tr>
<th>SL.No.</th>
<th>Phase of Activity</th>
<th>State/UT</th>
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<td>1.</td>
<td>Still at preparatory stage</td>
<td>Jammu &amp; Kashmir, Punjab, Meghalaya, Chandigarh, Lakshadweep</td>
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<tr>
<td>2.</td>
<td>RoR data entry begun but not completed</td>
<td>Arunachal Pradesh, Bihar, Jharkhand, Kerala, Manipur, Mizoram, Nagaland, Andaman &amp; Nicobar Islands, Dadra &amp; Nagar Haveli, Daman &amp; Diu</td>
</tr>
<tr>
<td>3.</td>
<td>RoR data entry likely to be completed soon</td>
<td>Assam, Haryana, Himachal Pradesh, Orissa, Tripura, Puducherry</td>
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<tr>
<td>4.</td>
<td>RoR data entry completed</td>
<td>Chhattisgarh, Goa, Gujarat, Karnataka, Madhya Pradesh, Maharashtra, Rajasthan, Sikkim, Tamil Nadu, Uttar Pradesh, Uttarakhand, West Bengal, NCT of Delhi</td>
</tr>
<tr>
<td>5.</td>
<td>Manual issue of RoRs stopped</td>
<td>Gujarat, Karnataka, Madhya Pradesh, Maharashtra, Tamil Nadu, Uttar Pradesh, Uttarakhand, West Bengal</td>
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<tr>
<td>6.</td>
<td>RoR data placed on websites</td>
<td>Chhattisgarh, Gujarat, Madhya Pradesh, Orissa, Rajasthan, Uttarakhand</td>
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<td>7.</td>
<td>Funds received for digitization of cadastral maps</td>
<td>Andhra Pradesh, Assam, Bihar, Gujrat, Jharkhand, Haryana, Himachal Pradesh, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Manipur, Orissa, Punjab, Rajasthan, Tamil Nadu, Uttar Pradesh, Uttarakhand, West Bengal and Puducherry</td>
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7.3.4.1.5 As mentioned in paragraph 4.2.1.4 above, the implementation of the scheme was far from satisfactory and a committee on computerisation of Land Records was constituted by the Union Ministry for Rural Development. This committee made various suggestions.

7.3.4.1.6 The weaknesses in the SRA & ULR and CLR schemes which contributed to delays in their implementation in the last 20 years could be identified as follows (Source: DoLR):

107Annual Report, Union Ministry of Rural Development, 2007-08
108Refer to paragraph 4.2.1.2
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i. outdated records were being computerized and scanned.

ii. The most important activity for updation of land records, i.e., survey was neglected by most of the States. Further, technology options for surveys were not indicated.

iii. Both the schemes excluded inter-connectivity between GIS mapping and registration of documents.

iv. The choice of activities was left to the States and UTs. Each activity was a goal in itself. Most States/UTs chose activities that strengthened the revenue administration. For example, more than 90% of the SRA&ULR funds were utilized for construction activities.

v. Funds were thinly spread.

vi. Due to the absence of a time frame, the exit mode from the scheme was not defined.

vii. The system of monitoring was not specifically spelled out.

7.3.4.1.7 To assess the impact of various State-level e-Governance projects, the DIT had commissioned a survey-based study. The Report of this study (July 2008) prepared by the Centre for Electronic Governance, IIM, Ahmedabad draws attention to some basic issues, especially in case of projects involving computerization of land records and registration. These are mentioned below:

i. Computerized service delivery is in the early stages of evolution. In most States, land record computerization has been limited to the issue of Records of Rights (RoR). Mutation, which is a more complex process, has been computerized in just five States. No State in India has reached an evolved stage in land records computerization which integrates the functioning of the three related agencies – revenue department where land records are maintained; survey department where maps of land parcels are maintained; and registration department where deeds of sale/purchase of land are registered and maintained.

ii. Even basic computerized delivery has not reached the entire population in the States covered by the study. In most of the States, computerized delivery has not reached beyond the taluka level and in half the States, fifty per cent of the districts still operate services in a manual mode.

iii. E-government projects have not resulted in any significant transformation in the working of government organizations and processes which should be the key objective of an e-government project. In the land records computerization project, for example, the emphasis was on digitizing manual records, while in case of property registration, the emphasis was on converting the process of manual copying of registered deeds to scanning them. In many cases, even basic process reforms like simplification and rationalizing of forms, and putting in place an appointment and queue management system have not been undertaken. That is why most projects have not been able to harness the potential benefits that e-Governance can offer.

iv. There is a great deal of difference in the performance of the “best” and the “worst” State in case of these computerized applications. Given the fact that the processing steps in the delivery of these services can be similar across the States, there is no explanation for the variations in performance, other than the varying quality of process reform and design of these systems. This indicates that each State has chosen to design its application without learning from the available best practices. Therefore, for new initiatives, it is important to build the required capacity in both, the public and private sectors, for conceptualizing, designing and implementing basic process reforms.

