

## Information and Technology Department

### 3.7 Information technology review of e-readiness of Government of Jammu and Kashmir

#### Highlights

- **Lack of Planning in setting up and assigning the role to Information Technology Unit (ITU) and Department of Information Technology (DIT) resulted in non-achievement of intended benefits.**  
(Paragraph: 3.7.6)
- **Delay in implementation of SKIMS project of computerisation of working of Secretariat resulted in unfruitful expenditure of Rs. 5.67 crore.**  
(Paragraph: 3.7.7)
- **Under utilisation of Community Information Centres (CICs) resulted in non-achievement of intended benefits.**  
(Paragraph: 3.7.8)
- **Failure to implement State Wide Area Network (SWAN) project resulted in unfruitful expenditure of Rs. 21.26 lakh.**  
(Paragraph: 3.7.9)
- **Non-utilisation of funds received from GOI for National e-governance plan (NeGP) resulted in locking and surrender of funds to the tune of Rs. 13.84 crore.**  
(Paragraph: 3.7.10)

#### 3.7.1 Introduction

Government of Jammu and Kashmir took various e-Governance initiatives in the State during the last decade with the objective of using Information Technology (IT) in the process of Government functioning and to bring about simple, moral, accountable, responsive and transparent governance to its citizens.

An Information Technology Unit (ITU) was created in 1998 which was subsequently replaced by the Department of Information Technology (DIT) in 2002. The main objective of the ITU and DIT was to provide consultative and guiding role for various e-governance projects of the State Government and to implement the e-governance projects sponsored by GOI. Information Technology policy of the Government of Jammu and Kashmir was formulated in January 2004 which inter-alia laid the Policy Mission on e-governance.

The e-governance initiatives undertaken by the State included those initiated at the Secretariat level by the DIT and those initiated at the individual departmental level.

### **3.7.2 Audit Objectives**

The audit of computerisation initiatives of the DIT was taken up with the objective of assessing;

- The efficacy of the Government's IT planning.
- Whether DIT had been effective in formulating policies and rendering consultative and guiding services to e-governance projects of the State.

### **3.7.3 Audit Criteria**

- IT Policy of the State Government.
- Circulars issued and mandate documents prescribed by the Government.
- Instructions of the GOI on implementation of e-governance schemes.

### **3.7.4 Audit methodology**

The IT policies and control structure were examined with reference to the following:-

- Scrutiny of IT policy adopted by the Government.
- Discussions with Management at all levels.
- Analysis of the databases and study of the IT systems.

### **3.7.5 Scope of Audit**

The IT audit conducted between February and June 2007 covered the IT environment in the Department of Information Technology. The review was issued to the Government in August 2007 and the findings were also discussed with the Principal Secretary to the Government, Department of Information Technology in August 2007. The replies furnished by the Department and results of discussions have been incorporated in the review.

## **Audit Findings**

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### **3.7.6 Lack of planning in setting up of DIT**

The Government envisaged (1994) computerisation of various activities and created (May 1998) an Information Technology Unit (ITU) under State Information department. The unit was subsequently brought (2000) under the control of General Administrative Department (GAD) and finally replaced (December 2002) by the Department of Information Technology (DIT). The main objectives of the ITU/DIT, *inter-alia* included formulation of Long and Short Term Policy for introduction of Information Technology in the State and providing consultation and assistance to the State Government Departments in matters relating to computerisation.

Audit scrutiny revealed (February 2007) that the DIT had not formulated any short or long term structured IT plan fulfilling the Government's mission. The ITU, created after four years of conception of the e-governance initiative, remained without identification of any roles and responsibilities for about two

years (1998-2000). Similarly the DIT after replacing the ITU in 2002, did not have a Directorate (September 2007) with the result, the role assigned could not be fulfilled so far as setting standards for Operating Systems, Application software as well as hardware, setting up of data centre, laying down frame work of personnel policy in IT, formulating an IT Security Policy and to carve out a broad frame for IT requirements of the State Government is concerned. Due to lackadaisical approach, the pace of implementation of IT initiatives has been tardy with no visible change in the IT scenario of the State, despite the DIT having been in existence for almost a decade (September 2007).

