9

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

EIGHTEENTH LOK SABHA

MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY

DEMANDS FOR GRANTS
(2025-26)

NINTH REPORT

LOK SABHA SECRETARIAT
NEW DELHI

March, 2025/ Phalguna, 1946 (Saka)

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MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY

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Presented to Lok Sabha on 21. 03.2025

Laid in Rajya Sabha on 20.03.2025

LOK SABHA SECRETARIAT
NEW DELHI

March, 2025/ Phalguna, 1946 (Saka)

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

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

INTRODUCTION

I, the Chairperson, Standing Committee on Communications and Information Technology (2024-25), having been authorized by the Committee to submit the Report on their behalf, present this Ninth Report on Demands for Grants (2025-26) of the Ministry of Electronics and Information Technology.

2. The Standing Committee on Communications and Information Technology (2024-25) was constituted on 26th September, 2024. One of the functions of the Standing Committee, as laid down in Rule 331E of the Rules of Procedure and Conduct of Business in Lok Sabha, is to consider the Demands for Grants of the Ministry concerned and make a Report on the same to the Houses.

3. The Committee considered the Demands for Grants pertaining to the Ministry of Electronics and Information Technology for the Financial Year 2025-26 which were laid on the Table of the House on 11th February, 2025. The Committee took evidence of the representatives of the Ministry of Electronics and Information Technology on 14th February, 2025.

4. The Report was considered and adopted by the Committee at their Sitting held on 18th March, 2025.

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

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

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

New Delhi;
18 March, 2025
27 Phalguna, 1946 (Saka)

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

Part-I
Report

I. Introductory

The Ministry of Electronics and Information Technology (MeitY) is responsible for formulation, implementation and review of national policies in the field of Information Technology, Electronics and Internet (all matters other than licensing of Internet Service Provider). While the vision of MeitY is e-Development of India as the engine for transition into a developed nation and an empowered society, its mission is to promote e-Governance for empowering citizens, promoting the inclusive and sustainable growth of the Electronics, IT & ITeS industries, enhancing India's role in Internet Governance, adopting a multipronged approach that includes development of human resources, promoting R&D and innovation, enhancing efficiency through digital services and ensuring a secure cyber space.

2. The objectives of this Ministry are:

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

3. In order to operationalize the objectives of the Ministry, schemes have been formulated and are being implemented. The schemes are implemented directly by the Ministry and through the organizations/institutions under its jurisdiction. To make the technology robust and State-of-the-Art, collaboration of the academia and the private/public sector is also obtained. The Ministry has under its control two Attached Offices, four Statutory Organizations and eight Autonomous organizations besides four Section 8 companies and a company registered under Companies Act 1956, to carry out the business allocated to the Ministry.

II. Implementation status of the Recommendations contained in the Fourth Report of the Committee on Demands for Grants (2024-25) of MeitY

4. The Fourth Report of the Standing Committee on Communications and Information Technology on the 'Demands for Grants' of MeitY for the year 2024-25 was presented to the Lok Sabha/laid in the Rajya Sabha on 18th December, 2024. Under Rule 34(1) of 'Rules of Procedure of Departmentally Related Standing Committees (DRSCs)', the Ministry/Department concerned is required to furnish a statement showing the action taken by them on the Observations/Recommendations contained in the Report of the Committee within three months from the date of the presentation of the Report. The Action Taken Notes are awaited from the Ministry.

III. Budget Analysis

The Ministry of Electronics and Information Technology (MeitY) presented Demand No. 27 for the Financial Year 2025-26 on 11.02.2025.

5. The budgetary allocation and utilization during the last and current financial years is as under:

(Rs. in crore)

Financial Year	Proposed	BE	RE	Actual Utilization	%age Utilization w.r.t. BE	%age Utilization w.r.t. RE
2024-25	25,641.75	21,936.90	17,566.31	8744.23 (As on 31.01.2025)	39.86%	49.77%
2025-26	28,223.78	26,026.25	-	-	-	-

6. The proposed budgetary support for the year 2024-25 was Rs. 25,641.75 crore and the amount allocated at BE stage was Rs. 21,936.90 crore and the same was reduced to Rs. 17,566.31 crore at RE stage. The actual utilization was Rs. 8744.23 crore as on 31.01.2025. During 2025-26, the proposed budgetary support was Rs. 28,223.78 crore and the amount allocated at BE stage was Rs. 26,026.25 crore. There has been a steep reduction in utilization w.r.t. BE (39.86%) during 2024-25.

7. Noting that even though there was under-utilization of funds during 2024-25; the Ministry had increased the Budgetary Estimates from an RE of Rs. 17,566 Cr in 2024-25 to Rs. 26026.25 crore for 2025-26 and in this regard, the Committee sought reasons for

seeking an increased allocation despite under-utilization of funds. To this, the Ministry replied:-

> "It is stated that the reasons for both underutilisation of funds during FY 2024-25 and increased allocation in FY 2025-26 are three important schemes of MeitY, viz., 'Production Linked Incentive Scheme (PLI)', 'Modified Programme for Development of Semiconductors and Display Ecosystem in India' and 'IndiaAI Mission'. In both PLI and Semiconductor schemes, expenditure/disbursement of incentives is dependent upon what the private companies are able to deliver. So, it is beyond the control of the Ministry. However, based on the estimated claims Ministry is likely to receive during FY 2025-26 under PLI scheme, status of approved projects under semiconductor scheme and progress made under IndiaAI Mission, the allocation under these schemes have been substantially increased."

8. Apprising about the hurdles faced during utilization of funds in 2024-25 and the steps contemplated to ensure optimum utilization of funds during 2025-26 so that the schemes of the Ministry are not get delayed in implementation, the Ministry submitted in their written reply as under:-

> "It is stated that no hurdle is being faced by MeitY in utilisation of funds for Digital India Programme and MeitY is likely to spend about 95% of the RE provision in FY 2024-25. However, underutilisation of funds happens in respect of incentive schemes, viz. PLI and Semiconductor schemes as more than 70% of the total scheme provision of MeitY belongs to these schemes. Utilisation of funds under these incentive schemes is dependent upon what the private companies are able to deliver. Keeping in view of the underutilisation of funds during the last 2-3 years and to ensure optimum utilisation of funds under PLI and Semiconductor schemes during FY 2025-26, the estimates received from industrial units have been reduced substantially. MeitY is hopeful that the allocated amount would be optimally utilised and any further requirement of funds would be projected to MoF at RE stage."

9. When the Committee sought reasons for reduction in the increase of allocation of funds for 2025-26 in comparison with the last five years and wanted to know the action plan of the Ministry to carry out the large volume of business allocated to it with comparatively less increase in allocation of funds, the Ministry submitted that:-

"The percentage increase in budget allocation during the last five years is given below:

Year	Budget Estimates (Rs. in crore)	Percentage increase w.r.t. Previous Year
2020-21	6899.03	-
2021-22	9720.66	41%
2022-23	14300.00	47%
2023-24	16549.04	16%
2024-25	21936.90	33%
2025-26	26026.25	19%

In 2021-22, the percentage was more due to more allocation of funds under the incentive schemes, viz. Promotion of Digital Payments (which has now been transferred to Ministry of Finance, Department of Financial Services) and Promotion of Electronics and IT Hardware Manufacturing. In FY 2022-23, the percentage increased even more due to launching of PLI Scheme with an allocation of Rs.5300 crore. However, the percentage increase was less in FY 2023-24 due to reduction in budget for Promotion of Electronics and IT Hardware Manufacturing as incentives for Promotion of Large-Scale Electronics Manufacturing and Promotion of IT Hardware Manufacturing were covered under PLI Scheme. In FY 2024-25, due to allocation of budget for the new schemes "Modified Programme for Development of Semiconductors and Display Manufacturing Ecosystem in India" and "IndiaAI Mission", the percentage again went up with regard to previous year allocation. However, in FY 2025-26, while the overall increase in budget is about Rs.4000 crore, yet the percentage increase is about 19%. MeitY is likely to manage with the allocation as per the scheme-wise distribution of funds. However, in case of requirement of additional funds, Ministry of Finance would be requested with proper justification to allocate the same at RE stage or through Supplementary Demands for Grants."

10. When asked about the overall impact of reduced allocation of funds to important schemes, primary reasons for under/sub-optimal utilization of allocated funds, steps taken to address the same and focus areas for the Ministry in this year's Demands for Grants, the Ministry replied as under:-

"The schemes under Digital India Programme except National Knowledge Network (NKN) have been allocated funds keeping in view of the requirement of funds projected by the Programme Divisions, status of various projects under the scheme, pace of expenditure in previous years, etc. Since NKN scheme is closing in March 2025, a token sum has been earmarked for this scheme for FY 2025-26 so that funds could be supplemented under this scheme, if the project duration is extended. MoF has recently approved extension of the project duration of this scheme with enhancement of the scheme outlay. Hence, MeitY would approach MoF for allocation of additional funds for this scheme through Supplementary Demands for Grants in FY 2025-26.

The primary reason for under/suboptimal utilization of allocated funds is mainly due to less expenditure under incentive schemes being implemented by MeitY. It is a fact that expenditure/disbursement of incentives under PLI and Semiconductor schemes is dependent upon what the private companies are able to deliver. So, it is beyond the control of the Ministry. However, MeitY is hopeful that the allocated amount in BE 2025-26 would be fully utilised.

The focus areas during FY 2025-26 would be to boost the global competitiveness of AI startups and researchers of India; enhance domestic manufacturing and attract large investments in mobile phones, specified electronic components and IT hardware; and provide attractive incentive support to companies or consortia that are engaged in Silicon Semiconductor Fabs, Display Fabs, Compound Semiconductors, Silicon Photonics, Sensors, including MEMS, Fabs, Discrete Semiconductor Fabs, Semiconductor Packaging, ATMP or OSAT and Semiconductor Design."

11. When the Committee asked the basis for increase or decrease of funds in certain schemes of the Ministry and whether any pre-budget study was done to arrive at such allocation of funds, the Ministry replied as under:-

"Budget projection and allocation is an annual exercise of each Ministry/Department. To arrive at adequate projection of funds, extensive pre-budget consultations with all the stakeholders are being done by this Ministry at each level, viz. Programme Division level, IFD level and finally Secretary level. In response to call for budget projections/proposals, Programme Divisions review the ongoing schemes/projects under their supervision in consultation with the

implementing agencies, industrial units, etc and provide budget projections for both ongoing projects and new projects likely to be implemented. These projections are then examined by the IFD/Budget Section, keeping in view of the basic criteria for increase or decrease of funds under a scheme, i.e., trend of expenditure during the previous years and justification for underutilisation of funds (if any); projects being implemented under the scheme; justification for requirement of more or less funds; total scheme outlay approved by the competent authority; scheme/project duration etc. The proposals with the recommendations of IFD are then discussed in the Group Co-ordinators' meeting under the chairmanship of Secretary (MeitY). Based on the discussions, MeitY forwards scheme-wise budget projections to MoF. Then, MoF examines the proposal of the Ministry and holds Pre-Budget meeting under the chairmanship of Secretary (Exp) with Financial Adviser and other representatives from the Ministry to discuss the requirement of funds under each scheme. Based on the discussion, MoF allocates funds which are usually less than the projections made by the Ministry. MeitY then distributes the allocated funds under various schemes keeping in view of the priority areas and unavoidable/committed expenditure under various schemes."

12. Asked about the reasons for variation between BE 2024-25 and BE 2025-26 under the Revenue Head, the Ministry in their written statement submitted that:-

"The revenue provision in BE 2025-26 has been increased by Rs.4227.22 crore than that of in BE 2024-25. The increased provision in BE 2025-26 is mainly due to increased allocations of Rs.4345.25 crore made for IndiaAI Mission, Production Linked Incentive (PLI) scheme and Modified Programme for Development of Semiconductors and Display Manufacturing Ecosystem in India schemes. It is worth-mentioning that Government of India has allocated this increased provision to boost the global competitiveness of AI startups and researchers of India, domestic manufacturing and attract large investments in mobile phones and specified electronic components and IT hardware as well as to provide attractive incentive support to companies or consortia that are engaged in Silicon Semiconductor Fabs, Display Fabs, Compound Semiconductors, Silicon Photonics, Sensors, including MEMS, Fabs, Discrete Semiconductor Fabs, Semiconductor Packaging, ATMP or OSAT and Semiconductor Design. Similarly, budget provisions for FY 2025-26 in respect of PLI and Semiconductor schemes

have been made based on the projections received from applicants for respective schemes."

13. For the variations between BE 2024-25 and BE 2025-26 under the Capital Head, the Ministry submitted that:-

"The capital provision in BE 2025-26 has been decreased by Rs.137.87 cr from that of provided in BE 2024-25. The variation is due to less requirement of capital funds by NIC in view of engagement of Managed Service Providers (MSPs) for carrying out the security operations of the Data Centres of NIC across the country".

