The Common Services Center Scheme

A Public Private Partnership
Part of the National e-Governance Plan under Bharat Nirman

National e-Governance Plan envisages a three pillar model:

- State Data Centres       \textit{Back-end}
- State Wide Area Networks \textit{Delivery Channel}
- Common Services Centres  \textit{Front-end}

Budgetary allocation of over Rs.27,000 crores for enabling e-Governance Services to the doorstep of rural citizens

100,000 Common Services Centres to be rolled out by 2008-09

IL&FS as Program Management Agency to facilitate the rollout in a PPP format
About the Scheme

- 100,000 Common Services Centers in Rural India - 10,000 in Urban India

- One CSC to service a cluster of 6 villages – 6,00,000 villages networked

- CSCs enabled with appropriate IT Infrastructure and Connectivity

- Scheme to be implemented in a PPP Framework

- Focus on Rural Entrepreneurship & Market Mechanisms

- Focus on Private Sector services for quick sustainability

- CSCs to be positioned as the retail extension outlets in rural India

- No Capital Subsidy but Guaranteed Revenue Support from State/Centre
Building the Rural Hubs

• The task is to integrate the commercial goals of private sector with the larger development goals of the State as well as Nation

• Hence, the Scheme is being deliberately positioned as a multi-dimensional initiative:
  – Not just e-governance; Not just information; Not just digital services…
  – But all that and more based on the Community needs

• The Scheme is not about rolling out IT Kiosks but building 100,000 rural businesses
  – linking rural India to a basket of information, goods and services through end-to-end demonstrable models
The CSC Structure

- DIT
  - National Level Service Agency (NLSA)
- State Government
- Private Sector
- Existing Distribution Channel
  - B2B Services
  - G2C Services
- Service Center Agency (Franchisee)
- Village Level Entrepreneur / CSC
  - B2C Services
- Rural Households
The Department of Information Technology, GoI

• The Initiator and catalyst

• Provide Policy & Regulatory Support

• Coalesce Central and State support for the CSC Scheme

• Undertake necessary approvals at the Central and State level for smooth implementation of the Scheme

• Provide necessary support for delivering e-Governance Services

• Facilitate infrastructure Support through SWANS, SDCs

• Provide the Minimum Guarantee Revenue Support
The State Designated Agency (SDA)

- Policy & Regulatory Support at State Level
- Facilitate integration of the existing ICT enabled government schemes into the CSC
- Selection of SCAs through a competitive bidding process
- Provide local infrastructure support – SWAN, SDC, Land, Space, Power etc.
- Coordinate with State Government Departments for enabling eGovernance Services and Content
- Facilitate coordination and follow-up at District/Block/Panchayat level
- Coordination with Industry Associations and Service Providers
- Support Capacity Building efforts
Role of the NLSA

- Programme Management Support at National Level
- Creation of a sustainable Business Model
- Formulating a CSC Roadmap for implementation
- Developing a transparent procurement and monitoring process
- Coalesce partnerships & Assist State Governments in selecting the Service Centre Agencies (SCAs)
- Facilitate to mobilize resources from various sources as need felt at the State Level
- Develop Training & Capacity Building Plans
- Knowledge Exchange, Integration of Best Practices
Role of the Service Center Agency (SCA)

- Owner of the CSC business
- Set-up the CSCs in a phased manner with the requisite hardware and software
- Select CSC locations – to balance equitable spread with sustainability
- Maintain and manage the CSCs through locally selected and trained kiosk operators after properly identifying entrepreneurs
- Promote the use of the CSCs in the rural areas through the state-level and local promotion campaigns
- Interface with the State Government and other stakeholders
- Introduction of new services from time to time including aspects like service charges, collection and remittance, quality of service parameters, protocols
The Village Level Entrepreneur (VLE)

- Required Skills
  - Proximity to customer & understanding of consumer needs
  - Trusted by consumer
  - Willingness and ability to learn computers and products
  - Initiative to tap local revenue generation potential

- Provided by the following
  - Resident of kiosk village
  - Part investment by kiosk owner
  - Educated
  - Support from NLSA with training, content development, linking with other potential service providers
CSC: A Shared Retail Extension Outlet