On this being pointed out in audit, the Department (August 2007) stated that the process is slow and that efforts like creation of Directorate, staffing, improvement in connectivity, etc. are in progress. The reply is not tenable as the DIT has not been serious about fulfillment of its role which has a cascading effect on the overall pace of computerisation in the state.

### **3.7.7 Unplanned implementation of IT within Secretariat**

As part of government effort to introduce e-governance in the State of J&K, Government approved (April 2002) implementation of e-governance programme in the Secretariat. The project objectives included enhancement in efficiency, bringing about transparency, improvement of turnaround of files and monitoring of Secretariat functioning. For this the Department acquired a software solution SKIMS Triple Plus<sup>1</sup> developed by M/S Tata Consultancy Services (TCS). The key features of the application included electronic work flow,<sup>2</sup> document/knowledge management system and monitoring system. The Department entered (May 2002) into an agreement with TCS for implementation of the project by 31<sup>st</sup> August 2002 at a cost of Rupees three crore. The agreement provided for installation and configuration of software on 'as is' basis, post configuration support up to 28 February 2003, training of staff and a Gap Analysis for customization of the software in tune with requirements of the J&K Civil Secretariat.

Audit observed (April 2007), that the software package (SKIMS Triple Plus) had been developed by the TCS for the State of Andhra Pradesh and the DIT had accepted the product on an "as is" basis without first ensuring its customization as per the requirements of the State. The agreement with TCS provided for only the Gap analysis of the software and the customization part was kept out of purview of the agreement. The product in 'as is' form did not cater to all the requirements of the State, as out of 430 applications only 274 were applicable to J&K and the remaining applications were specific to the Government of Andhra Pradesh. Of the 274 applications, only 18 were identified to be implemented 'as it is' and the balance required customization which was pending (June 2007). Out of 18 applications which could have been implemented at Srinagar and Jammu, attendance module was the only application put live. However, audit scrutiny revealed (April 2007) that the application had been used by only 25 employees

<sup>1</sup> Secretariat Knowledge Information and Management System (SKIMS)

<sup>2</sup> Movement of files through computer

out of 308 employees populated in the master table against a total of over 2000 employees in the Secretariat. The GAP analysis report submitted by TCS in October 2002 identified further specific applications which were required to be developed as part of customization of the product which had not been done (June 2007). The Department had been availing post configuration support of TCS from 2002-03 and despite incurring an amount of Rs. 2.67 crore as effort charges (paid to TCS from 2002-03 to March 2007), the project continues to be un-implemented (September 2007). Thus, the procurement of software without actually ensuring its applicability indicated lack of planning and *ad hoc* approach in initiating project of such a magnitude.

Further, while formats and other technical guidelines had been communicated in March 2002, for digitisation of old records, Audit observed (March 2007), that the Department had started the digitization process belatedly (May 2004), without carrying out any feasibility study about the technical specifications, volume of work to be digitized and fixing of time frame, with the result digitization continued to be incomplete (September 2007).

On this being pointed out in audit, the Department stated (July 2007) that in view of the similarity in Government functioning, the software developed for Government of Andhra Pradesh was adopted instead of getting a fresh software developed from the market and the software was configured at both the places i.e. Jammu and Srinagar Secretariat. The Department, further stated (September 2007), that change management is a slow process, re-engineering of old processes was taking a lot of time and project has to be driven by champions at different departments and DIT can at best do hand holding. The reply is not convincing as the delay in implementation of the project had been primarily due to procurement of un-customized software, non-availability of the requisite infrastructure and unplanned project implementation.

Thus, lack of planning in procurement of software, delay in creation of infrastructure and unplanned digitization of old records resulted in non fulfillment of the objective of initiating computerisation within the Secretariat. This rendered an expenditure of Rs. 5.67 crore<sup>3</sup> unfruitful besides idling of hardware and supporting software worth Rs. 7.69 crore for last six years.