14. Scheme-wise details of BE, RE and Actual Expenditure from 2022-23 to 2024-25 and BE for 2025-26 as furnished by the Ministry is as under:-

S. No.	Scheme/Non-Schemes	2022-23			2023-24			2024-25			2025-26	
		BE	RE	Actual	BE	RE	Actual	BE	RE	Actual*	Proposed	BE
1	**Secretariat (MeitY)**	**109.82**	**140.00**	**128.94**	**140.00**	**145.00**	**152.73**	175.00	**210.00**	**131.58**	**220.00**	210.25
2	**National Informatic Centre (NIC)**	**1450.00**	**1463.45**	**1390.71**	**1527.26**	**1552.00**	**1406.19**	1748.64	**1538.34**	**1036.55**	**1900.00**	1600.00
3	**Regulatory Authorities**	**344.00**	**311.00**	**296.26**	**373.50**	**377.50**	**396.68**	**429.00**	**408.00**	**326.62**	**491.00**	**445.00**
3.1	STQC Programme	120.00	120.00	110.33	135.50	157.00	136.38	175.00	150.00	92.90	200.00	170.00
3.2	Cyber Security (CERT-In), NCCC & Data Governance	215.00	180.00	176.50	225.00	208.00	249.28	238.00	241.00	223.26	270.00	255.00
3.3	Controller of Certifying Authority (CCA)	9.00	11.00	9.43	13.00	12.50	11.02	14.00	15.00	10.46	16.00	15.00
3.4	Data Protection Board							2.00	2.00	0.00	5.00	5.00
	SCHEMES											
4	**Digital India Programme**	**5376.18**	**5400.50**	**3863.13**	**4795.24**	**4428.01**	**4174.14**	**4768.26**	**4173.00**	**3371.07**	**6741.78**	**6071.00**
4.1	Electronic Governance incl. EAP	525.00	525.00	216.32	555.74	588.00	571.64	650.00	656.00	647.83	567.52	617.00
4.2	Manpower Development	350.00	250.00	78.64								
4.3	National Knowledge Network	650.00	485.25	323.26	352.00	582.00	581.94	240.26	490.26	464.17	496.00	0.25
4.4	Promotion of Electronics & IT Hardware mfg. (MSIPS, EDF and Manufacturing Clusters)	2403.00	1199.00	634.03	700.00	700.00	694.27	750.00	677.68	427.29	912.00	712.00
4.5	Promotion of IT & ITeS Industries	100.00	89.25	66.08	150.00	120.00	115.76	130.00	128.50	45.51	130.00	130.00
4.6	Cyber Security Projects	300.00	100.00	30.11	400.00	400.00	316.51	759.00	322.00	193.51	606.26	782.00
4.7	R&D in IT/Electronics/CCBT	598.17	365.00	275.07	600.00	1000.00	877.09	1148.25	1183.56	1071.43	1400.00	1249.75
4.8	PMGDISHA	250.00	250.00	250.00								
4.9	Promotion of Digital Payments (Renamed as Promotion of Digital Transactions w.e.f. 1.4.2024)	200.00	2137.00	1989.62	1500.00	584.00	582.75	1.50	4.50	1.37	5.00	5.00
4.10	Champion Service Sector Scheme	0.01	0.00	0.00								
4.11	Capacity Building and Skill Development Scheme				537.50	454.01	434.16	537.50	537.50	509.96	625.00	575.00
4.12	IndiaAI Mission							551.75	173.00	10.00	2000.00	2000.00
5	**Other Central Sector Schemes/Projects**	**5300.00**	**2403.00**	**1667.95**	**7645.04**	**6063.24**	**4965.51**	**13103.00**	**9593.47**	**2509.33**	**17000.00**	**16000.00**
5.1	Modified Programme for Development of Semiconductors and Display Manufacturing Ecosystem in India		200.00	13.00	3000.00	1503.36	681.11	6903.00	3816.47	695.97	8000.00	7000.00

S. No.	Scheme/Non-Schemes	2022-23			2023-24			2024-25			2025-26	
		BE	RE	Actual	BE	RE	Actual	BE	RE	Actual*	Proposed	BE
5.2	Production Linked Incentive Scheme (PLI)	5300.00	2203.00	1654.95	4645.04	4559.88	4284.40	6200.00	5777.00	1813.36	9000.00	9000.00
6	**Assistance to Autonomous and Other Bodies**	**1720.00**	**2002.00**	**1873.29**	**2068.00**	**1855.50**	**1751.86**	**1713.00**	**1643.50**	**1369.08**	**1871.00**	**1700.00**
6.1	Centre for Dev. of Advanced Computing (C-DAC)	250.00	250.00	250.00	270.00	270.00	270.00	270.00	270.00	202.25	285.00	275.00
6.2	Centre for Materials for Electronics Technology (C-MET)	100.00	100.00	62.31	110.00	100.00	83.02	110.00	90.00	85.50	115.00	100.00
6.3	Society for Applied Microwave Electronics Engg & Research (SAMEER)	150.00	140.00	131.39	160.00	150.00	150.00	160.00	160.00	120.83	165.00	160.00
6.4	Unique Identification Authority of India (UIDAI)	1110.00	1110.00	1219.65	940.00	800.00	800.00	600.00	600.00	600.00	700.00	600.00
6.5	Digital India Corporation (DIC)	10.00	10.00	6.08	11.00	13.00	15.00	13.00	13.50	13.50	15.00	15.00
6.6	Bhaskaracharya National Institute for Space Applications and Geo-Information	100.00	72.00	0.00	44.00	29.50	23.90	20.00	20.00	20.00	50.00	50.00
6.7	Semi-Conductor Laboratory (SCL)		320.00	203.86	533.00	493.00	409.94	540.00	490.00	327.00	541.00	500.00
	Grand Total	**14300.00**	**11719.95**	**9220.28**	**16549.04**	**14421.25**	**12847.09**	**21936.90**	**17566.31**	**8744.23**	**28223.78**	**26026.25**

(i) Position of Outstanding UCs and unspent Balances with States' implementing agencies

15. On outstanding UCs and unspent Balances, the Ministry has submitted the following details (as on 3rd February, 2025):-

	Amount (Rs. in crore)	**No. of UCs**
Utilization Certificates due	33.37	5
Unspent Balances for which UCs are not due	4713.15	1116
Total Unspent Balance with implementing Agencies	**4746.52**	**1121**

16. While furnishing the information regarding the measures taken by the Ministry for timely submission of UCs by the States/implementing agencies, the Ministry submitted as under:-

"The liquidation status of pending UCs as on 1.4.2024 and 03.02.2025 as given below is an indication of fruitful measures being taken by MeitY to reduce the pending UCs and thereby heading towards zero pending UC".

	As on 01.04.2024	As on 03.02.2025	Difference/ Liquidated (As on 03.02.2025)	% of Liquidation
Number of pending UCs	20	5	15	75%
Pending Amount (Rupees in crore)	62.13	33.37	28.76	46%

17. When the Committee desired to know how the Ministry proposed to resolve the issue of UCs within approx. 2 months as more than half of liquidation of UCs was pending, the Ministry replied as under:-

"The current status of pending UCs as on 24.02.2025 is as under:

	As on 01.04.2024	***As on 03.02.2025***	***As on 24.02.2025***	***Difference/ Liquidated as on***		***% of Liquidation as on***	
				03.02.2025	*24.02.2025*	*03.02.2025*	*24.02.2025*
Number of pending UCs	*20*	*5*	*3*	*15*	*17*	*75%*	*85%*
Pending Amount (Rupees in crore)	*62.13*	*33.37*	*28.32*	*28.76*	*33.81*	*46%*	*54%*

It is a fact that MeitY is heading towards zero pending UCs. However, 3 pending UCs amounting to Rs.28.76 crore and concerning Government of Chhattisgarh and Government of West Bengal are lying pending. The concerned State Governments and the implementing agencies are being pursued regularly for the settlement of these UCs. The details of these pending UCs are given below:-

- One pending UC amounting to Rs.12.52 crore pertains to Chhattisgarh State Industrial Development Corporation (CSIDC), Raipur. MeitY has been pursuing the matter with CSIDC and the pending UC is likely to be received soon.
- Two pending UCs amounting to Rs.15.40 crore pertain to West Bengal Electronics Industry Development Corporation (WEBEL), Govt. of West Bengal. Secretary (MeitY) has written a D.O. letter to the Chief Secretary of Govt. of West Bengal for settlement of the UCs immediately. The Programme Division has also been pursuing the matter with WEBEL for early settlement of the UCs."

IV. National Informatics Centre (NIC)

NIC which was established under MeitY is the technology partner of the Government of India. It was established in 1976 with the objective of providing technology-driven solutions to Central and State Governments. The mandate of NIC is to be the technology partner of the Government, design and develop IT Systems for the Government, provide

ICT Infrastructure to the Government and explore and advise on use of Emerging Technologies. Since its inception, NIC has been a driving force for digital advancements that promotes sustainable development. With over 47 years of experience, NIC has played a crucial role in providing support for ICT and e-Governance. Through the creation of NICNET, the ICT Network, NIC has established connections with Central Government Ministries/Departments, 36 State Governments/UTs, and more than 758 District administrations in India, aligning itself with the goals of the Digital India program. NKN is an innovative, cutting-edge, robust, and secured network, which provides a centralized multi-gigabit high-speed digital connectivity backbone for research & educational institutions and Government Organisations spread across India. NKN was approved in March 2010 by Cabinet Committee of Infrastructure (CCI) to be implemented by National Informatics Centre (NIC) over a period of 10 years at a total outlay of Rs. 5,990 Crore, which has been enhanced to Rs. 6956.88 crore. Subsequently, duration of NKN has been extended year-on-year with the current extension being till 31st March 2025. The approval for the next phase of NKN [i.e. National Knowledge Network Phase II] is under process. NKN has been playing a vital role in enhancing digital capabilities and implementing the digital initiatives of the Government of India. NKN addressed the challenging task of providing a robust and secured network which enabled the government to implement Government to Government (G2G) and Government to Citizen (G2C) services seamlessly and in time bound manner for implementing the services.

18. The BE provided for the year 2025-26 is Rs. 1600.00 crore. The details of BE, RE and actual expenditure in respect of National Informatics Centre (NIC) from 2022-23 onwards is as under:

(Rs. In crore)

Financial Year	Proposed	BE	RE	Actuals
2022-23	1500.00	1450.00	1463.45	1390.71
2023-24	1600.00	1527.26	1552.00	1406.19
2024-25	1840.00	1748.64	1538.34	1036.55*
2025-26	1900.00	1600.00	**----**	----

**As on 31.01.2025*

19. Observing that funds allocated to NIC have been slashed to Rs. 1600.00 crore in 2025-26 from Rs. 1748.64 crore in 2024-25 i.e. a decrease of nearly Rs. 149 crores, the Committee asked the Ministry to explain how it expected NIC to fulfill its mandate of e-governance and ICT infrastructure and achieve the targets with a significantly reduced budgetary allocation. To this, the Ministry submitted the reply as under:-

"NIC will achieve its mandate of e-Governance ICT Infrastructure with the allocated budget of Rs. 1600.00 crore during the FY 2025-26. Since the funds allocated to NIC are mainly for establishment related expenses, any shortfall in budget requirements would be considered at RE stage."

V. Regulatory Authorities

(i) Standard Testing and Quality Certification (STQC)

STQC was established in 1978 as a Programme Division of erstwhile DoE in accordance with the recommendation of Bhabha Committee Report. Thereafter, it was declared as an attached office of DoE in 1985. Its mandate is to support quality assurance of small and medium scale Electronics Industries. Under STQC Directorate, 4 Electronics Regional Test Laboratories (ERTLs) and 11 Electronic Test and Development Centres and one Centre for Reliability (CFR) are functioning pan India. STQC IT Centres are co-located with all ERTLs and ETDCs.

The STQC's vision and objective is mentioned below:

- Support Ministry of Electronics & Information Technology's initiatives in the key areas like e-Government, e-Industry, e-Innovation / R&D , e-Learning, e-Security, e-Inclusion, Internet Governance through Quality & Security evaluations of IT systems and other projects of national importance.
- Formulation of e-Governance Standards/Guidelines/Frameworks in emerging areas/technologies.
- Become a key player in national measurement assurance system by providing test & calibration facilities in emerging technologies.
- Providing accredited certification services for processes and products for global compliance.
- Capacity building in the area of services being offered.
- Continuously improving efficiency and effectiveness of STQC processes.

20. The budgetary allocation and utilization during the last four years and the BE for the current year are as under:-

(Rs. in crore)

	2021-22	2022-23	2023-24	2024-25	2025-26
Proposed	200.00	157.00	139.50	220.00	200.00
BE	120.00	120.00	135.50	175.00	170.00
RE	114.91	120.00	157.00	150.00	----
Actual	102.06	110.33	136.38	92.90*	----
% w.r.t. RE	89%	92%	87%	62%*	----

**As on 31.01.2025*

21. The Committee observed that the funds allocated to STQC has come down from Rs. 175.00 crore in 2024-25 to Rs. 170.00 crore in 2025-26. In view of it, the Committee asked the Ministry to furnish the reasons for reduction of funds as there are greater challenges involved currently in testing and quality certification and information process audit in India. The Ministry replied:-

> "The reduction in the BE for 2025-26 compared to the BE for 2024-25 is only Rs. 5.0 Crore, primarily due to adjustments in various revenue heads such as LTC, OE Medical, and Material & Supplies. These adjustments align with past actual expenditures and current trends observed during the ongoing financial year. There is also a slight reduction in the Capital Head – ICT, as several major procurements under this Head have already been completed in the current financial year. While a few procurements are anticipated in the next financial year, an allocation of Rs. 5.0 Crore has been secured for this purpose. In order to maintain fiscal prudence and avoid blocking government funds, any additional requirements will be proposed during the RE stage."

22. When asked about the targets set during 2025-26 and measures being taken to achieve the same, the Ministry has stated that:-

- "Approximately 102 vacant Group "B" positions have been identified for recruitment through NIELIT. STQC intends to fill Group "A" vacancies caused by retirements up to 31.12.2025.
- The construction of the STQC building in Sector 62, Noida, is underway and is expected to be completed by February 2026.
- STQC is planning to modernize various labs/centres throughout the year 2025-26.
- STQC plans to acquire the land and building infrastructure of ETDC, Chennai, from the Tamil Nadu State Government.
- A detailed study on the construction of a lab building for ETDC Jaipur and staff quarters for ERTL (West), Mumbai, is also scheduled.
- Renovations are planned for the guest houses located at ETDC, Bangalore; ETDC, Hyderabad; and ETDC, Guwahati.
- STQC aims to procure additional Environmental Test facilities in the second phase, with an investment of Rs. 12.0 Crores.

- An upgrade of EMI/EMC and Safety Test facilities is planned, amounting to Rs. 8.0 Crore.
- In response to the PPO/CRO mandate for STQC, a Network Scanning tool will be procured for six centres at a cost of Rs. 2.2 Crore. Additionally, the second phase of lab process automation will be completed using the remaining ICT budget allocation."

(ii) Cyber Security (CERT-in)

The Indian Computer Emergency Response Team (CERT-In) is a Government organisation under MeitY, Government of India. It has been designated to serve as National agency for incident response under Section 70B of the Information Technology Act, 2000. It operates 24x7 incident response Help Desk for providing timely response to reported cyber security incidents. It provides Incident Prevention and Response services as well as Security Quality Management Services. It performs the following functions in the area of cyber security:-

a. Collection, analysis and dissemination of information on cyber security incidents.

b. Forecast and alerts of cyber security incidents.

c. Emergency measures for handling cyber security incidents.

d. Coordination of cyber security incident response activities.

e. Issue guidelines, advisories, vulnerability notes and white papers relating to information security practices, procedures, prevention, response and reporting of cyber incidents.

f. Such other functions relating to cyber security as may be prescribed.

23. The budgetary allocation and utilization during the last four years and the BE for the current year are as under:-

(Rs. in crore)

	2021-22	**2022-23**	**2023-24**	**2024-25**	**2025-26**
Proposed	500.00	500.00	250.00	250.00	270.00
BE	216.00	215.00	225.00	238.00	255.00
RE	213.30	180.00	208.00	241.00	----
Actual	193.69	176.50	249.28	223.26*	----
% w.r.t. RE	91%	98%	120%	93%*	----

**As on 31.01.2025*

24. When the Committee wanted to know the major impediments that were being encountered and the measures taken by the Ministry to address them along with the present status of functioning, the Ministry submitted:-

"The major impediments being encountered and measures to address them as well as the achievements made are briefed below:

Impediments

CERT-In is in urgent need of additional manpower to keep up with the rapid increase in the incidents and cyber security issues, urgent nature of incident response activities including onsite response, to sustain key current as well as planned new activities / projects and to address cyber security issues pertaining to emerging technologies and areas.