7.3.4.1.8 In fact, in case of computerization of land records, the study revealed that only ten States had implemented the project on a scale which warranted an assessment. Rajasthan, Gujarat, Tamil Nadu, Uttarakhand, West Bengal, MP and Orissa have covered all talukas of the State. Services are delivered from departmental offices located at taluka headquarters. Only in Rajasthan are other channels such as cyber cafes used for delivering non-authenticated copies. In Himachal Pradesh, 65% of talukas have been covered while in Haryana and Delhi, computerization is at a nascent stage. Besides Tamil Nadu, all other States started the implementation after the year 2000. Two basic services have been computerized: issue of Records of Rights (RoR), which has been computerized in all States covered by the assessment; and mutation of land records upon a transfer of land to another owner, which has been implemented in five States. However, in case of mutation, even after computerization, agents continue to be used by a large proportion of users in four States. Only Gujarat has been able to eliminate the use of agents. 111

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7.3.4.1.9 The system of land records management varies from State to State depending upon their historical evolution and local traditions. Several departments are involved in managing land records in most of the States, and the citizen has to approach more than one agency for complete land records, e.g., Revenue Department for textual records and mutations; Survey & Settlement (or Consolidation) Department for the maps; Registration Department for verification of encumbrances and registration of transfer, mortgage, etc.; the Panchayats (in some States, for mutation), and the municipal authorities (for urban land records). These departments work in a stand-alone manner, and updating of records by any one of them makes the records of the others outdated. Thus, the records are almost always outdated and do not reflect the ground realities. Also, there is no integration of textual and spatial records, making it difficult to give maps-to-scale with the Records of Rights (RoR). Further, the most important activity for updating the records, i.e., survey has been neglected in most of the States. Original survey for cadastral mapping has not taken place in many parts of the country.

7.3.4.1.10 The Government of India have now decided to implement a modified Centrally-Sponsored scheme in the shape of the National Land Records Modernization Programme (NLRMP) by merging the two existing Centrally-Sponsored Schemes of computerization of Land Records (cLR) and Strengthening of Revenue Administration and Updating of Land Records (SRA&ULR) in the Department of Land Resources (DoLR), Ministry of Rural Development. The integrated programme is aimed at modernizing the system of management of land records, minimizing the scope of land disputes, enhancing transparency in the land records maintenance system and facilitating the eventual move towards guaranteed conclusive titles to immovable properties in the country. The major components of the programme are computerization of all land records including textual and spatial records, survey/re-survey and updation of all survey & settlement records including creation of original cadastral records wherever necessary, computerization of registration, development of core GIS and capacity building.

7.3.4.1.11 The driving force behind the launch of NLRMP is the need for a comprehensive modernization scheme which would integrate Land Records with Registration. The long-term goal of the NLRMP is to usher in a system of conclusive titles with title guarantee in the country. The system of conclusive titles as proposed under NLRMP is based on four principles:

i. Principle of a single agency to handle land records;
ii. the “mirror” principle, which states that, at any given time, land records mirror the ground reality;
iii. the “curtain” principle, which refers to the fact that the record of title is a true depiction of the ownership status, mutation is automatic following registration and title is a conclusive proof of ownership; and
iv. principle of title insurance - the title is guaranteed for its correctness and the party concerned is indemnified against any loss arising because of inaccuracy in this regard.

7.3.4.1.12 The basic premise under the NLRMP is that the present land records management system in India does not reflect any of these principles. Based on the field experience of the States/UTs and the technical agencies, the components and activities of NLRMP have been proposed as under:

i. Computerization of land records
   a. Data entry/re-entry/data conversion of all textual records including mutation records and other land attributes data
   b. Digitization of cadastral maps
   c. Integration of textual and spatial data
   d. Tehsil, sub-division/district data centres
   e. State-level data centres
   f. Inter-connectivity among revenue offices

ii. Survey/re-survey and updating of the survey & settlement records (including ground control network and ground ‘truthing’) using the following modern technology options:
   a. Pure ground method using electronic total station (ETS) and global positioning system (GPS); or

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112Source: Draft Guidelines on Implementation of the National Land Records Modernization Programme; http://dolr.nic.in/

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The State-level MMPs on land records and property registration under the NeGP would now be implemented under this new programme.