### **3.7.8 Setting up of Community Information Centres**

The GOI launched (February 2002) a pilot project for setting up of Community Information Centres (CICs) at block level in the State of J&K. The objectives of the project included creation of IT awareness by providing internet access and connectivity at block level, providing IT trainings, facilitating public related services and dissemination of information on plan initiatives, state/national programmes through e-centric web based applications. A Memorandum of Understanding (MOU) was signed (March 2004) between the GOI and the Government of Jammu and Kashmir, for establishment of 139 CICs (subsequently reduced to 135) which became operational by October 2005. The content for the web based application had to be provided by the State Government

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<sup>3</sup> Cost of Application Software: Rs. 3.00 crore and Payment to TCS for effort charges: Rs. 2.67 crore

and NIC was responsible for preparation of necessary software based on the requirements identified in the Content Development Plan. The control and management of these centres had to be transferred to State Government after expiry of 5 years from the date of commissioning.

Audit scrutiny of 17 test checked CICs<sup>4</sup> revealed (April/May 2007) that the objectives of setting up of these CICs had not been fully achieved due to non-implementation of the activities identified in the MOU signed with GOI. One of the major activities to be given thrust was to implement citizen centric e-governance application. The State had prepared a Content Development Plan (CDP) and identified about 20 citizen centric services (*Appendix 3.7.1*) on which information had to be made available to local populace at block level through these centres. However, except for information on *Haj* pilgrims and data on Below Poverty Line population in two<sup>5</sup> of the visited CICs, none of the CICs had implemented any of the application identified in the CDP (June 2007). The Department failed to facilitate integrated information collection and dissemination for Content Development Plan even after five years reducing these centres to cyber cafes. This also resulted in non-achievement of identified objective of Government to Citizen interface and consequent failure of the DIT to perform its assigned role.

Thus, non-implementation of activities actually required to be undertaken had led to under utilisation of the resources (Hardware worth Rs. 5.04 crore) of these CICs apart from denying the people of the State an interface with the Government policies/schemes.

The Department in reply admitted (September 2007) that objective of setting up of the CICs has not been fully achieved. It further stated that a high level meeting was organised and departments were asked to give contents of the development schemes of GOI and other information to the IT Department. It also stated that steps were being taken to create a nodal agency to facilitate information dissemination.

### **3.7.9 Establishment of Jammu & Kashmir Wide Area Network (JKSWAN)**

The Department envisaged (March 2000) establishing a State wide network (JKSWAN) that would serve as a physical telecommunication infrastructure for e-governance and further catalyze economic development in the State of Jammu and Kashmir.

A perusal of records, however, revealed (March 2007) that ITU had appointed (March 2000) M/S Telecompetence (India) Pvt. Ltd., New Delhi as consultant for undertaking feasibility study for creation of State Wide Area Network (SWAN) for e-governance. The Department paid (March 2000) an amount of Rs. 21.26 lakh as consultancy fee and the agency submitted its report in

<sup>4</sup> Akhnoor, Bishnah, Breng-Kokernag, Budgam, Ganderbal, Kakpora-Pulwama, Khour, Marh, Narbal, Pampore, Phallian-Satwari, Purmandal, R.S Pura, Samba, Srinagar, Udhampur and Vijaypur

<sup>5</sup> CIC Breng (Kokernag) and Ganderbal

June 2000. The Department, however, had not taken any follow up action on the report.

Non follow up of feasibility report even after seven years resulted into unfruitful expenditure of Rs. 21.26 lakh besides delay in establishment of SWAN and consequently, affecting the e-governance initiative of the Government.

In reply the Department agreed that the feasibility report was not followed up and the expenditure had been rendered unfruitful.