To address the challenge, CERT-In has moved a proposal for creation of additional posts at various levels. The proposal has been examined at Department of Expenditure and certain details were sought by them. The requisite details were prepared and the proposal has been resubmitted to Department of Expenditure for consideration.

In addition, CERT-In is in need of dedicated space for its offices, data centre and disaster recovery site."

25. The Committee asked the Ministry to apprise of the action taken by the Department of Expenditure in this regard and further asked the Ministry how in absence of requisite manpower, CERT-In has been able to upkeep the Country secure from cyber security issues alongwith highlighting major cyber security untoward incidents which might have happened due to non-deployment or lack of sufficient staff/experts, and the Ministry in their written reply submitted that:-

"CERT-In is operating 24x7 helpdesk for cyber security incident reporting and response. In order to enhance cyber security posture of the country, CERT-In is providing proactive services for detection and prevention of cyber security incidents across sectors such as tracking emerging cyber threats, issuing alerts and advisories, providing cyber threat intelligence to organizations etc. CERT-In is also providing cyber security assurance services such as empanelment of information security auditors, conducting cyber security mock drills, enabling orgnisations to implement Cyber Crisis Management Plan (CCMP) etc.

Due to the exponential penetration of ICT in each sector as well as society at large, the attack surface has increased. To keep up with the evolving complex threat scenario, there is a need for constant upgradation of human resources at CERT-In.

Cyber security incidents such as ransomware attacks adversely affect operations and services of affected entities and require rapid response. CERT-In faces challenges due to in-sufficient manpower while conducting onsite incident response activities to help affected entities in containment of incident and reducing the impact and resume operations in reasonable time.

Further, manpower is also required for continuous intelligence gathering for countering cyber threats, augmentation of technological solutions to deal with cyber security issues related to emerging technologies such as AI, Cloud, Internet of Things, conducting training programs and mock drills/exercises for organisations across sectors, analysing cyber security audit reports and reinforcing security best practices, collaborating with Industry and international CERTs for developing best practices and conducting joint capacity building programs."

26. When the Ministry asked about measures envisaged by MeitY for ensuring equitable digital access across urban and rural areas as cases of digital arrests and online financial frauds are rampant along with the steps/initiatives taken by Ministry to create awareness among masses regarding digital and cyber security precautions in online transactions, the following was submitted:-

"CERT-In is carrying out various activities and campaigns for creating cyber security awareness and sensitizing internet users for safeguarding from various cyber threats, and frauds. CERT-In is observing Cyber Security Awareness Month during October of every year, Safer Internet Day on 1st Week Tuesday of February Month every year, Swachhta Pakhwada from 1 to 15 February of every year and Cyber Jagrookta Diwas (CJD) on 1st Wednesday of every month by organising various events and activities for citizens as well as the technical cyber community in India. CERT-In officials are providing Cyber security and Cybercrime frauds awareness sessions to different Ministries, Government Departments, Private organizations, Educational institutions and Industry across the country.

Cyber Swachhta Kendra (CSK) is a citizen-centric service provided by CERT-In, which extends the vision of Swachh Bharat to the Cyber Space. Cyber Swachhta Kendra is the Botnet Cleaning and Malware Analysis Centre and helps to detect malicious programs and provides free tools to remove the same, and also provides cyber security tips and best practices for citizens and organisations.

CERT-In has released a "Cyber security Awareness handbook for Digital Nagriks and Digital Enterprises" during the National Cyber security Awareness Month, October 2024 to create more awareness on the Cyber security best practices and reporting mechanisms.

CERT-In has also released Digital Safety Compass Booklet for Digital Nagriks and Digital Enterprises during the Safer Internet Day on 11 February 2025 to educate the users on the best practices that needs to be followed for using the internet in a safe and secure manner.

CERT-In is regularly sharing safety and security tips and awareness posters, info-graphics and videos through its official websites and social media handles such as Facebook, X (Twitter), Instagram, YouTube and LinkedIn for sensitizing internet users on cyber security attacks and frauds and prevention measures.

Further, Ministry of Electronics and Information Technology (MeitY) is implementing 'Information Security Education and Awareness (ISEA) Project' for generating human resources in the area of Information Security and creating general awareness on various aspects of cyber hygiene/cyber security among the masses. Details of various activities carried-out under the said project are as under:

- As a part of Awareness activities, 3,583 awareness workshops on Information Security have been organized through direct/virtual mode across the country for school & colleges students, teachers, faculty, Government personnel, LEAs, general users, parents, women, CSCs, etc. covering 8,12,740 participants. In addition, 1,26,173 school teachers have been trained as master trainers in 43 training programs. Besides this, around 10.74 crore estimated beneficiaries have been covered so far through indirect mode.
- In addition, multilingual awareness material in the form of handbooks, short videos, posters, brochures, cartoon stories for children, advisories, etc. on various aspects of cyber hygiene & cyber security incl. digital arrest and digital financial transactions have been made available through www.isea.gov.in and https://staysafeonline.in/."

VI. Digital India Programme

According to the Ministry,Digital India is a flagship programme of the Government of India which aims to transform India into a digitally empowered society and knowledge economy. It weaves together a large number of ideas and thoughts into a single comprehensive vision so that each of them is seen as part of a larger goal. The focus of the Digital India Programme (DIP) is on being transformative to realize - IT (Indian Talent) + IT (Information Technology) = IT (India Tomorrow) and making technology central to enable change. The programme targets to provide digital services, digital access, bridge the digital divide, language divide and thereby, ensure digital inclusion, financial inclusion, and digital empowerment. The targets are sought to be achieved with the power of technology that is affordable, developmental, sustainable, and inclusive. The vision is centred on three key areas, namely Infrastructure as Utility to Every Citizen, Governance & Services on Demand and Digital Empowerment of Citizens.

27. The budgetary allocation and utilization during the last four years and the BE for the current year in respect of Digital India Programme as furnished by the Ministry are as under:-

(Rs. in crore)

	2021-22	2022-23	2023-24	2024-25	2025-26
Proposed	9527.00	6653.21	7957.92	5592.75	6741.78
BE	6806.33	5376.18	4795.24	4768.26	6071.00
RE	6388.00	5400.50	4428.01	4173.00	----
Actual	4504.36	3863.13	4174.12	3371.07*	----
% w.r.t. RE	71%	72%	94%	81%*	----

**As on 31.01.2025*

28. The Ministry in their submission stated that:

"The objective of the program is to ensure the availability of trained human resources for the manufacturing & service sectors of Electronics and IT industry. Initiatives include identifying gaps emerging from the formal sector and planning programmes in non-formal and formal sectors for meeting these gaps. This includes Skill Development in the domain of Electronics & IT and related areas. Major projects being implemented under this Scheme include: Visvesvaraya PhD Scheme for Electronics & IT, Future Skills PRIME (Programme for Re-skilling/ Up-skilling of IT Manpower for Employability), Special Manpower Development Programme for Chips to System Design (SMDP-C2SD), Information Security Education and Awareness (ISEA) Project Phase-II, IT for Masses Programme and Fee reimbursement under Special component plan for SC and Tribal Area Sub-Plan, etc."

(i) <u>Electronic Governance including Extensible Authentication Protocol (EAP)</u>

The National e-Governance Plan was approved by the Cabinet in May 2006 with a vision to provide public services to the common man in his locality at affordable costs. In 2015, Government has launched the Digital India programme with the vision of transforming India into a digitally empowered society and a knowledge-based economy, by ensuring digital access, digital inclusion, digital empowerment and bridging the digital divide. Further, the Union Cabinet on August 16 approved the expansion of the Digital India programme.

Electronic Governance is a sub-scheme under the Digital India Programme which aims at enabling digital infrastructure, digital services, and digital empowerment. The broad objective of the Electronics Governance scheme is to provide digital infrastructure for delivery of e-services. E-Governance scheme consists of various projects related to development of Digital Infrastructures such as State Wide Area Network(SWAN), National data Centre(NDC) & State Data Centre (SDC), MeghRaj - Govt. of India Cloud initiative, e-mail solution of Govt. of India, PRAGATI VC, Digital Platforms such as MyGov, Digital Locker, e-Sign, e-Hospital, National Data Highway, UMANG, myScheme,

Open Government data, e-Taal, delivery of services through web, Kiosks & Mobile platform, PRAYAS, Vikaspedia, Gov.in Secure Intranet Platform, Digital Public Infrastructures (DPIs), GovDrive, Collabfiles and Capacity Building programme etc.The Ministry has submitted that each project has its own initiation date and deadline for completion.

E-Governance is considered essential for development of digital infrastructure & e-Governance initiatives of national importance and to bring technology parity at national level and to achieve sustainable socio-economic development through digital infrastructure, digital services, digital empowerment and bridging the digital divide.

29. The budgetary allocation and utilization during the last four years and the BE for the current year in respect of Electronic Governance including EAP as furnished by the Ministry are as under:-

(Rs. in crore)

	2021-22	**2022-23**	**2023-24**	**2024-25**	**2025-26**
Proposed	750.00	575.00	559.72	700.00	567.52
BE	425.00	525.00	555.74	650.00	617.00
RE	535.00	525.00	588.00	656.00	----
Actual	312.39	216.32	571.64	647.83*	----
% w.r.t. RE	58%	41%	97%	99%*	----

**As on 31.01.2025*

30. The total funds allocated to Electronics Governance Schemes (including EAP) have been reduced by Rs. 33.00 crore from Rs. 650.00 crore in 2024-25 to Rs. 617.00 crore in 2025-26. The Committee, while emphasizing upon the point that digital governance and digital empowerment of all citizens being one of the cherished goals of the Ministry, asked the Ministry to provide the rationale behind reduction of funds. To this, the Ministry replied:-

> "Ministry of Finance reduced the proposed allocation of MeitY for continuation of schemes under Digital India Programme in view of the total approved allocation for the XV Finance Commission period. Accordingly, Rs. 617 crore has been allocated in respect of Electronic Governance Scheme for the year 2025-26 for implementation of various initiatives/ projects under e-Governance Scheme. However, in case of requirement of more funds under the scheme, MoF would be requested to provide additional funds at revised estimate (RE) Stage or through Supplementary Demand for Grants."

31. When asked about major impediments being encountered in the implementation of the Scheme and measures taken to address them, the Ministry submitted that:-

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

Government has already taken necessary measures to tackle these challenges through implementing "Pradhan Mantri Gramin Digital Saksharta Abhiyan (PMGDISHA)" to usher in digital literacy in rural India and BharatNet project with the aim to connect all 2,50,000 Gram Panchayats (GPs) in the country with 100 Mbps connectivity. Government is also providing the services in assisted mode through CSCs to digitally illiterate and taking steps through various other channels also. Moreover, Government is striving hard to create awareness amongst citizens through various modes including social media platforms, as well as the departments for onboarding and consumption of the digital services".

(ii) <u>National Knowledge Network (NKN)</u>

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

In March 2010 the Cabinet Committee on Infrastructure (CCI) approved the establishment of the National Knowledge Network (NKN) at an outlay of Rs.5990 crore, implemented by NIC over a period of 10 years. The duration of NKN has been extended till 31st March 2025 with revised outlay of Rs. 6956.88 crore.

32. With respect to National Knowledge Network, the details of budgetary allocation and utilization during the last four years and the BE for the current year as provided by the Ministry are as under:-

(Rs. in crore)

	2021-22	2022-23	2023-24	2024-25	2025-26
Proposed	785.00	650.00	495.52	700.00	496.00
BE	500.00	650.00	352.00	240.26	0.25
RE	500.00	485.25	582.00	490.26	----
Actual	500.00	323.26	581.94	464.17*	----
% w.r.t. RE	100%	67%	100%	95%*	----

**As on 31.01.2025*

33. The Committee noted that in 2025-26, this scheme has been allocated merely Rs. 0.25 crore drastically down in comparison to Rs. 240.26 crore in 2024-25, and sought reasons for the same. Further, the Committee also sought details from the Ministry as to how it envisaged to achieve the targets under NKN scheme with a meager budgetary allocation of funds this year. To this, the Ministry replied:-

> "During the financial year 2024-25, a provision of Rs. 240.26 crore (BE) and Rs. 490.26 crore (RE) was made for National Knowledge Network (NKN). The duration of NKN was up to 31.03.2025.
>
> Department of Expenditure, Ministry of Finance vide OM No. 32(02)/PFC-II/2009(Vol.II) dated 10.12.2024 has stated that NKN was a project which got subsumed under the Digital India Programme, as an exception, DOE has allowed, as a special case considering NKN as a project subsumed under the Digital India scheme an enhancement up to 20%. Accordingly, the overall financial outlay for NKN project now stands enhanced to Rs. 7188 crore, DoE has also suggested MeitY may use the savings under any of the seven Digital India Programme components to make funds available up to Rs. 665.16 crore for NKN up to 31.03.2026.
>
> The NKN project has now been extended till 31.03.2026 and Integrated Finance Division, MeitY is taking up the requirement of funds to the tune of Rs. 665.16 crore for NKN through first Supplementary demand in the next FY i.e. 2025-26."

34. The Ministry submitted the following regarding the targets set during 2025-26 and the measures being taken to achieve the targets :-

> "No target for new links has been set for FY 2024-25, as the duration of the NKN was extended till 31st March 2025. The network consisting of core links, over 1800 links to Institutions, and 639 links to districts have been kept operational. The proposal of NKN Phase-II is under process."

35. On being asked as to what steps were being taken by the Ministry to ensure adequate availability of funds during 2025-26 in case of substantial gap between the amount proposed and allocation made at BE during 2025-26, the Ministry submitted:-

> "The proposed estimated outlay of FY 2025-26 is Rs.665.16 crore, however, allocation for FY 2025-26 is Rs.0.25 crore. MeitY would allocate funds from the savings; further efforts would be made to seek additional funds in the Supplementary demand for grants".

(iii) <u>Promotion of Electronics & IT Hardware Mfg. (MSIPS, EDF and Manufacturing Clusters)</u>

The Modified Special Incentive Package Scheme (M-SIPS) was notified on 27th July, 2012 with an objective to encourage investments in the Electronics System Design and Manufacturing sector in India and offer a package of incentives to attract domestic and global investments into the Electronics Systems Design and Manufacturing (ESDM) as a means to minimize the disabilities. According to the Ministry, the scheme provides subsidy for capital expenditure - 20% for investments in Special Economic Zones (SEZs) and 25% in non-SEZs. The incentives are available for 44 categories / verticals of electronic products and components covering entire electronics manufacturing value chain.