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   a. Pure ground method using electronic total station (ETS) and global positioning system (GPS); or
b. Hybrid methodology using aerial photography and ground truthing by ETS and GPS; or
c. High Resolution Satellite Imagery (HRSI) and ground truthing by ETS and GPS.

iii. Computerization of registration
   a. Computerization of the sub-registrars' offices (SROs)
   b. Data entry of valuation details
   c. Data entry of legacy encumbrance data
   d. Scanning & preservation of old documents
   e. Connectivity to SROs with revenue offices

iv. Modern record rooms/land records management centres at tehsil/taluk/circle/block levels

v. Training & capacity building: a) Training, workshops, etc. and b) Strengthening of the survey and revenue training institutes

vi. Core GIS
   a. Village index base maps from satellite imagery, for creating the core GIS
   b. Integration of three layers of data:
      1) Spatial data from aerial photographs or high-resolution satellite imagery
      2) Survey of India and Forest Survey of India maps
      3) Cadastral maps from revenue records.

vii. Legal changes
   a. Amendments to the Registration Act, 1908

b. Amendments to the State Stamp Acts

c. Other legal changes

d. Model law for conclusive titling.

viii. Programme management
   a. Programme Sanctioning & Monitoring Committee in the DoLR
   b. Core Technical Advisory Group in the DoLR and the States/UTs
   c. Programme Management Unit (PMU) in the DoLR and the States/UTs
   d. Information, Education and Communication (IEC) activities
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7.3.4.1.13 It is expected under NLRMP that the new data and the conclusive titles would be further linked to various activities and institutions for better governance and overall development. These may include activities pertaining to land acquisition and rehabilitation & resettlement, land use planning, cropping pattern and food security, disaster management and institutions such as banking, credit, and insurance. The benefits to the citizens under NLRMP are envisaged as follows:

i. Real-time records will be available to the citizen.

ii. Since the records will be placed on the websites with proper security IDs, property owners will have free access to their records while maintaining confidentiality.

iii. Free accessibility to the records will reduce interface between the citizen and the Government functionaries, thereby reducing rent seeking and harassment.

iv. Public-Private Partnership (PPP) mode of service delivery will further reduce citizen interface with Government machinery, while adding to the convenience.
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Abolition of stamp papers and payment of stamp duty and registration fees through banks, etc. will also reduce interface with the Registration machinery.

With the use of IT inter-linkages, the time for obtaining RoRs, etc. will be drastically reduced.

The single-window service or the web-enabled “anytime- anywhere” access will save the citizen, time and effort in obtaining RoRs, etc.

Automatic and automated mutations will significantly reduce the scope of fraudulent property deals.

Conclusive titling will also significantly reduce litigation.

These records will be tamper-proof.

This method will permit e-linkages to credit facilities.

Market value information will be available on the website to the citizen.

Certificates based on land data (e.g., domicile, caste, income, etc.) will be available to the citizen through computers.

Information on eligibility for Government programmes will be available, based on the data.

Issuance of land passbooks with relevant information will be facilitated.

The basic premise on which the NLRMP is formulated is that there is need for moving from presumptive titles (present RoRs) to conclusive titles. To achieve this, it is proposed that the ‘Torrens System’ needs to be adopted, which would require having a single agency to manage land records and result in the land records reflecting the ground reality (the ‘mirror’ principle). Thus, the record of title at any point of time would be the true depiction of ownership (the ‘curtain’ principle) and would be indemnified for correctness by the manager of land records. It is assumed that the present situation in India does not reflect any of these desirable situations and changing over to the Torrens System would guarantee these outcomes.