### **3.7.10 Non-utilisation of funds received from GOI**

The GOI under a national level initiative of National e-Governance Plan (NeGAP) identified (2004) computerization of Central subjects like Passport, Income Tax and ten other Projects within the domain of State Government. The Central Assistance provided under this scheme was explicitly meant for capacity building (in terms of people, processes and tools/system/technology) through which business process re-engineering; financial viability and change management aspects of e-governance project were to be provided thrust during conceptualization and development phase. A central assistance of Rs. 13.84 crore<sup>6</sup> was received by the Department during the period 2004-2007. Under the programme the State Government had to designate a nodal agency for operationalisation of the capacity building initiatives by 31<sup>st</sup> March 2005 and release the entire payments in favour of the agency so as to enable it to carry out the programme in a phased manner.

Audit Scrutiny revealed (March 2007) that, the Department had not designated any nodal agency for implementation of the programme. The Department had engaged (June 2005) M/S Wipro Limited as consultants for preparation of a Road Map and Detailed Project Report (DPR) for development of e-governance in the State at a cost of Rs. 11.19 lakh. The firm submitted its report in February 2006. Despite receipt of DPR, the Department did not set targets for capacity building vis-à-vis identified capacity gaps (June 2007). The Department had thus, spent an amount of Rs. 13.74 lakh only out of the released funds till March 2007. Unspent Central Assistance amounting to Rs. 1.53 crore was kept in Civil Deposit with Jammu and Kashmir Energy Development Agency (JAKEDA), which continues to be so as of September 2007. Further, the Central Assistance of Rs. 12.17 crore received during 2005-07 was surrendered by the Department (March 2006 and March 2007).

Failure of the Department to fulfill its mandated role and designate a nodal agency for implementation of the project resulted into blocking of Central funds to the tune of Rs. 1.53 crore and surrender of Rs. 12.17 crore of the Central Assistance, thereby depriving the society of the benefits of scheme.

The Department admitted the audit contention by stating that no agency could be identified for undertaking the project and in order to avoid lapse of funds, Rs. 1.53 crore was kept in Civil Deposit with the concurrence of the Finance

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<sup>6</sup> 2004-05: Rs. 1.67 crore; 2005-06: Rs. 5.92 crore and 2006-07: Rs. 6.25 crore

Department and Rs. 12.17 crore allocated during 2005-07 could also not be utilised.

### 3.7.11 Conclusion

Though the State had initiated the e-governance process well in time, the implementation has been less than satisfactory due to lack of a planned approach in completion of the conceived projects and programmes. The initiatives taken at the Secretariat level were marred by *ad hocism* due to non-structured approach and lack of procedures and policies. Though there were no constraints of funds for this purpose, the actual implementation has been slow. The implementation of centrally funded projects/programmes too had been slow with the result the intended benefits could not reach the target populace.

Efforts for realising policy mission on e-Governance laid down in the IT policy of the State for encouraging e-tourism, e-health and e-commerce in the state are yet to be initiated. There is a lot to be done in terms of achieving e-governance in all its forms, viz. G-G, G-C & G-B (Government-to-Government, Government-to-Citizen and Government-to-Business)

### 3.7.12 Recommendations

- There is an urgent need of alignment of the IT policy of State Government with National e-Governance Programme (NeGP) by Department of Information and Technology (GOI) and prioritize State Mission Mode Projects (SMMP)<sup>7</sup>.
- An Information Technology Steering Committee having representatives from the DIT and User Departments should be formed for better coordination and implementation of the projects.
- Full time skilled resource needs for monitoring and management of e-Governance initiative need to be addressed immediately both at State and departmental levels. Available work force should be trained immediately for smooth running of SKIMS in Civil Secretariat and other applications in Departments to avoid continued dependence on software providers.
- An urgent consolidation of various IT related activities including staffing and trainings to derive a meaningful and healthy State Information Management System should be taken up.

<sup>7</sup> Agriculture, Commercial Taxes, Employment Exchanges, Gram Panchayats, Land Records, Municipalities, Police, Property Registration, Road Transport and Treasuries