- Dedicated Sales Support
- Focused Market
- Trained Entrepreneurs
- Organized Market Cluster of 5 villages
- World-class IT Infrastructure
- IT-enabled Extension
- Bouquet of content and services
- High Footfalls
- CSC
- Centers to be Managed by Professional Agencies
- Ease of Monitoring
- Branding & Publicity Support
- Financial Support
- Ensures Sustainability
- Generate Demand
- Private / Public Sector
The CSC Infrastructure

- 100 – 150 sq. ft space
- 2 PCs with UPS
- 2 Printers (Inkjet + Dot matrix)
- Digital/Web Camera
- Wired/Wireless Connectivity (as per availability)
- Genset/Inverter, Mobile Phone, Furniture and Fixtures
- OS and other software

Total Estimated Cost per CSC:
INR 1.25 – 1.50 lacs (excl. land and building)
The Services – Government to Citizen

- Government Services - Government to Citizen (G2C)
  - Land Records
  - Birth/Death Certificates
  - Grievances
  - Form downloads and submissions
  - Bill payments – water, electricity, telecom, etc.
  - Licenses, permits, subsidies
  - Property Tax and Registration
  - Bus pass, Railway tickets, Passport, etc.
The Services – Business to Consumer & Business to Business

• Business to Consumer Services - B2C
  – IT services (Printing, Scanning, DTP, web surfing, etc.)
  – Agri-business services (consulting, testing, information, Input Sales procurement, etc.)
  – Banking and Financial Services (Loans, Deposits, Micro-finance, etc.)
  – Telecom Services (PCO, Post-paid/pre-paid connections, mobile phone sales)
  – Commercial Services (Matrimonial, Astrology, Bio-data, etc.)
  – Retail Sales & Referrals (FMCG, Consumer Goods, Durables, Vehicles, etc.)
  – Education Services (IT Training, English Speaking, etc.)
  – Health (Tele-medicine, OTC medicines, etc.)
  – eCommerce (Online shopping, Trading, etc.)

• Business to Business – B2B/G2B
  – Market Research
  – Rural BPO Services (Data Collection, Data Digitalization, etc.)
  – Advertising, Branding and Promotions
The CSC Model for Rural Empowerment

Increased Income Pie

- Existing Income
- Save Costs
- Build Incomes

Structured Spending Options

<table>
<thead>
<tr>
<th>Agri-Services</th>
<th>Education</th>
<th>Entertainment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banking</td>
<td>Utilities</td>
<td>Health</td>
</tr>
<tr>
<td>Retail Services</td>
<td>Commercial Services</td>
<td>Others</td>
</tr>
</tbody>
</table>
CSCs would be the platform for fundamental transformation of the ways in which development challenges would be met in rural India.
Delivering G2C Services through CSCs

Experts praise Haryana’s progress in e-Governance

EXPRESS NEWS SERVICE
CHANDIGARH, JUNE 14

HARYANA is in the top bracket in the country in the implementation of State Wide Area Network (SWAN), CSC’s e-Disha Ekal Sewa Kendras and State Data Centre and will be ready to launch the National e-Governance Plan (NeGP) by March 2008, said R Chandershekhar, Additional Secretary in the Central government’s Department of Information Technology.

Addressing a conference on e-Governance organised here by the Secretariat for Information Technology, Haryana, Chandra shekhar lauded the fact that Haryana was far ahead in the implementation of SWAN and CSC in the country. FCPS, IT, P K Chaudhery said that Haryana was of the firm view that IT should be utilised to usher in an era of e-Governance aimed at simplifying procedures and bringing in transparency.
Education at CSCs

SHG Women being trained

Basic Computer Education to School children

E-learning for Rural Youth

School Children at CSCs
A step towards making Haryana 100% literate

“BADSA” – First Model e-village in Haryana

- Total: 560 households
- 1 member from each family are in the process of being made literate
- Rs.360/- per household (Gram Panchayat contribution: Rs.200/- + HH contribution Rs.160/-)
- 8 more Grampanchayats have agreed to replicate the same in their respective villages
Retail Sales at CSCs

Equipment Hire

Prepaid Card Sales

Mobile Sales

Retail Offers
Extending Telecom Services through CSCs

- An agreement between the SCA in West Bengal and BSNL for extending the following services through the CSCs
  - Landline Bill Collection
  - Mobile Bill Collection
  - Sale of BSNL Telecom Products