One of the outcomes envisaged under the NLRMP (by adopting the Torrens System) is that the land records at any point of time would reflect the ground position. It needs to be understood that the present institutional and legal framework in most of the States/UTs in India does accommodate the ‘mirror’ principle. Thus, the Karnataka Land Revenue Act, 1964 provides the following:

“Record of Rights. – (1) A record or rights shall be prepared in the prescribed manner in respect of every village and such record shall include the following particulars:

a) the names of persons who are holders, occupants, owners, mortgagees, landlords or tenants of the land or assignees of the rent or revenue thereof;

b) the nature and extent of the respective interest of such persons and the conditions or liabilities (if any) attaching thereto;

c) the rent of revenue (if any) payable by or to any of such persons; and

d) such other particulars as may be prescribed

(2) The record of rights shall be maintained by such officers in such areas as may be prescribed and different officers may be prescribed for different areas.

(3) When the preparation of the record of rights referred to in sub-section (1) is completed in respect of any village, the fact of such completion shall be notified in the official Gazette and in such manner as may be prescribed.

Acquisitions of rights to be reported. – (1) Any person acquiring by succession, survivorship, inheritance, partition, purchase, mortgage, gift, lease or otherwise, any right as holder, occupant, owner, mortgagee, landlord or tenant of the land or assignee of the rent or revenue thereof, shall report orally or in writing his acquisition of such right to the prescribed officer of the village within three months from the date of such acquisition, and the said officer shall at once give a written acknowledgment of the receipt of the report to the person making it:

Provided that where the person acquiring the right is a minor or otherwise disqualified, his guardian or other person having charge of his property shall make the report to the prescribed officer:

Provided further that any person acquiring a right by virtue of a registered document shall be exempted from the obligation to report to the prescribed officer:
v. Abolition of stamp papers and payment of stamp duty and registration fees through banks, etc. will also reduce interface with the Registration machinery.

vi. With the use of IT inter-linkages, the time for obtaining RoRs, etc. will be drastically reduced.

vii. The single-window service or the web-enabled “anytime- anywhere” access will save the citizen, time and effort in obtaining RoRs, etc.

viii. Automatic and automated mutations will significantly reduce the scope of fraudulent property deals.

ix. Conclusive titling will also significantly reduce litigation.

x. These records will be tamper-proof.

xi. This method will permit e-linkages to credit facilities.

xii. Market value information will be available on the website to the citizen.

xiii. Certificates based on land data (e.g., domicile, caste, income, etc.) will be available to the citizen through computers.

xiv. Information on eligibility for Government programmes will be available, based on the data.

xv. Issuance of land passbooks with relevant information will be facilitated.

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Provided also that any person reporting under this sub-section the acquisition by him of a right in partition in respect of the land shall annex with the report a sketch showing the metes and bounds and other prescribed particulars of such land and such person shall get the sketch prepared by a licensed surveyor.

Explanation I.- The rights mentioned above include a mortgage without possession but do not include an easement or a change not amounting to a mortgage of the kind specified in section 100 of the Transfer of Property Act, 1882 (Central Act No.4 of 1882).

Explanation II.- A person in whose favour a mortgage is discharged or extinguished or a lease determined acquires a right within the meaning of this section.

(2) Notwithstanding anything contained in sub-section (1), the State Government may, by notification, appoint any Revenue Officer to whom a report under sub-section (1) may be made, in which case such officer shall give a written acknowledgement of the receipt of such report to the person making it, and forward the report to the prescribed officer of the village concerned.”

7.3.4.1.16 In spite of clear cut legal provisions for maintenance of RoR and their regular updation to reflect ground realities, the fact remains that this does not take place. Thus a mandate alone is not adequate to guarantee the mirror principle. Therefore, what is required, apart from a strong legal framework, is the need for processes and institutional reforms combined with technology, to redress the situation.

7.3.4.1.17 As mentioned earlier, efforts for computerization of land records have been on-going for more than a decade. There has been some success in a few States. But this is limited to ‘textual computerisation’ of existing records. This by no standards is a mean achievement, as it has brought in transparency and improved accessibility to land records. However, two major problems remain. Firstly, the maps in use are totally outdated and secondly, the titles indicated in relation to the land are not up-to-date. Sometimes, the time lag is more than a generation.

7.3.4.1.18 These two basic problems would need to be addressed on a priority basis. Modern technology can be of assistance in quickly carrying out the measurements of land and this does constitute an important part of NeGP. But, unless mechanisms are put in place to ensure that any change in titles is quickly captured by the land records, any amount of ICT would not provide optimal solutions. Therefore, the existing mechanism for updating land records – which varies from State to State – would have to be analysed, improved and strengthened so that henceforth all transactions in titles are executed in the land records immediately.

