

**Title:** Statement regarding Y2K problem in computers and computer based systems and readiness of the country.

MR. CHAIRMAN: Now, Shri Pramod Mahajan to make Statement.

14.14 1/2 hours

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF INFORMATION TECHNOLOGY (SHRI PRAMOD MAHAJAN): Sir, the Y2K (Year 2000) problem has been receiving the attention of the Government during the years 1998 and 1999. This problem is associated with computer and computer based systems and results from an industry-wide practice of representing the years with only two digits instead of four (for example, specifying 96 instead of 1996). This practice was widespread from 1960 to 1980, to save disc and memory space when these resources were relatively expensive.

When used, these two digits representation can cause the system to interpret the Year 2000 as 1900 and years 2001 and 2002 as 1901 and 1902 respectively. The miscalculation could create serious problems in those date sensitive applications such as reservation systems, ticketing, banking operation and insurance. The Y2K problem is all pervasive for it affects the hardware, software, communications subsystems and all digital systems having embedded system.

The Government has sensitized all the concerned Ministries/Departments, agencies and organisations in public and private sector about Y2K problem and the need for remedial measures necessary for achieving Y2K readiness. The awareness campaign includes advertisement in newspapers, magazines, television, radio and direct mailers highlighting the impact of Y2K. A facilitation desk and website has been created to disseminate the information about Y2K problem.

An important incentive granted by the Government was provision to provide for deduction in computing the profits and gains of business or profession, of any expenditure incurred, wholly and exclusively to make the existing computer systems Y2K compliant for the year, 1999-2000. The Government also permitted the various Ministries, Departments and agencies to spend up to three per cent of their budget for Y2K preparedness. The Government further mandated that all companies must declare their status of Y2K preparedness in their quarterly and annual reports.

The Committee of Secretaries has also been reviewing the status of Y2K readiness of eleven critical sectors, namely, banking and finance, insurance, telecommunications, power, civil aviation, railways, petroleum and natural gas, ports, space, atomic energy and defence. The overall assessment is that a high degree of Y2K readiness has been achieved by these sectors and third party audit has also been carried out. The contingency plan is also in place. Two of the priority sectors, namely, civil aviation and power have been reviewed by foreign consultants through International Civil Aviation Organisation and World Bank. These experts have completed the audit and their draft report certified the Y2K readiness of these two sectors at par with international standard.

The Government of India had set up a high level Action Force on managing the impact of Y2K problem in India with representatives from Government, industry associations, banks and financial institutions, railways, defence services, utility and other public service organisations as members. The Action Force in October, 1999 submitted its Report which was widely disseminated. The Action Force has also been closely monitoring the progress of Y2K readiness in all the sectors at the national level.

The State Governments also have an important role to play at this critical stage of Y2K readiness process because many of the sectors involving a direct interface with the public are in the purview of State Governments. The Prime Minister has addressed letters to Chief Ministers of all the States and Union Territories advising them of the importance of Y2K readiness and to initiate necessary remedial action.

The Ministry of Information Technology is setting up a National Control Room at the headquarter of National Informatics Centre at New Delhi. They will closely coordinate and work with the sectoral control rooms of the various Ministries of the Government of India and will operate from 28th December, 1999 to 3rd January, 2000. All the State Governments have also been requested to set up Control Rooms in State capitals and district headquarters to provide information and technical support.

I want to reassure all the hon. Members of this august House that the Government has spared no effort to ensure the Y2K readiness of all the sectors so that the public is not put to inconvenience on account of this manmade problem. We are watching the situation closely and all the concerned sectors are continuously monitoring, checking and rechecking their state of preparedness so that the roll over to the New Millennium is smooth.

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