The scheme has been amended in August, 2015 to extend the period of the scheme, enhance scope of the Scheme by including 15 more product verticals, and attract more investment. The Scheme was further amended in January, 2017 to expedite the investments. The Scheme was closed to receive new applications on 31 December, 2018.

To offset the disability faced by electronics manufacturers in need of ready land availability along with supporting infrastructure; Ministry of Electronics & IT (MeitY) notified Electronics Manufacturing Cluster (EMC) Scheme on 22nd October 2012. The scheme was open for receipt of application for a period of 5 years i.e. upto October, 2017 and further period i.e., March, 2026 (after extensions) is available for disbursement of funds to the approved projects. Under the scheme, 19 Greenfield EMCs and 3 Common Facility Centers (CFCs) measuring an area of 3,464 acres with project cost of Rs. 3,499 crore including Government Grant-in-aid of Rs. 1,470 crore accorded approval. These EMCs were projected to attract an investment of Rs. 46,619 crore and generate about 6.30 lakh employment opportunities.

Electronics Manufacturing Cluster 2.0 (EMC 2.0): Based on closure of receipt of application and further requirement for strengthening of infrastructure for creation of robust electronics manufacturing ecosystem in the Country, MeitY introduced Modified Electronics Manufacturing Clusters (EMC 2.0) Scheme on 1st April 2020, to provide industry oriented infrastructure including plug and play facilities for attracting major electronics manufacturers along with their supply chain to set up their production facility in the Country through such clusters. The total budgetary outlay of the scheme is INR 3,762 crore for a period of 8 years (i.e. March, 2028) with receipt of applications (post extension) up to March, 2024. The scheme is targeted to attract new investment in the sector and having potential to generate 10 Lakh employment opportunities.

36. The budgetary allocation and utilization during the last four years and the BE for the current year towards Promotion of Electronics & IT Hardware Mfg. (MSIPS, EDF and Manufacturing Clusters) in India are as under:-

(Rs. in crore)

	2021-22	**2022-23**	**2023-24**	**2024-25**	**2025-26**
Proposed	4200.00	2405.00	3500.00	970.00	912.00
BE	2631.32	2403.00	700.00	750.00	712.00
RE	2014.00	1199.00	700.00	677.68	----
Actual	1193.02	634.03	694.27	427.29*	----
% w.r.t. RE	59%	53%	99%	63%*	----

**As on 31.01.2025*

37. The Ministry in their submissions on Demands for Grants 2025-26 has stated that:

> "The Government has been taking several initiatives for promotion of electronics manufacturing in the country to provide an enabling environment for the industry to compete globally. Electronics manufacturing is one of the important pillars of the Digital India and Make in India Programmes. Its target to achieve net zero imports is a striking demonstration of intent. The National Policy on Electronics 2019 (NPE 2019) envisions positioning India as a global hub for Electronics System Design and Manufacturing (ESDM) by encouraging and driving capabilities in the country for developing core components, including chipsets and creating an enabling environment for the industry to compete globally. To further develop electronics manufacturing in the country, a number of projects have been initiated by the Government which includes: Modified Special Incentive Package Scheme (M-SIPS), Electronic Manufacturing Clusters (EMC) & EMC 2.0,

Electronics Development Fund (EDF), Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECS), etc."

38. Reasons for variation in allocation of funds during 2024-25 and the actual status of utilization of funds made along with the reasons as submitted by the Ministry are:-

"The RE 2024-25 provision for this was decreased by about Rs.71 crore. The variation was due to either non-receipt of claim or non-submission/compliance of requisite milestones by the applicant companies".

39. The Committee wanted to know the reasons for reducing the budgetary allocation under this scheme from Rs. 750 crore to Rs. 712 crore in 2025-26, to which the Ministry replied:-

"The allocation for "Promotion of Electronics and IT Hardware Manufacturing" scheme is little less than that of earmarked in BE 2024-25. Although MoF was proposed to provide Rs.912 crore in BE 2025-26, yet the final allocation under this scheme was kept at Rs.712 crore. The reduced allocation was in view of the fact that the total allocation for Digital India Umbrella Programme was needed to be restricted to the approved outlay for the continuing schemes for the XV Finance Commission period(01.04.2021 to 31.03.2026). It is further stated that MeitY's overall projections for Digital India Programme in 2025-26 was reduced by about Rs.670 cr. However, in case of additional requirement of funds during FY 2025-26, the same would be taken up with MoF at RE stage."

(iv) <u>Promotion of IT & ITeS Industries</u>

The overall objective of the Scheme is to promote creation of sustainable IT/Software industry leveraging India's strength in IT sector and entrepreneurship eco-system having capabilities to create disruptive innovations, cutting-edge technologies and to increase the Indian foot print in global market through market outreach programme. This is an ongoing scheme up-to 2025-26.

40. Towards Promotion of IT & ITeS Industries Scheme, the budgetary allocation and utilization during the last four years and BE for the current year are as under:-

(Rs. in crore)

	2021-22	2022-23	2023-24	2024-25	2025-26
Proposed	200.00	246.00	285.08	150.00	130.00
BE	150.00	100.00	150.00	130.00	130.00
RE	100.00	89.25	120.00	128.50	----
Actual	69.80	66.08	115.76	45.51*	----
% w.r.t. RE	70%	74%	96%	35%*	----

**As on 31.01.2025*

41. The Committee observed an increase in Scheme of R&D in IT /Electronics/CCBT up from Rs. 1148.25 Cr. in 2024-25 to 1249.75 Cr. in 2025-26, an increase of around Rs. 100 Cr. and asked the Ministry to explain about the new projects and plans proposed to be initiated and promoted under this scheme. The Ministry replied as under:-

> "More than 100 R&D projects are progressing under this scheme. It includes bigger multi-institutional projects such as National Supercomputing Mission (NSM), Gen-Next Support for Innovative Start-ups (GENESIS), Bhasini, Centre for Promotion of Additive Manufacturing (CPAM), Development of Electric Vehicle Sub-System, etc. These ongoing projects need funds. Further, new projects in the areas of industrial Electronics, Quantum, Additive manufacturing, Circular economy, web browser, Bharat database, sensor development, medical electronics, etc. are under consideration in various stages of approval. Based on the budget availability, these new projects will be initiated."

42. While submitting reply on the major impediments being encountered and measures taken to address them, the Ministry has stated that:-

> "During 2020 and 2021, complete IT/ITeS industry was adversely affected through Country wide lockdown due to COVID pandemic. Thereafter, revised procedure for flow of funds under Central Sector Scheme took place and onboarding affected the timeline for disbursement of funds. In current FY 2024-25 ITeS Scheme has again shifted from Model II (Revised procedure for flow of funds) to Model I and the same have slightly affected the disbursement/utilization. After shifting to Model I in July, 2024 disbursement has been started immediately and utilization is now picking up and with new schemes/programmes coming up, it is expected to further improve."

(v) Cyber Security Projects (National Cyber Coordination Centre - NCCC & Others)

According to the Ministry, the Cyber Security Projects (NCCC & Others) scheme includes R&D Projects in the area of Cyber Security and National Cyber Coordination Centre (NCCC).

R&D Projects in Cyber Security are funded under Grants-in-Aid to eligible organizations as per GFR including Academia & R&D institutes. The thrust areas are Embedded Systems and IoT Security, Cyber Forensics, Threat Intelligence and AI/ML based Threat Modelling, Network and System Security, Critical Infrastructure/Industrial Security, Detection & Mitigation of Malware, Risk Assessment & Mitigation and Building Capability in NE Region. The R&D projects undertaken are Intended to build technology independence for including Creation of R&D ecosystem, creation of Infrastructure for advanced R&D in Cyber Security, promote and accelerate development of products for local and global needs, cost effective indigenous frugal solutions targeting India specific challenges.

The objective of NCCC is to generate necessary situational awareness of existing and potential cyber security threats and enable timely information sharing among stakeholders for proactive, preventive and protective actions by entities. It is a project under CERT-In and draws its legal mandate from Section 69B of the IT Act.

NCCC project was merged with regular activities of CERT-In from the F.Y. 2021-22. The budget requirement of NCCC was also merged with regular budget of CERT-In from F.Y. 2021-22.

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

43. The budgetary allocation and utilization with respect to Cyber Security Projects (NCCC & Others) scheme during the last four years and BE for the current year is as follows:-

(Rs. in crore)

	2021-22	**2022-23**	**2023-24**	**2024-25**	**2025-26**
Proposed	92.00	35.00	432.39	759.00	606.26
BE	200.00	300.00	400.00	759.00	782.00
RE	339.00	100.00	400.00	322.00	----
Actual	310.51	30.11	316.51	193.51*	----
% w.r.t. RE	92%	30%	79%	60%*	----

**As on 31.01.2025*

44. The Ministry provided the following information when asked to enlist the major impediments being faced by the Ministry in the implementation of the scheme:

"Due to dependency on facilitating site readiness by remote organizations, integration of meta-data sites with NCCC has been delayed. Respective organizations are pursued to provide support to the project team for completion of integration. However, the implemented NCCC facility is running on 24x7 basis for detection of cyber threats and additional number of metadata sources are continued to be integrated with available resources".

45. When the Committee asked the Ministry to submit the overall initiatives taken by them to meet the growing challenges in Cyber security and Data protection including necessary amendments to the IT Act and the recent thrust on development of semiconductor and electronics manufacturing ecosystem in India with reference to budgetary allocations over last 3 years, the following written replies were submitted:-

"Ministry of Electronics & Information Technology (MeitY) has been entrusted with matters related to "Cyber Security as assigned in the Information Technology Act 2000 (21 of 2000) (as amended time to time) and support to other Ministries/Departments on Cyber Security" as per Allocation of Business Rules (AoBR) amended in September, 2024.

The Indian Computer Emergency Response Team (CERT-In) under MeitY is carrying out the following activities to enhance cyber security in the country:

i) CERT-In has been designated under Section 70B of the Information Technology Act, 2000 to serve as the national agency in the area of cyber security incident response.

ii) CERT-In operates 24x7 incidence response Help Desk for cyber security incident response. CERT-In also provides Incident Prevention and Response services as well as Security Quality Management Services.

iii) CERT-In issues alerts and advisories regarding latest cyber threats/vulnerabilities and countermeasures to protect computers and networks on regular basis. CERT-In also issues directions and guidelines on information security practices.

iv) CERT-In is operating an automated cyber threat intelligence exchange platform for proactively collecting, analyzing and sharing tailored alerts with organisations across sectors for proactive threat mitigation actions by them.

v) National Cyber Coordination Centre (NCCC) implemented by the CERT-In serves as the control room to scan the cyberspace in the country and detect cyber security threats. NCCC facilitates coordination among different agencies by

sharing with them the metadata from cyberspace for taking actions to mitigate cyber security threats.

vi) Cyber Swachhta Kendra (CSK) is a citizen-centric service provided by CERT-In, which extends the vision of Swachh Bharat to the Cyber Space. Cyber Swachhta Kendra is the Botnet Cleaning and Malware Analysis Centre and helps to detect malicious programs and provides free tools to remove the same, and also provides cyber security tips and best practices for citizens and organizations.

vii) CERT-In has formulated a Cyber Crisis Management Plan for countering cyber attacks and cyber terrorism for implementation by all Ministries/ Departments of Central Government, State Governments and their organizations and critical sectors.

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

ix) Cyber security mock drills are being conducted regularly by CERT-In to enable assessment of cyber security posture and preparedness of organizations in Government and critical sectors.

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

xi) CERT-In provides leadership for the Computer Security Incident Response Team-Finance Sector (CSIRT-Fin) operations under its umbrella for responding to and containing and mitigating cyber security incidents reported from the financial sector.

xii) CERT-In undertakes responsible vulnerability disclosure and coordination for vulnerabilities at national level to encourage discovery of cyber security issues by the community and their subsequent remediation through responsible entities. To move a step further in the direction to strengthen trust in "Make in India", CERT-In has also setup CVE Numbering Authority (CNA) for vulnerabilities impacting all products designed, developed and manufactured in India.

xiii) CERT-In regularly conducts trainings / workshops to train officials of Government, Public and Private sector organizations across all sectors on focused topics of Cyber Security.

xiv) The Certified Security Professional in Artificial Intelligence (CSPAI) program is launched by CERT-In and SISA in September 2024. The certification is approved by the ANSI National Accreditation Board (ANAB) by meeting the ISO/IEC 17024 standard. The program aims to address the growing need for Secure and Responsible AI integration into business applications and processes. The CSPAI program equips cyber security professionals with the skills to secure AI systems, proactively address AI-related threats, and ensure trustworthy AI deployment in business environments.

xv) CERT-In is regularly carrying out various activities for awareness and citizen sensitization with respect to cyber-attacks and cyber frauds. CERT-In is observing the Cyber Security Awareness Month (NCSAM) during October of every year, Safer Internet Day on 1st Week Tuesday of February Month every year, SwachhtaPakhwada from 1 to 15 February of every year and Cyber JagrooktaDiwas (CJD) on 1st Wednesday of every month by organising various events and activities for citizens as well as the technical cyber community in India. CERT-In conducted several awareness activities such as Quiz, webinars, Capture the Flag event in collaboration with Government and industry partners during NCSAM 2024 with the theme “SatarkNagrik, Secure our World.”

46. The Committee further asked the Ministry to explain the preventive steps/measures being taken to check digital crimes and empower common citizen digitally with reference to budgetary allocation for the same. The Ministry replied as under:-

“The preventive steps/measures being taken to check digital crimes are given below:-

i) CERT-In is carrying out various activities and campaign for creating cyber security awareness and sensitizing internet users for safeguarding from various cyber threats, and frauds. CERT-In is observing Cyber Security Awareness Month during October of every year, Safer Internet Day on 1st Week Tuesday of February Month every year, SwachhtaPakhwada from 1 to 15 February of every year and Cyber Jagrookta Diwas (CJD) on 1st Wednesday of every month by

organizing various events and activities for citizens as well as the technical cyber community in India. CERT-In officials are providing Cyber security and Cyber fraud awareness sessions to different Ministries, Government Departments, Private organizations, Educational institutions and Industry across the country.

ii) Cyber Swachhta Kendra (CSK) is a citizen-centric service provided by CERT-In, which extends the vision of Swachh Bharat to the Cyber Space. Cyber Swachhta Kendra is the Botnet Cleaning and Malware Analysis Centre and helps to detect malicious programs and provides free tools to remove the same, and also provides cyber security tips and best practices for citizens and organizations.

iii) CERT-In released the following awareness booklets during National Cyber Security Awareness Month 2023 and 2024, Safer Internet Day in February 2024 and February 2025:

a) Cyber security Awareness Booklet for Digital Nagriks and Digital Enterprises (https://www.cert-in.org.in/PDF/CSA_Booklet.pdf)

b) Internet Safety Awareness Booklet for Digital Nagriks and Digital Enterprises (https://www.cert-in.org.in/PDF/ISA_Booklet.pdf)

c) Cyber security Awareness handbook (https://www.certin.org.in/PDF/CSH_Booklet.pdf)

d) Digital Safety Compass Handbook (https://www.cert-in.org.in/PDF/CSH_Booklet25.pdf)

iv) CERT-In is regularly sharing safety and security tips and awareness posters, info-graphics and videos through its official websites and social media handles such as Facebook, X (Twitter), Instagram, YouTube and LinkedIn for sensitizing internet users on cyber security attacks and frauds and prevention measures.