7.3.4.1.19 NeGP focuses on integration of Registration with the Record of Right. But this by itself will not be sufficient, as a large number of changes in titles of land occurs through other means – namely, succession, will, partition, gift, survivorship etc. Therefore, any land record system should be able to detect such transactions and accordingly update the records.

7.3.4.1.20 Also, there are bound to be disputes where land titles are concerned. All State land records laws provide for a dispute resolution mechanism – the revenue courts. Over time, the functioning of this mechanism has left much to be desired. There is urgent need to build the capability of this mechanism.

7.3.4.1.21 Thus, if the technological part of the programme is not supported by complete business process re-engineering required for carrying out an extensive survey of the field situation, recording of the correct position, merger of agencies dealing with different aspects of landed property and maintenance of land records (i.e. titles in the proposed system) accompanied by changes in various statutes, the e-Governance project would not yield the desired results.

7.3.4.1.22 While the above discussion is concerned with lands lying in rural areas, in case of urban lands, the situation is graver as records are virtually non-existent. The NLRMP does not cover urban lands and properties. In fact, these are also not covered under the JNNURM. Growth in urbanization would result in continuous conversion of rural land into urban land. Thus, there cannot be two systems for management of rural and urban lands. However, the computerization and management of urban land records taken together with survey operations would pose challenges which would require devoting substantial human and financial resources along with making changes in processes and statutes. Thus, there is a pressing need for a de novo exercise in carrying out surveys and measurements in urban areas and devising a suitable system for titles.

7.3.4.1.23 Recommendations

a. Surveys and measurements need to be carried out in a mission mode utilizing modern technology to arrive at a correct picture of land holdings and land parcels and rectification of outdated maps.
Provided also that any person reporting under this sub-section the acquisition by him of a right in partition in respect of the land shall annex with the report a sketch showing the metes and bounds and other prescribed particulars of such land and such person shall get the sketch prepared by a licensed surveyor.

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7.3.4.1.23 Recommendations

a. Surveys and measurements need to be carried out in a mission mode utilizing modern technology to arrive at a correct picture of land holdings and land parcels and rectification of outdated maps.
This needs to be accompanied by an analysis of the existing mechanism for updating land records – which varies from State to State – to be supplanted by an improved and strengthened mechanism which ensures that all future transactions in titles are immediately reflected in the land records. Such a system should be able to detect changes in titles through various means – namely, succession, will, partition, gift, survivorship etc and update records accordingly.

c. The dispute resolution mechanism with regard to land titles needs to be strengthened in order to be compatible with the demands made on it.

d. In case of urban areas, a similar exercise needs to be undertaken especially since measurements and surveys have not been done in many of such areas and even record of titles is not available in most cities.

### 7.3.4.2 Passport & Visa MMP

**7.3.4.2.1** This is one of the important Central MMPs with the objective of providing e-services regarding applications for fresh passport, ECNR, renewal of passport, application status tracking etc. The Department of Information Technology, Government of India had commissioned a survey based study on the impact of some Central MMPs, which included the MMP on passports. Based on this study, the Centre for Electronic Governance, IIM, Ahmedabad has prepared a Report (September 2008) which highlights the main issues concerned with this MMP. These are outlined below.

**7.3.4.2.2** Computerization of passport offices was initiated as a pilot project at the Regional Passport Office (RPO) at Delhi in 1989. Subsequently, computerization was extended to all 34 passport offices across India. Computerization of passport offices was done in phases involving basic computerization of the office, Index card image capturing,113 online Index checking114 and passport printing. In addition, computerization of passport application collection centres, provision for authenticated e-mail services, communication between the passport offices and district offices through authenticated e-mail, electronic storage and retrieval of documents furnished by the applicants are also being undertaken. The online services were extended to cover the remaining passport offices in 2007-08. For online registration, an applicant needs to submit required information such as name, address, date of birth etc. through an online form. Upon successful registration, the applicant is required to submit the original application, supporting documents and fee at the passport office on pre-specified date. Other major services offered through the online mode include provisions to check the status of one’s application, download application forms, and access information on services and procedures. Passport services offered through the online mode can also be availed of through the manual mode. Most passport applicants, irrespective of the mode of application, prefer to engage an intermediary/agent to help in getting their application processed. The complicated process of passport application and the time required to pursue the application process may be responsible for dissuading applicants from personally submitting their applications. The use of online services is mainly limited to downloading of application forms and seeking information on application processes. Thus the Report concludes that:

- In the case of passports, the reduction in the number of trips and waiting time is very marginal as only submission of application was partially computerized leaving most of the back-end process in their old inefficient form.
- Online passport services are limited to partial e-enabling of the application procedure while the rest of the application process had remained more or less similar for both the online and offline applicants.
- Online provisioning of passport services is still at a nascent stage.