- An agreement has also been executed with NICT in Madhya Pradesh on similar lines to extend services in Indore and Ujjain
Building Livelihoods through the CSCs
Disbursing loans through the CSCs
Delivering Insurance through CSCs

<table>
<thead>
<tr>
<th>Name of Insured</th>
<th>Date of Birth</th>
<th>Amount Insured</th>
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<tbody>
<tr>
<td>Yogesh Dongre</td>
<td>25/12/1980</td>
<td>10000</td>
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</table>

Tips for maximum benefit:
- You will receive a detailed policy statement.
- You can access your policy details online.
- You will be informed about any claim settlement.
- You can contact the CSC for any assistance.

Note: This policy is subject to the terms and conditions of the insurance policy issued by the insurer. The insurer reserves the right to modify the policy terms and conditions without prior notice.
Health Camps at CSCs
Telemedicine at CSCs
Agri Input Sales through CSCs

Net Revenue of Rs.21461/- in the last 3 Months

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<tr>
<th>Brand</th>
<th>Qty Sold in kg</th>
<th>Margin Per Kg</th>
<th>Net Earnings</th>
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<tr>
<td>Advanta 801</td>
<td>45</td>
<td>20</td>
<td>900</td>
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<tr>
<td>Advanta 832</td>
<td>112</td>
<td>20</td>
<td>2240</td>
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<tr>
<td>Pioneer PHB 71</td>
<td>260</td>
<td>15</td>
<td>3900</td>
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<tr>
<td>Dhanya 748</td>
<td>100</td>
<td>20</td>
<td>2000</td>
</tr>
<tr>
<td>Dhanya 775</td>
<td>81</td>
<td>20</td>
<td>1620</td>
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<tr>
<td>Arise 6444</td>
<td>150</td>
<td>10</td>
<td>1500</td>
</tr>
<tr>
<td>Suraj</td>
<td>72</td>
<td>10</td>
<td>720</td>
</tr>
<tr>
<td>Chandini</td>
<td>72</td>
<td>10</td>
<td>720</td>
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<tr>
<td>Pan 507 (desi variety)</td>
<td>120</td>
<td>1.6666667</td>
<td>200</td>
</tr>
<tr>
<td>Sufala (desi variety)</td>
<td>120</td>
<td>1.6666667</td>
<td>200</td>
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<tr>
<td>Pravash</td>
<td>84</td>
<td>11.25</td>
<td>945</td>
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<tr>
<td>Pawan</td>
<td>100</td>
<td>10</td>
<td>1000</td>
</tr>
<tr>
<td>Prakash</td>
<td>208</td>
<td>12</td>
<td>2496</td>
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<tr>
<td>Rajan</td>
<td>85</td>
<td>12</td>
<td>1020</td>
</tr>
<tr>
<td>Anand (Jharkhand agro)</td>
<td>125</td>
<td>10</td>
<td>1250</td>
</tr>
<tr>
<td>Anuj</td>
<td>45</td>
<td>10</td>
<td>450</td>
</tr>
<tr>
<td>Virat</td>
<td>30</td>
<td>10</td>
<td>300</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1809</strong></td>
<td><strong>203.5833</strong></td>
<td><strong>21461</strong></td>
</tr>
</tbody>
</table>
Agri Procurement: The Traditional Chain Vs The Desired Chain

1. Multiple intermediaries.
2. High level of wastage – improper bagging without crating.
3. Lack of transparency – market price, demand, availability, consumer preference.
4. Poor infrastructure – storage, packaging, transportation.
5. Poor market linkage.

Intermediaries take 75% of MRP

Total Saving – 50%
{shared b/w farmer, retailer & consumer}

25% 15% 15% 10% 10% 25% 100%
Agri Procurement at CSCs
Procurement of Grapes through Katewadi, Baramati
Current Status of CSC Rollout

- Punjab, Lakshadweep: 113,000+
- Kerala, Karnataka: 8178 - 111349
- J&K, Mizoram, Puducherry, Arunchal Pradesh: 1489 - 103171
- Andhra Pradesh (1 zone), Rajasthan (3 zones): 3424 - 101682
- Haryana, West Bengal, Jharkhand, Bihar, Tripura, Gujarat, MP, Assam, UP, Sikkim, Uttarakhand, Orissa, Tamil Nadu, Meghalaya, Manipur, Maharashtra, HP, Chhattisgarh, Nagaland: 98258