(vi) R&D in IT/Electronics/ Computerized Cognitive Behavioral Therapy (CCBT)

MeitY supports R&D activities in all E&ICT areas. Defined group under the scheme take up research in specific areas of technology. The objectives of the scheme are as follows:

- To transform India into a Global Hub of R&D and Innovation in E&IT for inclusive and sustainable growth of the National Economy.
- Nurture collaboration with academia, Research Labs and Industry in India & Abroad with a long term roadmap.

- To develop the knowhow of the various process technologies, products, systems at different institutes/ organizations/ societies suitable for Indian Market and as Import substitution.
- Technology Transfer to Industries for commercialization.
- Also benefit any region and SC/ ST Community through technology & building R&D capabilities.
- Outcome of the project reaches the masses and have impact on the Society.

47. The budgetary allocation and utilization with respect to R&D in IT/Electronics/CCBT scheme during the last four years and BE for the current year are as follows:-

(Rs. in crore)

	2021-22	**2022-23**	**2023-24**	**2024-25**	**2025-26**
Proposed	2200.00	1422.20	967.22	1200.00	1400.00
BE	700.00	598.17	600.00	1148.25	1249.75
RE	700.00	365.00	1000.00	1183.56	----
Actual	502.04	275.07	877.09	1071.43*	----
% w.r.t. RE	72%	75%	88%	91%*	----

**As on 31.01.2025*

48. With respect to major impediments being encountered in the implementation of the scheme and the measures taken to address them, the Ministry informed as under:-

> "Major impediment under this scheme is lack of upfront support from the industry for sharing of domain knowledge, testing and commercialization of the developed technologies. To address this challenge, priority is being given to projects with industry support and their involvement from the beginning. This will build confidence among the industry on indigenous technologies so developed.
>
> In addition, lack of Indian/International standards and MeitY's contribution in development of standards for the technologies developed in close consultation with BIS is also a barrier."

(vii) Modified Programme for Development of Semiconductors and Display Manufacturing Ecosystem in India

In furtherance of the vision of Aatmanirbhar Bharat and positioning India as the global hub for Electronic System Design and Manufacturing, the Union Cabinet approved a comprehensive program for the development of sustainable semiconductor and display ecosystem in the Country with an outlay of INR 76,000 crore on 15.12.2021. The programme aimed to provide attractive incentive support to companies / consortia that are engaged in Silicon Semiconductor Fabs, Display Fabs, Compound Semiconductors / Silicon Photonics / Sensors (including MEMS) Fabs, Semiconductor Packaging (ATMP /

OSAT), Semiconductor Design. As part of the programme, following four schemes were notified on 21.12.2021:

i. Scheme for setting up of semiconductor fabs in India
ii. Scheme for setting up of Display Fabs in India
iii. Scheme for setting up of Compound Semiconductors / Silicon Photonics / Sensors Fab and Semiconductor Assembly, Testing, Marking and Packaging (ATMP) / OSAT facilities in India
iv. Design Linked Incentive (DLI) Scheme

Additionally, the Union Cabinet also approved that Ministry of Electronics and Information Technology will take requisite steps for modernization and commercialization of Semi-conductor Laboratory (SCL), Mohali.

Further, on 21.09.2022, Union Cabinet has accorded approval for modifications in "Programme for Development of Semiconductors and Display Manufacturing Ecosystem in India" which was approved by the Union Cabinet on 15.12.2021. Consequent upon the approval of the Union Cabinet on 21.09.2022, modified schemes were notified in Gazette of India on 04.10.2022.

49. The Ministry provided the following details with regard to allocation of funds to this scheme:-

(Rs. in crore)

	2021-22	**2022-23**	**2023-24**	**2024-25**	**2025-26**
Proposed	----	----	3000.00	6903.00	8000.00
BE	----	----	3000.00	6903.00	7000.00
RE	----	200.00	1503.36	3816.47	----
Actual	----	13.00	681.11	695.97*	----
% w.r.t. RE	----	7%	45%	18%*	----

**As on 31.01.2025*

50. When the Committee wanted to know the reasons for non-submission of the claim for fiscal support by the approved companies under the Modified Programme for Development of Semiconductors and Display Manufacturing Ecosystem and what steps have been taken by the Ministry to resolve this issue, the Ministry submitted:-

"As per the Cabinet approvals of the projects under the Programme, the companies have to furnish the necessary documents to India Semiconductor Mission before signing of Fiscal Support Agreement (FSA), and disbursement of funds. These are complex projects requiring intensive planning for pilot and project sites. Most of the approved companies are in various stages of implementation, including obtaining various statutory clearances. However, they have not yet claimed the funds so far from ISM. India Semiconductor Mission is regularly monitoring the progress of the approved projects and providing necessary support in this regard."

51. The Committee while noting that in order to reduce dependency on foreign semiconductor supply chains the Government was fostering indigenous research and development in semiconductor fabrication and display technology and hence wanted to be apprised of the action plan/roadmap of the Ministry to make our Country self-reliant in the production of semiconductors. In reply, the Ministry submitted:-

> "In order to progressively increase the value addition in semiconductor design and manufacturing and promote an inclusive, vibrant & sustainable ecosystem for R&D & innovation, MeitY supports a sustained R&D programme for the development of indigenous technology, its transfer to industry for commercialization, and to increase the Intellectual Property (IP) content of product design and development. MeitY has sponsored various capacity building programmes, research infrastructure development and technology development projects in different areas of semiconductors for the overall growth of this sector in the country. Some of these include, but are not limited to, the following - Indian Nanoelectronics Users' Programme - Idea to Innovation (INUP-i2i), National Supercomputing Mission, Microprocessor Development Porgramme etc
>
> In addition, MeitY has initiated the Chips to Startup (C2S) Programme which aims to train 85,000 number of Specialized Manpower over a period of 5 years in the area of VLSI and Embedded System Design and leapfrog in ESDM space by way of inculcating the culture of System-on-Chip (SoC)/ System Level Design at Bachelors, Masters and Research level and act as a catalyst for growth of Start-ups involved in fabless design.
>
> MeitY has also announced the Design Linked Incentive (DLI) Scheme as part of 'Modified Programme for Development of Semiconductors and Display Manufacturing Ecosystem in India' to offset the disabilities in the domestic industry involved in semiconductor design in order to not only move up in value-chain but also strengthen the semiconductor chip design ecosystem in the country. The DLI Scheme aims to offer financial incentives as well as design infrastructure support across various stages of development and deployment of semiconductor design(s) for Integrated Circuits (ICs), Chipsets, System on Chips (SoCs), Systems & IP Cores and semiconductor linked design(s) over a period of 5 years.

Making our country self-reliant in semiconductor would require sustained long-term funding support from the Government. As most of outlay as approved under Semicon 1.0 has been committed, therefore additional financial support would be needed for development of semiconductor ecosystem which can target not only additional fabs & technologies but also broader areas of semiconductor ecosystem."

52. When the Committee asked the Ministry to explain the steps to overcome the procedural constraints in this regard, it was submitted by the Ministry as under:-

"Before the fund disbursements, the project companies have to enter in to a Fiscal Support Agreement (FSA) with the ISM. These requirements like signing of FSA are added because of the pari-passu nature of incentives made available under this programme. Cabinet approval involves various conditions precedent to disbursement which needs to be complied with. ISM is regularly engaging with the project companies as well as with the States for expediting all the necessary approvals. Further, ISM has also onboarded a Project Monitoring Company (PMC) for regularly monitoring the progress of the approved projects."

53. The Semi-Conductor Laboratory (SCL), an autonomous Body under the Ministry,. tasked with Research & Development in the area of Microelectronics to meet the strategic needs of the Country, was allocated a fund to the tune of Rs. 540.00 crore in 2024-25. However for the current Financial Year 2025-26, it has been allocated a lesser amount of funds i.e. Rs. 500.00 crore. When the Committee asked the Ministry to apprise them of the reasons for reduction of funds, the Ministry submitted as under:-

"SCL is in the process of augmenting and modernizing its 8" fab line which is expected to begin in FY 2025-26. This augmentation effort will be funded under "Modified Programme for development of Semiconductors and Display manufacturing ecosystem in India". Considering this augmentation, the planned capital outflow under the core grant has been reduced, leading to an overall reduction in expenditure from core grant of SCL."

54. The Ministry was asked to provide information regarding progress and achievements made in the field of software development and semi-conductors/ hardware manufacturing in India during last 3 years *vis-à-vis* fund allocation for the same, to which the following was submitted :-

"Government of India has approved Five (5) Semiconductor Manufacturing units and Seventeen (17) semiconductor design companies for providing fiscal support under Modified Programme for Development of Semiconductors and Display

Manufacturing Ecosystem in India. Further, under Production Linked Incentive Scheme (PLI) for IT Hardware, 27 applications were approved. As per the projections given by the applicants the total proposed investment would be Rs.2,955 crore, projected turnover of Rs. 3,51,647 crore and proposed employment generation of 47,200. Till 31.01.2025, the PLI Scheme for IT Hardware have led to a total production of Rs. 10,271.71 crore, total investment of Rs. 521.37 crore and total employment of 4,458.

The Funds allocation details under the various Hardware related schemes are as follows:

(Rs. in crore)

Schemes/ Programmes	**2021-22**	**2022-23**	**2023-24**
Promotion of Electronics & IT Hardware Manufacturing	2014.00	1199.00	700.00
Production Linked Incentive Scheme (PLI)	747.34	2203.00	4559.88
Modified Programme for Development of Semiconductors and Display Manufacturing Ecosystem in India		200.00	1503.36
Total	**2761.34**	**3602.00**	**6763.24**

Further, during last three years due to various initiatives taken by MeitY the production of Electronics goods has increased from INR 5.54 lakh crore in 2020-21 to INR 9.52 lakh crore in 2023-24 at a CAGR more than 19 %. Similarly, export of electronic goods has increased from INR 81,822 crore in 2020-21 to INR 2.41 lakh crore in 2023-24, exhibiting CAGR of more than 43% during last 3 years."

VII. Assistance to Autonomous and Other Bodies

Society for Applied Microwave Electronics Engg & Research (SAMEER)

SAMEER is a registered Scientific Society of MeitY working in high technology areas of microwaves, milli-meterwaves and electro-magnetic with the specific goal of developing applications for these technologies with its five centres at Mumbai, Chennai, Kolkata, Vishakhapatnam and Guwahati.

55. The fund allocation for this scheme has been made by the Ministry as under:-

(Rs. in crore)

	2021-22	2022-23	2023-24	2024-25	2025-26
Proposed	150.00	130.00	160.00	170.00	165.00
BE	120.00	150.00	160.00	160.00	160.00
RE	116.00	140.00	150.00	160.00	----
Actual	116.00	131.39	150.00	120.83*	----
% w.r.t. RE	100%	94%	100%	76%*	----

**As on 31.01.2025*

56. Regarding major impediments being encountered by SAMEER and the measures taken to address them, the Ministry submitted as under:-

"a) The procurement of specialized components and semiconductor devices are being sourced from outside country results in inordinate delays in the execution of time bound projects.
To address these concerns SAMEER initiated multiple programme for inhouse development of critical components.
b) Non availability of skilled and highly skilled manpower for microwave research impacts the efforts for indigenous development of systems and subsystems.
Various training programmes are being conducted for existing scientists to enhance their skills and knowledge".

57. When the Committee wanted to be apprised of the major achievements of SAMEER during last 3 years and the targets set for 2025-26, the Ministry furnished the following reply:-

"Major Achievements of SAMEER during Last 3 years:

S. No.	Activity
1	Inauguration of High Power microwave active & Passive laboratory by Hon'ble President of India
2	Dedication of 5G Test bed to nation by Hon'ble Prime Minister of India
3	Launch of 6G Test bed project by Hon'ble Prime Minister of India
4	3m & 5m EMI/EMC MIL Chambers dedicated to Nation by Hon'ble Minister of State for Electronics and IT
5	Medical LINAC Inauguration @ Adyar Cancer Institute by by Hon'ble Minister of State for Electronics and IT
6	Expression of Interest (EoI) to Industry consortium (MRI) by Secretary, MeitY
7	ToT of LINAC to Industry by Secretary, MeitY
8	NDT for DRDO Missiles programs and ISRO Launchers by DRDO & ISRO
9	ToT of BRIX to Industry by Secretary, MeitY
10	6G: Sub THz demonstration @ IMC 2024 6400 Mbps over the air
11	SAMEER-Industry-Academia Collaborations

Recent major Achievements

~Part of various mission critical missile programs

~5G End to End Stack & Secured 5G for ARMY

~R&D in 6G solutions (IRS and THz-Test bed)

~EMI/EMC certification of VandeBharat

~IEMI analysis for Aadhaar Centres

~3m&5m MIL STD chambers

~Radar based solutions

~LINAC for cancer therapy (ToT) & Isotope generation

~NDT for strategic : Rockets and Missiles

~Indigenous MRI

~Brix meter for Sugar industry :ToT

~RF & Microwave systems for Agro& Forestry

~SODARS and Ionosonde for Atmospheric studies

~Trace gas sensor for Bio War

~Kavach systems for Navy

~6G: Live Demo @ IMC 2024 6.4Gbps @ 270 GHz

~Bharat 6G alliance contributions"

Achievements for MeitY sponsored projects in 2024-25

Sr.No.	*Project Description*	*Sponsored by*	*Achievements in2024-25*
1.	MMWave Radiometer for Temperature and Humidity for North East Region.	Ministry of Electronics & Information Technology (MeitY)	• Integrated system demonstrated to PRSG
2.	Indigenous Magnetic Resonance Imaging Project	Ministry of Electronics & Information Technology (MeitY)	• MRI development
3.	Self- contained X-ray blood irradiator system" for prevention of 'TA-GVHD	Ministry of Electronics & Information Technology (MeitY)	• Prototype unit assembly and Software for control hardware is completed. Radiation leakage tests were also performed as per AERB.
4.	Research and Development of	Ministry of Electronics & Information Technology	• Integration of master

	High Energy Electron Linear Accelerator Technology for Medical and Other Applications	(MeitY)	controller with Radiation safety unit, Modulator, completed and slave unit ready for integration for vacuum and other subsystems.
5.	Quantum communication using entangled photon source	Ministry of Electronics & Information Technology (MeitY)	• Experimental work using entangled photons initiated
6.	Establishment of EMC Test Facility for testing of Strategic Electronic System as per MIL standard 461 F & IEC 61000-5-X	Ministry of Electronics & Information Technology (MeitY)	• Obtained commencement certificate (CC) from CIDCO and Excavation for foundation footing started.
7.	6G : Sub – THz Wireless communication with Intelligent Reflecting Surfaces (IRS)	Ministry of Electronics & Information Technology (MeitY)	• Demonstration of 140 GHz wireless link at India Mobile Congress 2024 at New Delhi. Design and optimization of unit cell at 7 GHz for IRS.