**7.3.4.2.3** Recently, Government has awarded the ambitious ‘Passport Seva Project’ contract to a private service provider entailing digitization of the entire passport services. This project is aimed at ending the serpentine queues and the long wait in issue of passport.115 It is expected that the process for issue of a new passport would be expedited to three working

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113 Scanning of Index cards allows simultaneous processing of the applications by different sections of the passport office, thereby making the processing of an application quicker.

114 This is done to verify if an applicant has applied for a passport before or already possess one. Checking is done using a phonetic search to match the applicant’s details and photograph with existing data in the master table of the online database server.

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days (or less), subject to police verification. Passports applied under the 'tatkal' scheme would be dispatched the same day, subject to address and police verification. While the Ministry of External Affairs (MEA) would continue to perform the sovereign function such as verification and grant of passport, all peripheral activities would be done by the private service provider.

7.3.4.2.4 The Ministry of External Affairs (MEA) now aims to nearly quadruple the number of passport counters to 1,250 from the current 345 and bring the entire process of issuing travel documents online. As many as 77 fully computerised new Passport facilitation centres would be opened across the country. To speed up the process of police verification, a secure network is also being set up. The Passport facilitation centres would act as primary hubs to support activities such as biometric capture, photograph, payment and verification and grant of passports in the presence of applicants for most cases. A call centre would be established to help the applicants with information regarding passport procedures and the status of submitted requests. Bangalore and Chandigarh will be the first to get the new Passport Seva Kendras by March 2009 which would be functional on a pilot basis.

7.3.4.2.5 As mentioned earlier, for any e-Governance initiative to succeed, there is need for identification of processes involved in providing any service, analysis of the validity of these processes and associated forms and re-engineering of these process keeping the concerns of simplicity and security in mind. While implementing, there is need for prioritization, keeping in view what could be achieved by internal computerization and connectivity and through an organisation's own database. The steps involving other databases and agencies could be implemented over time. In the case of passports, the use of biometrics for identification and digital photographs etc. (in the absence of unique national identity card), online payment, online application and tracking system etc. were activities which could have been identified earlier for inclusion in the e-Governance initiative. As the verification part is dependent on another organization and database, only when the records of the police organization are computerized, made up-to-date and online would the process be further expedited. It needs to be recognized that the whole process consists of three phases:

i. Pre-police verification phase

ii. Police verification phase

iii. Post-police verification phase

7.3.4.2.6 The Commission is of the view that the processes which precede and follow the police verification phase need to be re-engineered and put in e-Governance mode immediately. While the ultimate goal of this exercise should be integration with computerized and online police systems and citizen identification database, pending such integration the police verification exercise may be streamlined and made time-bound.

7.3.4.2.7 Recommendation

a. The entire passport issue process needs to be put on an e-Governance mode in phases. As the processes which precede and follow the police verification have already been re-engineered and put in e-Governance mode, this may be integrated with online police and citizen identification data bases. In the mean time, the process of police verification should be streamlined and made time bound.

7.3.4.3 Unique National Identity Number/Card

7.3.4.3.1 The need for a unique identity card for citizens has been considered necessary not only for security reasons but also for delivery of services to citizens and taking the development programmes to the target population. In fact, many of the developmental programmes and schemes (for example, NREGA) include provisions for identifying the target population. However, it has been observed that implementation of each new scheme culminates in a de novo exercise for identifying the target population without reference to any existing database. Even where databases do exist, their reliability remains doubtful as there is no system of continuous corroboration with the field situation and regular updation. On the other hand, illegal immigration into the country is now posing a serious threat to national security and one way of dealing with this issue is by means of a citizen’s identity number/card.

7.3.4.3.2 Government of India has already implemented a pilot project for a ‘Multi-purpose National Identity Card’ (MNIC) in select areas of 13 districts in 12 States and one Union Territory. This project had the following aims:

i. To create a credible individual identification system

ii. To allow speedy and efficient transactions between the individual and the service provider (government and non-government)

iii. To create a user-friendly interface between the citizen and the government

iv. To facilitate improvement in services to the people in ‘Below Poverty Line’ (BPL) or ‘Above Poverty Line’ (APL) categories
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iv. To facilitate improvement in services to the people in ‘Below Poverty Line’ (BPL) or ‘Above Poverty Line’ (APL) categories
v. To act as a deterrent for future illegal immigration.

