

Brief Note on Common Service Centre (CSC) 2.0 Scheme

Common Service Centre (CSC) is one of the Mission Mode Projects under Digital India programme. Initially the CSC Scheme was approved by the Government of India in September 2006 under NeGP. The scheme aimed for the establishment of one lakhs ICT enabled front-end service delivery outlets, equitably spread across rural India in the ratio of one CSC per six villages, thereby covering all six lakhs villages. CSCs were envisaged as internet enabled centres allowing access of government, private and social services to citizen. Under Digital India programme, it is now planned to establishment of at least 2.5 lakhs CSCs covering all Gram Panchayats of the country over a period of four years, which includes strengthening and integrating the existing one lakh CSCs and making operational an additional 1.5 lakhs CSCs at Gram Panchayat (preferably at GP premises). It is envisaged as a service/transaction oriented model with a large bouquet of services made available at the CSCs for delivering to the citizens. A brochure on CSCs is enclosed **Annex-D** indicating the bouquet of services they are providing.

2. CSCs are providing a broad portfolio of services at local level such as Aadhaar enrolment/updation, financial inclusion, utility payments, education services, health services, skill development and e-commerce services etc. It may be noted that CSC 2.0 is based on an entrepreneurship model, with no viability gap funding from Govt. of India. Every CSC is run by a Village Level Entrepreneur (VLE) who is expected to bear the entire capital and operational expenditure involved in making the CSC operational and deliver various services to citizens as per the direction of the State/UT Administration. As per available data from DeitY, there are 1.44 lakhs CSCs across the country out of which about 1 lakh CSCs are in rural areas (under administrative areas of Panchayats) and it is envisaged to position at least one self-sustaining CSC in every Gram Panchayat under CSC 2.0, the guidelines of which have recently been issued by DeitY and may be seen at **Annex-B**. The guidelines also mention the roles and responsibilities of all the stakeholders.

3. To facilitate the successful implementation of the CSC Scheme, a Special Purpose Vehicle (SPV) named “CSC e-Governance Services India Ltd” (CSC-SPV) had been incorporated under the Companies Act 1956, under the administrative control of DeitY. It may be noted that CSC 2.0 is entirely based on an entrepreneurship model, with no viability gap funding from Govt. of India for the CSCs. A local Village Level Entrepreneur (VLE) is expected to bear the entire capital and operational expenditure involved in making the CSC operational and deliver various services to citizens as per the direction of the State/UT Administration. Hence State/UT administration are expected to define their own implementation mechanism, in coordination with CSC-SPV (the implementing agency), State IT dept. and the District e-Governance Society (DeGS). Support from any third party may also be taken for the operationalization of the CSCs, under appropriate Government control.

3. The CSCs are also imparting training to citizens on basic IT literacy under the National Digital Literacy Mission. More than 30,000 CSCs are already providing these trainings. It is understood that in many places, the CSCs are also co-located in Gram Panchayat premises or are situated in close proximity to the Panchayat premises. Thus, the CSCs can be used to continuously impart trainings to Elected Representatives and Panchayat Functionaries at Panchayat level. The States may also consider leveraging the computing infrastructure and technical skillset of the CSC/VLE for various IT-related activities. The arrangements of this partnership can be worked out at State level.