Achievements Non-MeitY projects

Sr. No.	Project Description	Sponsored by	Achievements in 2024-25
1.	Design, Development Installation and commissioning of 2/4 MeV Linac system , HEMRL DRDO Pune	DRDO	• Successfully commissioned at HEMRL,DRDO, PUNE.
2.	Joint Design & Development, Manufacturing and Supply of a) X Band Receiver & Exciter Subsystem b) X Band SSPA based TX Subsystem	DRDO	• Delivery of three units of each subsystems
3.	UHF-Band Transmitting Antenna (OMNI & Directional)	DRDO	Antennas tested and delivered.
4.	Phased Array for SHAR, ISRO, Sriharikota	SHAR, ISRO	Successfully installed at SHAR, Sriharikota
5.	6 channel 100 W amplifier for Microwave Hyperthermia treatment	IIT Madras	• The unit successfully installed at IIT Madras
6.	Technical Support & Up-gradation of D-DACS system	VECC, DAE	• Up-gradation of D-DACS modules completed
7.	Development of Up-graded FCS System Modules for Kavach-II Project	Indian Navy	• System delivered

8.	Design, Development Installation and commissioning of 6 MeV Linac system, RCI DRDO Hyderabad	DRDO	• Subsystems developed and System integration in progress
9.	Radar Altimeter for sub-sonic missiles and MALE UAV's	DRDO	• Successful test flight of LRLACM in Nov 2024 in which Radar Altimeter was used in closed loop
10.	Dev. of Proximity Sensor for 76mm Naval Gun Fuze	DRDO	• Carried out limited dynamic trials using drones
11.	Advanced Digital Ionosonde design & development	IIG, Prayagraj	• Complete system Installation and Commissioning
12.	Digital Ionosonde system	Bhopal	• Integration of sub-system in simulated mode
13.	Development of dielectric heating based processing technologies for solid-wood, bamboo and their composites	IWST Bangalore	• Bamboo straightening and/or bending system using high power microwaves was successfully delivered
14.	Design, fabrication, etc. of SAMEER make microwave oven	BRIT, DAE	• The microwave oven with GUI delivered at BRIT
15.	Augmentation of existing EMC test facility at SAMEER Navi Mumbai campus &Setting up of Safety test facility for Medical devices	BIRAC	• 38 medical electrical equipments have been tested for EMC compliance and 245 reports are issued so far.
16.	Microwave Transmission Parameter Measurement System	Ardee Hi-Tech Pvt. Ltd., Visakhapatnam	• Integration of card and antennas and Initiated measurements
17.	6G: THz Test bed with Orbital Angular Momentum and Multiplexing	DoT	• Wireless link at 283 GHz demonstrated at IMC 2024.
18.	Fabrication and Supply of Missile Rx Antennas	DRDO	• Thermal and Electrical test along with radiation pattern has been completed successfully.
19.	Supply of Missile Antennas	DRDO	40 Nos. of antenna has been developed and tested successfully.
20.	Data Link Receiver & Transmitter Antenna	DRDO	Fabrication of 105 Rx & 52 Tx antenna completed.
21.	Supply of DLTx& Rx Antenna	DRDO	• First lot antennas have been developed and tested (AT, RP etc.) successfully and delivered.
22.	Supply of DLTx& Rx Antenna	DRDO	• First lot antennas have been developed and tested (AT, RP

			etc.) successfully and delivered.
23.	W Band Two Channel TR module Mark-II	DRDO	3rd , 4th and 5th qualified units are delivered to RCI, DRDO.
24.	W Band Three Channel Transmitter Receiver Module Mark-II	DRDO	Bare PCB inspection and KIT inspection are completed through MSQAA for 3rd and 4th Units.
25.	Helicopter landing aid technology (Brownout)	DRDO	The development of different sub-systems of prototype sensor payload is under progress.
26.	Development of Integrated Control System for Indian Navy	Navy	• PDR document design
27.	Development of Automatic Fuze Setter and Reciver Module for MTPF	MTPF	• Prototype development progressing
28.	Supply of DLTx& Rx Antenna	DRDO	Fabrication
29.	Supply of Data Link Rx Antenna	DRDO	Fabrication
30.	Design & Development, Manufacturing and Supply of 150W X-band SSPA Transmitter	DRDO	• Development of the first prototype of pre-driver, driver and power amplifier modules.

Targets for 2025-26

Proposed Activities for 2025-26

S. No.	Name of the Activity / Project	Sponsoring Agency	Status
1	Development of clinically viable low-cost portable optical coherence tomography system for ophthalmological applications	DST	Proposal submitted
2	Development of terahertz and photonic components for 6G application	DoT	Proposal Submitted
3	TeraConnect: Development of indigenous terahertz communication for Bharat 6G mission	DoT	Proposal Submitted
4	EMI/EMC - prediction and control of NAVAL Ships and DEFENCE Vessels	Industry	Proposal Submitted
5	Microwave Transmission Parameter Measurement System	ArdeeHiTech	Proposal Submitted
6	Development and Deployment of MRI Machines By the Industry Consortium	MeitY	Proposal Submitted
7	Establishment of Electrical Test Facility for Magnetic Resonance Imaging (MRI)	MeitY	Proposal Submitted
8	AI based image enhancement of MRI	MeitY	Proposal

	Images , Project Submitted alongwith IIT Jodhpur		Submitted
9	Development of Treatment planning system and Record & Verification system with CDAC	MeitY	Proposal Submitted
10	3D Through-Wall-Imaging (TWI) System using AI/ML	MeitY	Proposal Submitted
11	Mobile Microwave Disinfection System for treatment of Hospital hazardous waste	MAHAPREIT	Proposal Submitted
12	Development of State of art LINAC system and deployment at TMC, Thane	MAHAPREIT	Proposal Submitted
13	Development of Optical Transmitter Module for use in Quantum Communication	CCRP, C-DOT	Proposal submitted
14	Refurbishment of existing 15MV machine	SHAR	Proposal submitted
15	Development of RF couplers for BARC	BARC, DAE	Proposal submitted
16	Design and development of microwave ablation system for liver tumours	MeitY	Proposal submitted
17	Research Approach for enabling ecosystem in MRI technologies-Grand Challenge	MeitY	Proposal submitted
18	Development of an Indigenous Microwave Vacuum Dryer for Bamboo, Timber and Phyto-Sanitation	ICFRE	Proposal submitted
19	Deployment of OCT based early detection of ORAL Cancer for NER	MeitY	Proposal submitted
20	Realtime Optical Sensing of Heavy Metals, Inorganic and Organic contamination in Water	DST	Reviewed

In-House Core R&D

Sr No.	Title of Project
1.	Design and Development of TRX Chip at W band
2.	X-band MMIC Power Amplifier
3.	Design and development of W band medium power amplifier

4.	Design and development of waveguide based D-band Mechanical Switch for 6G wireless Comm. System
5.	Design and analysis of low profile FR3 Antennas for 5G/6G Applications
6.	Shell Telemetry Communication System
7.	Design and Development of - Tactical Air Navigation System (TACAN)
8.	2D/3D mmWave Imaging System
9.	Re-configurable multi band phase shifter network for phased array testing
10.	Realization of heatsink for high power RADAR system
11.	Novel approach for achieving high shielding effectiveness for conductive enclosures for low frequency bands
12.	Design and Development of Test jigs for Shielding Effectiveness (SE) Measurements of Planar Materials and shielded cables
13.	Design and development of Electromagnets and circular to WR284 transition for 2.6 MW and 3.1 MW S-band Magnetrons
14.	Design and development of High-Power RF Window for 15 MeV LINAC
15.	Mobile Linac system
16.	Design and Development Liquid metal coils for MRI scanner
17.	RF Systems for 46.97 mTesla Ultra-Low Field MRI System
18.	SFCW Testbed development for imaging Radar
19.	Design and development of a dual polarized wideband ambidextrous spiral antenna
20.	Design and development of Data Acquisition and Processing Software system for Indigenous Polarized-Micro Pulse Lidar (P MPL) system for Aerosol and Cloud Measurement & Development of optical assembly for Micro pulse LIDAR
21.	Study and Design of Instrument Landing System
22.	Analyzing Radar Echoes from Sea-Waves for Disaster Warning

VIII. INDIA AI MISSION AND RECENT TECHNOLOGICAL DEVELOPMENT AND THE MEASURES TAKEN BY THE MINISTRY

58. The Committee wanted to be apprised to the steps taken by the Ministry for promotion and research & development in artificial intelligence in India, major initiatives and achievement in AI development in India, future roadmap for IndiaAI Mission along with the challenges and constraints, to which the Secretary deposed before the Committee as under:-

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

i. IndiaAI Compute: Access to over 10,000 AI GPUs will be provided to end users, comprising startups, researchers, academia, MSMEs, government bodies, and public sector agencies. Further, an AI marketplace will be designed to offer AI as a service and pre-trained models to AI innovators.

• Under this initiative, an invitation for application for empanelment of AI services on the cloud was published on August 16th,2024. These services would be offered to startups, researchers, government agencies, academia and others. The bid submission closed on 28th of November 2024 and bids were opened on 2nd December 2024.

• 19 bidders had submitted a proposal offering AI services including GPUs and AI platforms for developing AI solutions. Post technical evaluation, 10 bidders for shortlisted for commercial bid opening. Financial evaluation of the opened bids has been completed at L1 rates have been discovered for all the AI cloud services.

ii. IndiaAI Innovation Centre (IAIC): The IndiaAI Innovation Center will enable the development and deployment of indigenous Large Multimodal Models (LMMs) and domain-specific foundational models in critical sectors. India presently has a thriving ecosystem of innovators working on creating India-first foundational models that are contextualised to our social, cultural, and linguistic diversity. This includes Digital India Bhashini, Sarvam AI, Project Indus, BharatGPT, among others.

• A Call for Proposals has been published by IndiaAI on 30th Jan 2025, inviting proposals from startups, researchers, and entrepreneurs to collaborate on building state-of-the-art foundational AI models trained on Indian datasets. This initiative aims to establish indigenous AI models that align with global standards while addressing unique challenges and opportunities within the Indian context.

• In the first month, IndiaAI Mission has received a total of 67 proposals till February 15 aimed at building India's foundation models, with contributions from both established startups and new teams of researchers & academia. 22 are focused on Large Language Models (LLMs) & Large Multimodal Models (LMMs), while the remaining 45 are centered on domain-specific models (SLMs). The

majority of SLMs target key sectors such as healthcare, education, and financial services. Along with funding support, a wide range of GPUs have been requested by teams submitting these proposals.

iii. IndiaAI Datasets Platform: The IndiaAI Datasets Platform is being developed to improve access, quality, and use of public sector datasets to make it AI ready. IDP aims to streamline access to high-quality, non-personal datasets for AI innovation, this unified platform will serve as a one-stop solution for Indian startups and researchers.

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

• Under, IADI pillar, IndiaAI has launched the IndiaAI innovation challenge which seeks to promote impactful AI solutions in critical sectors. Participants will be provided a platform to harness the potential of AI across critical priority areas namely Healthcare, Governance, Agriculture, Assistive Technologies for Learning Disabilities and Climate Change & Disaster Management.

• The challenge has received over 900 applications, showcasing diverse innovations such as multi-modal farmer advisory services in Indian languages, AI-enhanced X-ray solutions for early disease detection, and transformative approaches to grievance redressal and legal support.

v. IndiaAI FutureSkills: IndiaAI FutureSkills will mitigate barriers to entry into AI programs by focusing on all levels of higher education in AI. Further, Data and AI Labs will be set up in Tier 2 and Tier 3 cities across India, to impart foundational-level courses in Data and AI. Under the FutureSkills pillar MeitY has:

• Invited nominations of B. Tech and M.Tech students pursuing projects in Artificial Intelligence. IndiaAI Fellowship has been awarded to 178 B.Tech, M.Tech and PhD scholars. Additionally, IndiaAI has invited top 50 NIRF research institutes to participate in IndiaAI PhD fellowships.

• Initiated establishment of 27 AI and Data labs across India in collaboration with NIELIT.

vi. IndiaAI Startup Financing: A spectrum of startup development stages starting from product development to commercialization will be supported.

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

• A call for Expression of Interest (EOI) for building tools and frameworks on Responsible AI, with a focus on 10 themes was launched and over 2000 responses were received for the first Expression of Interest (EoI) from which eight Responsible AI Projects have been selected. The projects cover a range of critical themes, including Machine Unlearning, Synthetic Data Generation, AI Bias Mitigation, Ethical AI Frameworks, Privacy-Enhancing Tools, Explainable AI, AI Governance Testing, and Algorithm Auditing Tools.

• IndiaAI has launched the 2nd EoI for Safe & Trusted AI Projects, inviting organizations to submit proposals on key themes, including Watermarking and Labelling, Ethical AI Frameworks, AI Risk Assessment & Management, Stress Testing Tools, and Deepfake Detection Tools.

The IndiaAI Mission is envisaged to achieve the following expected outcomes:

1. Establishment of the IndiaAI compute capacity of 10,000 or more GPUs and the AI Marketplace.

2. Developing foundational models with capacity of 100 billion+ parameters trained on datasets covering major Indian languages for priority sectors like healthcare, agriculture, governance, etc.

3. Establishing AI Curation Units (ACU) in 50-line ministries/ departments and establishing the IndiaAI Datasets Platform.

4. Undertaking 25 applied AI projects to address public sector problem statements.

5. Supporting 2,000 B.Tech, 2,500 M.Tech and 500 PhD, Post Doc students in AI and setting up 200 IndiaAI Labs.

6. Financing 1,050 AI and deep tech startups at various stages of the Startup lifecycle.
7. Developing in India Safe and Trusted AI tools, checklists, etc".