7.3.4.3.3 Some of the districts covered under this project were Karimganj (Assam), Kathua (Jammu and Kashmir), Kachchh (Gujarat), Jaisalmer (Rajasthan), Pithoragarh (Uttarakhand), West Tripura (Tripura), Murshidabad (West Bengal) and Ramanathapuram (Tamil Nadu). Thus, this project has focused on select border areas of the country with illegal immigration in mind. To facilitate the project, Section 14A was inserted in the Citizenship Act, 1955 by way of the Citizenship (Amendment) Act, 2003 to provide for, inter alia, the following:

"(1) The Central Government may compulsorily register every citizen of India and issue national identity card to him.

(2) The Central Government may maintain a National Register of Indian Citizens and for that purpose establish a National Registration Authority."

As per Section 14A(3), the Registrar General, India shall act as the National Registration Authority.

7.3.4.3.4 The project was completed in March 2008 and more than 12 lakh identity cards have been issued to persons above 18 years of age. Twenty MNIC centres (one in each tehsil/block in the pilot areas) will remain functional till March, 2009 for updating of database and issuing identity cards to those who would attain the age of 18 years during this period. Thus, individuals below 18 years of age were outside the purview of this project.

7.3.4.3.5 With the completion of the MNIC project, the Planning Commission has been entrusted with the formulation of the Mission document for the UID project. As per the Eleventh Five Year Plan document, ‘the long-term objective of the UID Project is to create a Core Database (CBD) for all residents, each having a unique identification number, which is regularly updated and is easily accessible to, and is used by all departments for identification of residents in the country.’ The aim would be to use this CBD as the basis for identifying an individual and enabling cross-linkage of major databases in the country. The ‘unique identity’ is expected to reduce significantly identity related fraud and allow for better targeting of government schemes. It also envisaged that the UID Project will eventually become the underpinning of the Citizens Smart Card Project. The Smart Card would have a memory partitioned into distinct modules representing different entitlement groups for which free services or implicit/explicit subsidies are given. These would include food and nutrition, energy (kerosene, LPG, electricity), education and health services, civic amenities and services (drinking water, latrines/sanitation), employment (National Rural Employment Guarantee) and economic/farming (fertilizer, irrigation water, MSP). These separate modules could, in principle, be managed by the Ministry/Department under which the group falls. They would be responsible for setting up and maintaining the back-end financial and database system that is vital for eliminating errors of omission and commission and improving delivery efficiency. These Ministries/Departments would control the entry of data into their own module of the Smart Card. Any subsidy received by an individual would be entered on his/her Smart Card when the goods or service is delivered/charged for by the authorized supplier (for example, the fair price shop, kerosene/LPG dealer, fertilizer outlet). The rules and regulations for delivery of subsidy and its reimbursement to the goods/service supplier would be defined by the concerned department. The data entered on the Smart Card should, however, be accessible by all monitoring/evaluating agencies so that they can put together a picture of what subsidies are being received by whom, as well as those who are not receiving a subsidy for which they are eligible. To overcome initial problems, the Smart Card initiative for service delivery would go through a pilot phase before it is extended to all parts of the country. The Government of India has on November 10, 2008 approved the establishment of a Unique Identity Authority for the purpose of implementation of a Unique Identity System for all residents in the country. The scheme envisages that at the inception, the UID number will be assigned to all voters by building on current electoral roll data and progressively adding other persons including those below 18 years of age who do not figure in the voter lists.

7.3.4.3.6 Concerns have been raised that such cards would lead to invasion of privacy of an individual as the controller of the database would have, through linkages across different networks, a “global” view of a person’s activities. Concerns have also been raised regarding the need for a separate card when other pan-Indian cards are available.

7.3.4.3.7 The country presently possesses two mega databases which have a pan Indian presence: (a) The voter identity card, issued by Election Commission of India and (b) PAN (Permanent Account Number) card issued under Section 139A of the Income Tax Act, 1961. The voter identity card is issued to Indian citizens who have attained 18 years of age. On the other hand, Section 139 A of the IT Act requires every ‘person’ to obtain a PAN if

i. His/her total income exceeds the maximum amount which is not chargeable to tax, or

ii. His/her gross receipts etc exceed or are likely to exceed five lakh Rupees during a year (in case of business or profession), or

iii. He/she is required to furnish a return of income.