Note: Delhi, Chandigarh, Goa, Andaman as of now are not inclined to implement the CSC scheme of GOI.
## SCAs Selected

<table>
<thead>
<tr>
<th>S.No</th>
<th>SCA</th>
<th>Total No of CSCs</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>SREI Infrastructure Finance Ltd and Wipro Limited</td>
<td>24780</td>
</tr>
<tr>
<td>2</td>
<td>CMS Computers Ltd.</td>
<td>22316</td>
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<tr>
<td>3</td>
<td>Ji Infotech Ltd</td>
<td>11519</td>
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<tr>
<td>4</td>
<td>Reliance Communications Limited</td>
<td>9359</td>
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<tr>
<td>5</td>
<td>Zoom Developers [P] Ltd</td>
<td>11577</td>
</tr>
<tr>
<td>6</td>
<td>Comat Technologies</td>
<td>5684</td>
</tr>
<tr>
<td>7</td>
<td>United Telecom and Orion eServices [P] Ltd</td>
<td>2943</td>
</tr>
<tr>
<td>8</td>
<td>AISECT</td>
<td>4403</td>
</tr>
<tr>
<td>9</td>
<td>NICT</td>
<td>2158</td>
</tr>
<tr>
<td>10</td>
<td>SPANCO TeleSystems and Solutions Limited</td>
<td>3164</td>
</tr>
<tr>
<td>11</td>
<td>TERA SOFTWARE LIMITED and G &amp; G</td>
<td>2070</td>
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<tr>
<td>12</td>
<td>SARK Systems nLimited</td>
<td>1959</td>
</tr>
<tr>
<td>13</td>
<td>J &amp; K bank</td>
<td>1109</td>
</tr>
<tr>
<td>14</td>
<td>BHARAT ELECTRONICS LIMITED and RADIANT INFO SYSTEMS</td>
<td>852</td>
</tr>
<tr>
<td>15</td>
<td>TIMES</td>
<td>852</td>
</tr>
<tr>
<td>16</td>
<td>Alternative for India Development</td>
<td>600</td>
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<tr>
<td>17</td>
<td>BASIX</td>
<td>225</td>
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<tr>
<td></td>
<td><strong>Total No of CSCs</strong></td>
<td><strong>105770</strong></td>
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</tbody>
</table>
### Current Status of CSC Rolled out

<table>
<thead>
<tr>
<th>State</th>
<th>No. of CSCs</th>
<th>CSCs Rolled Out</th>
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</thead>
<tbody>
<tr>
<td>1. Haryana</td>
<td>1159</td>
<td>1159</td>
</tr>
<tr>
<td>2. Jharkhand</td>
<td>4562</td>
<td>4562</td>
</tr>
<tr>
<td>3. Sikkim</td>
<td>45</td>
<td>45</td>
</tr>
<tr>
<td>4. Gujarat</td>
<td>6000</td>
<td>5894</td>
</tr>
<tr>
<td>5. Tripura</td>
<td>145</td>
<td>132</td>
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<tr>
<td>6. Bihar</td>
<td>8463</td>
<td>4309</td>
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<tr>
<td>7. West Bengal</td>
<td>6797</td>
<td>2696</td>
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<tr>
<td>8. MP</td>
<td>9232</td>
<td>3169</td>
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<tr>
<td>9. Tamil Nadu</td>
<td>5440</td>
<td>1614</td>
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<tr>
<td>10. Assam</td>
<td>4375</td>
<td>1016</td>
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<tr>
<td>11. Meghalaya</td>
<td>225</td>
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<tr>
<td>12. UP</td>
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<td>3466</td>
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<td>13. Chhattisgarh</td>
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<td>14. Orissa</td>
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<td>15. Uttarakhand</td>
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<td>16. Manipur</td>
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<tr>
<td>17. Andhra Pradesh</td>
<td>4,687</td>
<td>55</td>
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<tr>
<td>18. Maharashtra</td>
<td>7285</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>91,470</strong></td>
<td><strong>29,148</strong></td>
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</table>
Thank you

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