59. The Committee wanted the Ministry to explain gaps between Central and State Governments with respect to functioning in Digital Governance and AI Mission. The Committee also wanted to know whether the Ministry had any plan under IndiaAI Mission to proactively engage with State Governments for a unified approach and coherence towards achieving targets in Digital Governance and Artificial Intelligence. The Ministry in reply submitted:-

"Recognizing the critical role that AI will play in shaping the future, the Government of India launched the IndiaAI Mission, a comprehensive national-level program with an outlay of over INR 10,371 crore to democratize and catalyze the AI innovation ecosystem in the country. The IndiaAI Mission will be implemented through seven key pillars:- i) IndiaAI Compute Capacity; ii) IndiaAI Innovation Centre; iii) IndiaAI Datasets Platform; iv) IndiaAI Application Development Initiative; v) IndiaAI Future Skills; vi) IndiaAI Startup Financing; and viii) Safe & Trusted AI.

Under these pillars IndiaAI will engage with various Central and State Departments for the following:

1) Under the IndiaAI Compute Pillar, States can request for AI Compute services from the various empaneled vendors.

2) States and Departments can provide problem statements for which AI solutions can be developed and/or scaled up under the IndiaAI Application Development Initiative.

3) States departments can host their datasets on the IndiaAI Datasets Platform, and further utilize the datasets hosted on IDP for building AI Applications.

4) The Tools and frameworks developed under the Safe and Trusted Pillar will be openly available through the AI Marketplace to be utilized by anyone.

5) IndiaAI is further setting up Data and AI Labs in Tier 2 and Tier 3 cities across India, to impart foundational-level courses in Data and AI. Already, 27 labs with NIELIT in 21 States have been approved and are being set up."

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PART-II

OBSERVATIONS/RECOMMENDATIONS

BUDGET OVERVIEW AND DEMANDS FOR GRANTS (2025-26)

1. The Ministry of Electronics & Information Technology, under Demand No.27, has been allocated a total outlay of Rs. 26,026.25 crore for the Financial Year (FY) 2025-26 against the proposed budgetary support of Rs. 28,223.78 crore. A comparative analysis of the Budget Estimate (BE) of the Ministry from FY 2020-21 to FY 2025-26 shows that for the Financial Year 2025-26, there has been around 14% decrease at the Budget Estimates stage in comparison with the BE of FY 2024-25. The Financial Year-wise allocation percentage increase w.r.t Previous Year has been 41% in 2021-22, 47% in 2022-23, 16% in 2023-24, 33% in 2024-25 and 19% in 2025-26. While submitting reasons for increased allocation in FY 2021-22, the Ministry stated that more funds were allocated for incentive schemes *viz* promotion or Digital Payments and Promotion of Electronics and IT Hardware Manufacturing. With the launching of PLI scheme in FY 2022-23 the percentage increase was even more as Rs. 5300 crore was allotted to this scheme. While furnishing details of Budget allocation in FY 2025-26, the Ministry has stated that the overall increase in budget is about Rs. 4000 crore which is about 19% increase over the previous FY. Further, the Ministry has submitted that MEITY would manage with the allocation as per the Scheme-wise distribution of funds and in case of requirement of additional funds; the same would be taken up with Ministry of Finance at RE stage or through Supplementary Demands for Grants. The Committee hope that the Ministry would be able to utilise the allocated funds as envisaged and if need be, with proper monitoring, the requirements may be assessed periodically and necessary action be taken timely. Noting the increased allocations made, the Committee observe that allocation to 'Modified Programme for Development of Semiconductors and Display Manufacturing Ecosystem in India' and 'AI Mission' is to be fully utilised and implemented in right earnest. In this regard, the Committee urge the Ministry to periodically review the sufficiency of funds *vis-a-vis* execution of Programmes/Missions and take necessary steps to ensure that funds are adequate for implementation of the schemes.

2. About the overall impact of reduced allocation of funds to important schemes, the Ministry has stated that the schemes under Digital India Programme,

except National Knowledge Network (NKN), have been allocated funds keeping in view the Ministry's requirement of funds projected by its Programme Divisions, status of various projects under the scheme, pace of expenditure in previous years etc. Since NKN scheme is closing in March 2025, a token sum has been earmarked for this scheme for FY 2025-26 so that funds could be supplemented under this scheme, if the project duration is extended. As MoF has recently approved extension of the project duration of this scheme, MeitY would approach MoF for allocation of additional funds for this scheme through Supplementary Demands for Grants in FY 2025-26. The primary reason for under/suboptimal utilization of allocated funds is mainly due to less expenditure under incentive schemes being implemented by MeitY. The Ministry has submitted that the focus areas during FY 2025-26 would be to boost the global competitiveness of AI start-ups and researchers of India; enhance domestic manufacturing and attract large investments in mobile phones, specified electronic components and IT hardware; and provide attractive incentive support to companies or consortia that are engaged in Silicon Semiconductor Fabs, Display Fabs, Compound Semiconductors, Silicon Photonics, Sensors, including MEMS, Fabs, Discrete Semiconductor Fabs, Semiconductor Packaging, ATMP or OSAT and Semiconductor Design. As the Ministry has submitted that it distributes the allocated funds under various schemes keeping in view the priority areas and unavoidable/committed expenditure under various schemes, the Committee hope that the allocated funds are distributed properly and used judiciously so as to make our Nation world's production centre of semiconductors and a leader in Artificial Intelligence.

3. The Ministry has stated that as on 24.02.2025, there are 3 pending Utilization Certificates (UCs) amounting to Rs.28.76 crore pertaining to Governments of Chhattisgarh and West Bengal. The concerned State Governments and the implementing agencies are being pursued regularly for the settlement of these UCs. The Committee note that as on 24.02.2025, 54% of pending amount in UCs has been liquidated and yet a large percentage remains to be liquidated. The Committee, therefore, urge the Ministry to hold regular meetings with the concerned State Governments so as to ensure clearance of the pendency at the earliest. The Committee may be apprised of the outcome of the same.

NATIONAL INFORMATICS CENTRE (NIC)

4. NIC has been playing an instrumental role in executing key IT projects, in close collaboration with the Government, making the last-mile delivery of Government services to the citizens a reality, through a variety of digital solutions such as eShram, eWay Bill, National Scholarship Portal, Jeevan Pramaan Portal, e-Challan, PM Kisan etc. Understanding the significant role played by NIC across the Country in providing technology-driven solutions across key areas including core ICT infrastructure, whole of Government oriented digital services, cyber and information security, sectoral applications, and propagation of emerging technologies, the Committee note that funds to the tune of Rs. 149 crore has been decreased in allocation to NIC during FY 2025-26. Since the slashing of funds would jeopardise the working of NIC which undertakes design and development of IT systems for the Government; provide ICT infrastructure to the Government; explore and advise on the use of emerging technologies, the Committee sought to know how NIC would be able to fulfil its mandate of e-governance and ICT infrastructure and achieve the targets. Replying to the query, the Ministry stated that NIC will achieve its mandate of e-Governance ICT Infrastructure with the allocated budget of Rs. 1600.00 crore during the FY 2025-26. Since the funds allocated to NIC are mainly for establishment related expenses, any shortfall in budget requirements would be considered at RE stage. The Committee call upon the Ministry to ensure that the decreased allocation of funds to NIC ought not affect its mandate and targets. Realistic assessments may be made and adequate funds may be obtained at RE stage or through Supplementary Demands for Grants to meet additional requirements.

5. The Committee reiterate their earlier recommendation that Ministry should look into the possibility of creating a separate IT cadre under it for effective supervision and implementation of the Schemes and also to augment skilled IT professionals who can develop and manage ICT projects and support Digital initiatives of the Government. Taking note of the fact that NIC not only provide ICT infrastructure to Central and State Governments but it also explore and advise on use of Emerging Technologies, the Committee are of considered view that the funds and work allocated to NIC under IndiaAI Mission should be given the utmost priority to achieve the set targets. To achieve its mandate, the Committee feel that NIC should have adequate funds to support emerging technologies and sufficient

human resources to strengthen our cyber system so as to ward off cyber security threats. The Committee, therefore, suggest that the funds allocated to NIC may be reviewed periodically and additional need of fund, if any, taken up timely with the Ministry of Finance so that IndiaAI Mission under its ambit becomes a successful Mission.

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

6. STQC supports quality assurance of small and medium scale Electronics Industries. Under STQC Directorate 4 Electronics Regional Test Laboratories (ERTLs) and 11 Electronic Test and Development Centres and one Centre for Reliability (CFR) are functioning pan India. The Committee observe that the funds allocated to STQC has come down from Rs. 175.00 crore in 2024-25 to Rs. 170.00 crore in FY 2025-26. The Committee have been informed by the Ministry that Rs. 4.5 Crore was allocated under Building and Structures Head to STQC. Letter of Authorization was issued to CPWD for executing renovation works of Lab/Centres namely ETDC, Hyderabad, ERTL (East), ETDC, Solan, ETDC, Agartala, ERTL(South) and ERTL(North). The Ministry has stated that under ICT Head, from the allocation of Rs. 7.0 crore for the current FY, administrative approval for implementation of Lab Automation Process has been obtained from Competent Authority for an amount of Rs. 3.0 crore and work order has been issued to Implementing Agency i.e. CDAC, NOIDA. Phase I roll out is expected in July, 2025. Similarly, construction of STQC building in NOIDA is expected to be completed by February, 2026. In addition to this, procurement of Application, Security Testing Tool for an amount of Rs.1.4 crore and Source Code Analysis tool for an amount of Rs.1.6 crore is also in progress. The Committee observe that STQC plays a crucial role in supporting Ministry of Electronics & Information Technology's initiatives in the key areas like e-Government, e-Industry, e-Innovation / R&D, e-Learning, e-Security, e-Inclusion, Internet Governance through Quality & Security evaluations of IT systems and other projects of national importance. In view of this, the Committee also like the Ministry to update about the status of work of STQC Building in different parts of the country. Further, the status of procurement of Application, Security Testing and Source Code Analysis tool may also be furnished. The Committee would also like to suggest the Ministry to approach the

Ministry of Finance for additional funds, if any required, for completion of these important projects timely and money should not be a constraint for the same.

7. The Committee observe that the major impediment being faced by STQC is shortfall in the Human Resources due to retirements. Approximately 102 vacant Group "B" positions have been identified for recruitment through NIELIT up to 31.12.2025. Further, the majority of Test/Calibration facilities as well as the IT Test Tools are not available in "Make in India" Scheme and for this STQC has been consolidating a list of Test/Calibration facilities and IT tools for getting "Make in India" exemption from the competent authority. At the outset, the Committee would like to know why the staff requirement due to retirements was not factored into earlier as it has become one of the persistent problems for the functioning of STQC. The Committee would like to be apprised whether the vacant 102 Group 'B' posts and Group 'A' posts became vacant in December, 2025 and how STQC intends to achieve the set targets without adequate human resources. The Committee, therefore, desire that the matter may be continuously followed up with NIELIT for recruitments.

8. The Committee were given to understand that the Ministry, with NASSCOM, NIELIT and other institutions like AICTE, is working across the country on 11 major technologies, which include setting up of AI Labs and also big data analytics. The Committee are of considered view that the Ministry should provide adequate handholding to NIELIT in the matter of adequate Budgetary Support to fulfil their mandate so that proper training could be imparted to the experts, engineers, scientists, technicians and other organisations/institutions engaged in AI development, who would be undertaking the projects under IndiaAI Mission. Having noted the fact that NIELIT provide training in Capacity Building and Skill Development in the areas of IECT and courses at Degree/Diploma Levels as well as Skilling Courses and its presence over 50+ locations across the country, the Committee desire the Ministry to provide adequate infrastructure, manpower and the funds to them so that demands for trained human resources to be deployed in IndiaAI Mission be met both qualitatively and quantitatively so that they would be able to contribute economically and efficiently.

NATIONAL KNOWLEDGE NETWORK (NKN)

9. The Committee understand that in FY 2025-26, NKN has been allocated merely Rs. 0.25 crore which is abysmally low in comparison with the allocation of Rs. 240.26 crore in FY 2024-25. Though, the Ministry had proposed estimated outlay of Rs. 665.16 crore in FY 2025-26 allocation has been only to the tune of Rs. 0.25 crore. MeitY has submitted that NKN has been subsumed under the Digital India Programme and it would allocate funds from the savings under any of the seven Digital India Programme components and is taking up requirement of funds to the tune of Rs. 665.16 crore for NKN through First Supplementary Demand for Grants in FY 2025-26. The Committee note that NKN fulfils the needs of the Government network [National Government Network (NGN)], and the Research & Education Network (REN). NKN carries the digital-traffic of National/State Data Centres (NDCs/SDCs), State-Wide Area Networks (SWANs) and provides connectivity to various Digital India initiatives, and carry digital-traffic of various G2G (Government to Government) and G2C (Government to Citizen) services, District Connectivity, etc. The Committee were apprised that the overall financial outlay for NKN project now stands enhanced to Rs. 7188 crore and Department of Expenditure suggested MeitY may use the savings under any of the seven Digital India Programme components to make funds available up to Rs. 665.16 crore for NKN up to 31.03.2026. The Committee were further informed that the Integrated Finance Division, MeitY is taking up the requirement of funds to the tune of Rs. 665.16 crore for NKN through first Supplementary Demand during FY 2025-26. The Committee would like to know what kind of savings and extra funds would be allocated to NKN in order to ensure smooth and efficient continuity of the project. The Committee suggest that the Ministry should review all the components of Digital India Programme thoroughly so that the scope of savings from these components is met and those savings could be judiciously utilized for NKN. The Committee desire the Ministry to take up First Supplementary Demand with the Ministry of Finance in right earnest as NKN inter-connects all knowledge institutions across the country through high-speed data communications network to encourage sharing of resources and collaborative research; and India cannot wait to grab the opportunity to be a Digital Hub due to paucity of funds.