Source: http://pib.nic.in/release/rel_print_page1.asp?relid=43995
v. To act as a deterrent for future illegal immigration.

7.3.4.3.3 Some of the districts covered under this project were Karimganj (Assam), Kathua (Jammu and Kashmir), Kachchh (Gujarat), Jaisalmer (Rajasthan), Pithoragarh (Uttarakhand), West Tripura (Tripura), Murshidabad (West Bengal) and Ramanathapuram (Tamil Nadu). Thus, this project has focused on select border areas of the country with illegal immigration in mind. To facilitate the project, Section 14A was inserted in the Citizenship Act, 1955 by way of the Citizenship (Amendment) Act, 2003 to provide for, inter alia, the following:

“(1) The Central Government may compulsorily register every citizen of India and issue national identity card to him.

(2) The Central Government may maintain a National Register of Indian Citizens and for that purpose establish a National Registration Authority.”

As per Section 14A(3), the Registrar General, India shall act as the National Registration Authority.

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116Source: http://pib.nic.in/release/rel_print_page1.asp?id=645995
Further, the Union Government by notification may require a class or classes of persons by whom tax or duty is payable under any law or for the purpose of collecting any information, to obtain PAN.

7.3.4.3.8 The target population with respect to PAN is very wide and specific to the IT Act as Section 2(31) defines a ‘person’ to include an individual, Hindu Undivided Family, company, firm, association of persons, body of individuals whether incorporated or not, local authority and any other artificial juridical person. In case of individuals, there is no minimum age prescribed. In fact, it covers both residents and non-residents as the IT Act taxes ‘residents’ on their global income and ‘non-residents’ on their source income (subject to specific provisions). Another important point to consider is that as the PAN is inseparable from individual private consumption patterns (different from governmental transactions) through payment transactions, it does raise the threat of invasion of privacy if linked across departments.

7.3.4.3.9 On the other hand, the voter identity card is not a foolproof system as the requirements for providing proof of residence and identification while applying for a card is quite lax, which has resulted in illegal immigrants freely acquiring such cards.

7.3.4.3.10 Even in the US, a person needs to have either a Tax Identification Number (TIN) or a Social Security Number. As in India, the TIN applies to various categories of persons. However, in case of individuals, those who possess a Social Security Number are not required to have an Individual Tax Identification Number (ITIN). The social security program is formally known as the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund program which presently covers the three benefits for retirement, disability and death. A multitude of government agencies presently use the Social Security number as an identifier. However, there are certain individuals who are not covered by the social security program (e.g. family members of so called ‘green’ card holders etc.) who have to compulsorily acquire the ITIN.

7.3.4.3.11 The Commission is of the view that creation of a separate unique identity card system would only be useful if it is exhaustive, accurate and tamper proof. This would require creation of a database that links an individual to unique identifier which remains constant over his life time. Such identifiers may include parameters such as an individual parentage, date of birth, place of birth etc. In addition, the unique ID may capture other parameters such as place of residence, occupation, educational qualification etc. which are likely to change over the lifetime of an individual. Ideally, the unique ID should be based on a parameter that remains constant and which gets activated at the time of birth itself. At the age of 18, this card can automatically be activated as a voter identity card which would need to be extinguished after the death of the individual. This would mean that the panchayats and urban local bodies would need to play a proactive role in every hamlet, village and urban centre of the country in order to, without fail, account for every live birth and every death taking place within their jurisdiction and initiate the process of acquisition of a unique identity as also its extinguishing. This would, in turn, require equipping the local governments with the necessary capabilities for ensuring 100 per cent registration of all births and deaths in their jurisdictions. The Commission would therefore suggest that the newly created Unique ID Authority should take these aspects into account in order to develop an accurate and fool-proof unique identity card system for all Indian citizens. To start the process immediately, it may be desirable to give unique IDs prospectively for all future births that take place in the country. As the system stabilises, this could then be extended to all citizens in a phase manner.

7.3.4.3.12 Recommendation

a. The proposed Unique ID Authority should evolve a database of UIDs on the basis of permanent identifiers such as date of birth, place of birth etc. as described in paragraph 7.3.4.3.11.

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