CYBER SECURITY PROJECTS (NCCC & OTHERS)

10. The Ministry informed the Committee that in FY 2024-25 funds amounting Rs. 759.00 crore was allocated under NCCC projects in BE 2024-25, which has been revised at RE Stage to Rs. 322.00 crore. The Ministry further stated that reduction of Rs. 437.00 crore in allocation at RE stage was due to the delay in implementation of project on Collection, Storage and Analysis of Traffic Flows (1:1) data from Internet Service Provider (ISP) Gateways. Among the major impediments faced in this project, the Ministry stated that due to dependency on facilitating site readiness by remote organisations, integration of meta-data sites with NCCC has been delayed. Respective organisations are being pursued to provide support to the project team for completion of integration. The Ministry further informed the Committee that hiring of System Integrator (SI) for Information Communication Technology (ICT) infrastructure, and Multiprotocol Label Switching/ Internet Leased Line (MPLS/ILL) service provider under National Cyber Coordination Centre (NCCC) Phase-III – Request for Proposals (RFPs) are under process and completion of NCCC Phase-II for integration of remote sites – Datacentre and Disaster Recovery centers are operationalized and integration of remote sites targetted to be completed by March 2025. The Committee are given to understand that the implementation of NCCC project is closely monitored at senior levels in CERT-In and MeitY. Work for meeting the targets has been assigned to Project Execution Agency which is working in close coordination with CERT-In team. The Committee recommend that the Ministry may explore the feasibility of taking help of the emerging technologies like AI and successful systems in the world to provide solutions for timely readiness of sites by remote organisations and take concrete steps, after assessing the reasons of delay in integration of meta-data sites with NCCC, to timely reach the goal. The Committee may be apprised of the updated status of hiring of System Integrator (SI) for Information Communication Technology (ICT) infrastructure, and Multiprotocol Label Switching/ Internet Leased Line (MPLS/ILL) service provider under NCCC Phase-III and the completion of NCCC Phase-II as the target is set to be achieved by March, 2025. The Committee may be enlightened about recent measures taken by Project Execution Agencies so that deadlines in each of the project under this scheme are met and inordinate delays are plugged.

MODIFIED PROGRAMME FOR DEVELOPMENT OF SEMICONDUCTORS AND DISPLAY MANUFACTURING ECOSYSTEM IN INDIA

11. The Committee note that there has been a reduction of funds at BE stage to the tune of Rs. 1000.00 crore *vis-à-vis* the amount proposed for the Modified Programme for Development of Semiconductors and Display Manufacturing Ecosystem in India and this reduction is almost equal to BE for Promotion of Electronics & IT Hardware mfg. (MSIPS, EDF and Manufacturing Clusters) scheme and R&D in IT/Electronics/CCBT scheme. The Committee are given to understand that as per the Cabinet approval of the projects under the Programme, the companies have to furnish the necessary documents to India Semiconductor Mission before signing of Fiscal Support Agreement (FSA), and disbursement of funds. The Ministry further stated that these are complex projects requiring intensive planning for pilot and project sites and most of the approved companies are in various stages of implementation, including obtaining various statutory clearances. However, they have not yet claimed the funds so far from India Semiconductor Mission (ISM) and ISM is regularly monitoring the progress of the approved projects and providing necessary support in this regard. The Committee were enlightened that during FY 2025-26, it is targeted that investments to the tune of Rs. 13,000 crore will be made by the 05 approved companies under different schemes of the Modified Programme for Development of Semiconductors and Display Manufacturing Ecosystem in India. Under the DLI scheme, 20 companies are expected to support for design and development of semiconductor IP Cores. The Committee understand that Semiconductor and Display manufacturing is a complex as well as technology driven initiatives which require intensive R&D and demands huge capital investments along with high risk, long gestation and payback periods, and need for absorption of rapid changes in technology. The Committee note that the programme for Development of Semiconductors and Display Manufacturing Ecosystem in India has further been modified in view of the aggressive incentives offered by countries already having established semiconductor ecosystem and limited number of companies owning the advanced node technologies. Further, the modified programme aims to provide financial support to companies investing in semiconductors, display manufacturing and design ecosystem. The Committee, in view of the submissions of the Ministry, recommend that they should ensure adequate funds for such programmes which will pave the way for India's growing presence in the global

electronics value chains. The Committee may be apprised of the progress of the approved projects under ISM and also about the investment to be done by 05 approved companies under different schemes of the Modified Programme for Development of Semiconductors and Display Manufacturing Ecosystem in India and 20 companies under the DLI scheme supporting for design and development of semiconductor IP Cores.

IndiaAI Mission

12. The Committee note that "IndiaAI Mission" aims to propel innovation and build domestic capacities to ensure the tech sovereignty of India. It aims to create highly skilled employment opportunities to harness the demographic dividend of the Country. IndiaAI Mission will help India demonstrate to the world how this transformative technology can be used for social good and enhance its global competitiveness. Observing the gaps between Central and State Governments with respect to functioning in Digital Governance and AI Mission, the Committee sought to know whether the Ministry had any plan under IndiaAI Mission to proactively engage with State Governments for a unified approach and coherence towards achieving targets in Digital Governance and Artificial Intelligence.

While making their submissions, the Ministry stated that given the critical role that AI will play in shaping the future, the Government of India launched the IndiaAI Mission, a comprehensive national-level program with an outlay of over INR 10,371 crore to democratize and catalyze the AI innovation ecosystem in the country. The IndiaAI Mission will be implemented through seven key pillars:- i) IndiaAI Compute Capacity; ii) IndiaAI Innovation Centre; iii) IndiaAI Datasets Platform; iv) IndiaAI Application Development Initiative; v) IndiaAI FutureSkills; vi) IndiaAI Startup Financing; and viii) Safe & Trusted AI.

The Committee were given to understand the risks and challenges in the implementation of AI i.e. issues of anomaly & fraud detection, security case selection, TDS applications, enhancing AI in Data Analytics and Risk Assessment, Optimizing AI and ML for seamless user interactions and expanding accessibility with a Multilingual interface, increasing correlation due to widespread use of similar AI models leading to financial stability risks, lack of interpretability of AI models and data quality concerns; issues of Data privacy, cyber security, spread of disinformation in the Financial Sector; and growing third-party dependencies and market concentration, skill gaps and requirement of huge amount of power for

setting up of AI data centres in the field of New and Renewable Energy. In view of the above, the Committee recommend that AI Safety Institute's (AISI's) five safety projects such as real-time deep fake detection, AI-generated content water-marking, ethical AI frameworks and red teaming AI models should be adopted without any further delay. The Committee also suggest that projects like machine unlearning, synthetic data generation for bias mitigation, AI bias mitigation in healthcare systems and AI algorithm audition tools should be developed as early as possible in consultation with all the stakeholders so that India can enrich each sector with aplomb options which will put India at the forefront in use of AI technology for the welfare of humanity. Further, the Committee opine that young talents of premier institutions across the Country may be roped in for exchange of technological know-how and for effective and coordinated outcomes. The Committee may be apprised of the developments in this project.

New Delhi;
18 March, 2025
27 Phalguna, 1946 (Saka)

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

APPENDIX I

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

MINUTES OF THE THIRTEENTH SITTING OF THE COMMITTEE

The Committee sat on Friday, the 14th February, 2025 from 1100 hours to 1300 hours in Committee Room No. '1', Parliament House Annexe Extension Building, New Delhi.

PRESENT

Dr. Nishikant Dubey - Chairperson

MEMBERS

Lok Sabha

2. Shri Anil Baluni
3. Shri Anup sanjay Dhotre
4. Shri Devesh Shakya

Rajya Sabha

5. Smt. Priyanka Chaturvedi
6. Shri Amar Pal Maurya
7. Dr. Sasmit Patra
8. Shri S. Niranjan Reddy
9. Shri Lahar Singh Siroya
10. Shri K. T. S. Tulsi

Secretariat

1.	Smt. A. Jyothirmayi	-	Director
2.	Shri Amrish Kumar	-	Deputy Secretary

LIST OF WITNESSES

MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY (MeitY)

Sl. No.	Name	Designation
1.	Shri S Krishnan	Secretary, MeitY
2.	Shri Bhuvnesh Kumar	Additional Secretary, MeitY& CEO, UIDAI
3.	Shri Abhishek Singh	Additional Secretary, MeitY
4.	Shri Rajesh Singh	Joint Secretary & Financial Adviser, MeitY
5.	Shri Sushil Pal	Joint Secretary, MeitY
6.	Shri Sanket S Bhondve	Joint Secretary, MeitY
7.	Shri Krishan Kumar Singh	Joint Secretary, MeitY
8.	Smt. Sunita Verma	Scientist 'G' & Group Coordinator, MeitY
9.	Ms. Tulika Pandey	Scientist 'G' & Group Coordinator, MeitY
10.	Shri Sakesh Prasad Singh	Chief Controller of Accounts
11.	Dr. Sanjay Bahl	DG, Cert-In
12.	Shri Manoj Kumar Mishra	DDG & AFA, NIC

(After the witnesses were called in)

2. At the outset, the Chairperson welcomed the representatives of the Ministry of Electronics and Information and Technology (MeitY) and other officials accompanying them to the Sitting of the Committee convened to have the Oral Evidence of the representatives of the Ministry on 'Demands for Grants (2025-26)'.

3. The Chairperson, highlighted the budget reflecting the Government's commitment towards leveraging digital technologies for governance, industry, cyber security, research and economic growth. Highlighting the vision of the Ministry as e-development of India acting as the engine for transition into a developed nation, the Chairperson stressed upon promoting e-governance for empowering citizens and for promoting the inclusive and sustainable growth of Electronics, IT & ITES industries. He urged upon the Ministry to strive for enhancement of India's role in Internet Governance, adopting a multipronged approach that includes development of human resources, promoting R&D and innovation, increasing efficiency through digital services, ensuring a secure cyber space, developing AI Infrastructure, promoting manufacturing of semiconductors/electronics hardware and increasing India's digital capabilities.

Commenting upon the Funds allocated to the Ministry for the Financial Year 2025-26 under Demand No. 27 and their proposed utilization, the Chairperson desired to know about the action plan to carry out the large volume of business allocated to it with comparatively less increase in allotment of funds as the Financial Year-wise allocation percentage indicated that there was a reduction in the increase of allocation of fund for 2025-26 in comparison with the last five years. He also sought clarifications on the action plan of the Ministry to make our country self-reliant in the production of semiconductors, ethical AI deployment for societal benefit with the latest achievements of the country in this field especially the Ministry's efforts in making rules on criminalizing AI child abuse tools. He further made his observations on some of the challenges faced by the Ministry like ensuring equitable digital access across urban and rural areas having about 140 crore people in a country where digital arrests and online financial frauds are rampant and suggested the Ministry to ensure robust cyber security measures as well as creating awareness among the masses.

4. Subsequently, the representatives of Ministry of Electronics and Information Technology (MeitY), made a power point presentation which gave an overview of the Budget Allocation for the Financial Year 2025-26 which *inter-alia* included (i) Main objectives and Organizational Structure of the Ministry; (ii) Programmes and Schemes of the Ministry i.e. IndiaAI Mission, Digital India Bhashini, Promotion of Electronics Manufacturing, Production Linked Incentive Schemes in Electronics, Cyber Security Projects, Capacity Building & Skill Development Scheme; (iii) Steps taken by the Ministry for strengthening and promoting Technology Startups; (iv) R&D in IT, Electronics and CC&BT (including TIDE 2.0, TDIL & Emerging Technologies); (v) Initiatives taken by the Ministry for Ease of Living through Digital Public Service Delivery; (vi) Year-wise Growth of BE, RE and Actual Expenditure since 2022-23 and comparative allocation of all schemes & non-schemes of the Ministry; and (vii) Steps taken by the Ministry towards Electronic Governance, National Knowledge Network, Promotion of Electronics & IT Hardware Manufacturing (MSIPS, EDF & Manufacturing Clusters), Promotion of IT / ITeS and Promotion of Digital Transactions.

5. Thereafter, Members sought clarifications on various issues which, *inter-alia,* included (i) Status of achievements made by the Ministry in Software and Semi-conductors *vis-a-vis* funds allocated; (ii) Status of unspent balances of the last Financial Year 2024-25 which will end in March, 2025; (iii) Reasons for reduction of fund allocated to National Knowledge Network Scheme and Bhaskar Acharya National Institute of

Space Applications; (iv) Funds allocation for the discovery of Lithium in Kashmir; (v) Gap between Central and State Governments approach and priorities regarding Digital Governance; (vi) Status of Information Technology Agreement 2.0 (ITA 2.0); and (vii) Protection of Indian Citizen's data online.

6. The Members also raised queries relating to Process of fund allocation and selection of candidates under 'Future Skills' Programme, Production of Indigenous Mobile phones in India, IndiaAI Mission and its roadmap for AI development, semiconductor/electronics hardware manufacturing progress, pending UCs and unspent balances under various schemes.

7. The representatives of the Ministry (MeitY) responded to most of the queries raised by the Members. The Chairperson, then, directed that written replies to points on which information were not readily available may be furnished to the Committee within ten days.

8. Thereafter, the Chairperson thanked the representatives of (MeitY) for deposing before the Committee.

The witnesses then withdrew.

A copy of verbatim record of the proceedings was kept on record.

The Committee, then, adjourned.

APPENDIX II

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

MINUTES OF THE SIXTEENTH SITTING OF THE COMMITTEE

The Committee sat on Tuesday, the 18th March, 2025 from 1700 hours to 1755 hours in Committee Room No. 'D', Parliament House Annexe, New Delhi.

PRESENT

DR. NISHIKANT DUBEY- Chairperson

MEMBERS

Lok Sabha

2. Shri C.N. Annadurai
3. Dr. Rabindra Narayan Behera
4. Shri Anup Sanjay Dhotre
5. Shri Sanjay Haribhau Jadhav
6. Shri S. Supongmeren Jamir
7. Shri Appalanaidu Kalisetti
8. Smt. Poonamben Hematbhai Maadam
9. Shri Shafi Parambil
10. Dr. M.K. Vishnu Prasad
11. Ms. Kangna Ranaut
12. Shri Ramasahayam Raghuram Reddy
13. Shri Rajesh Verma

Rajya Sabha

14. Smt. Priyanka Chaturvedi
15. Dr. Sasmit Patra
16. Shri V. Vijayendra Prasad
17. Shri S. Niranjan Reddy
18. Shri Lahar Singh Siroya

SECRETARIAT

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

2. At the outset, the Chairperson welcomed the Members to the Sitting of the Committee convened to consider and adopt four draft Reports on Demands for Grants (2025-26) relating to the Ministries/Departments under the jurisdiction of the Committee.

3. The Committee, then, took up the following four draft Reports for consideration and adoption:-

(i) XXXXXX……..XXXXXXX……XXXXXXX…….XXXXXX……..XXXXX

(ii) Draft Report on Demand for Grants (2025-26) relating to the Ministry of Electronics and Information Technology.

(iii) XXXXXX……..XXXXXXX……XXXXXXX…….XXXXXX……..XXXXX

(iv) XXXXXX……..XXXXXXX……XXXXXXX…….XXXXXX……..XXXXX

4. The Committee adopted the Reports without modifications.

5. The Committee authorized the Chairperson to finalize the draft Reports and present the same to the House during the current Session of Parliament.

The Committee, then, adjourned.

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XXXXX – MATTER NOT RELATED TO THE REPORT.